



SPRING 2017

LANDOWNER *Update*

FOR LANDOWNERS AND OCCUPANTS ON EXISTING TRANS MOUNTAIN PIPELINE



Your questions answered: Pipeline abandonment

The term *abandonment* applies to a situation when a pipeline owner decides to permanently stop operating a pipeline system. At this time, we do not anticipate terminating operation of our Trans Mountain Pipeline system, however, as the owners of significant infrastructure, we need to plan for our pipeline's end of practical life.

We have been sharing information about pipeline abandonment with landowners along our pipeline system over the past several years. In 2016, we conducted a survey about our pipeline abandonment communications and collected your feedback. We thank those who took the time to complete the survey and provide comments. As a follow up we are providing further information in response to the most frequently asked questions posed in the survey results.

Q: When will the pipeline be abandoned?

With ongoing maintenance, application of the latest technology, and sound operating practices, our pipeline system can continue to operate for many years in to the future. Given the current market demand for energy products, we do not anticipate abandoning our pipeline system in the foreseeable future.

Q: How will the pipeline abandonment process work?

Pipeline abandonment is a regulated process. For our Trans Mountain

Pipeline system, approval will be required from the National Energy Board (NEB).

Before pipeline abandonment can take place, we will develop an abandonment plan and apply to the NEB for approval. If approved, our pipeline system may be removed completely, partially, or abandoned in place in its current location depending upon the details of the plan.

Q: What is the consultation process prior to abandonment?

The abandonment plan will be developed in consultation with people and groups who will be impacted by the pipeline abandonment activities. Among many other requirements, we will have to demonstrate to the NEB that we will abandon our pipeline system in a way that protects the public and the environment. The NEB may also hold public hearings prior to making a decision on the application.

Q: What will happen to the easement?

There are a number of factors that will require us to retain our easement rights at the time of pipeline abandonment including access to the pipeline right-of-way for monitoring and other activities associated with pipeline abandonment. These factors will be taken into account during the consultation process and development of the abandonment plan.



Survey says...

56% recall receiving information previously about the pipeline abandonment process and funding

38% recall receiving pipeline abandonment information at least once a year (25% recall receiving information on occasion)

72% consider themselves at least somewhat knowledgeable about pipeline abandonment

73% of respondents who recall receiving information on pipeline abandonment have read most or all of the information provided

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Trans Mountain Expansion Project: Update to landowners

It's been a year of milestones for the Trans Mountain Expansion Project (the Project). After filing the Facilities Application with the National Energy Board (NEB) in 2013 and **undergoing the most comprehensive regulatory review of a pipeline project in Canadian history**, we received approval from the NEB subject to 157 conditions in May 2016. The Project also reached another significant milestone, **receiving approval from the Government of Canada on November 29, 2016**, and the Certificate of Public Convenience and Necessity (CPCN) on December 1, 2016.

In January 2017, the **British Columbia Environmental Assessment Office awarded the Project its certificate of approval** with an additional 37 conditions to be met and are complimentary to the conditions set by the NEB. **The Government of British Columbia also granted its approval of the Project at this time, citing its five conditions had been met**, which included completion of an environmental review process, world-leading marine and land oil spill prevention and response, Aboriginal engagement and participation in the Project, and economic benefits for BC.

As a result of these achievements, we will continue **fulfilling our commitment to the environment, to local and Aboriginal workers, and will commit between \$25 and \$50 million per year to the Government of British Columbia** over 20 years of expanded operations.

As we continue with planning, permitting, engagement and design for the pipeline expansion, the next major Project milestone includes filing a Plan, Profile and Book of Reference (PPBoR) for each of the seven pipeline construction spreads between Sherwood Park, AB, and Burnaby, BC. The PPBoR can be described as a detailed map book outlining the exact proposed route of the twinned pipeline. It contains aerial and profile drawings of the pipeline, identifies the lands and corresponding landowners it will be passing through and shows the dimensions of the right-of-way.

Our land agents will be planning to distribute and explain the contents of the PPBoR to each landowner. If affected landowners have reason to oppose the route they are able file an objection with the NEB, which may lead to a routing hearing.

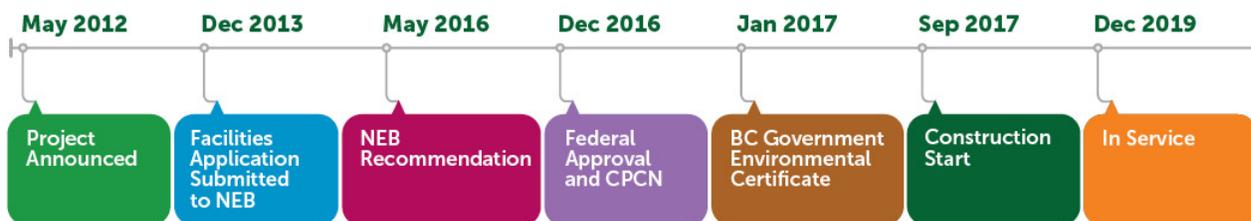
We have listened to landowners and neighbours in communities through which the expanded pipeline will operate and has made adjustments to incorporate feedback where appropriate. **Routing modifications, increased pipeline thickness in urban areas and at river crossings, and more isolation valves are just some of the changes made to the Project as a result of feedback received throughout our extensive engagement process.**

After the PPBoR filings the next achievement will be breaking ground on the Project, with construction set to begin in September 2017. There will be approximately two years of construction throughout the pipeline route and facilities, and the twinned system is anticipated to be in-service in late 2019. We are looking forward to these exciting new phases of the Expansion Project and continuing to build lasting working relationships with our landowners.

For more information on the Project, visit transmountain.com.

Key Milestones of Interest

CONSTRUCTION BEGINS IN SEPTEMBER 2017,
WITH AN IN-SERVICE DATE IN LATE 2019



During this timeframe our focus included: routing refinement, detailed engineering and construction planning, workforce planning, enhancing existing emergency management plans, stakeholder engagement and communications.

Pipeline abandonment

Your questions - continued from page 1

Q: What is the purpose of the Pipeline Reclamation Trust?

The Trans Mountain Pipeline Reclamation Trust was established in 2015 to hold funds required for any costs associated with future pipeline abandonment activities, including initial abandonment activities, post-abandonment monitoring and remediation. Contributions to the Trust are collected from a pipeline reclamation surcharge we charge to our pipeline shippers.

Trans Mountain Pipeline ULC is the beneficiary of the Trust, however, we can only access the funds from the Trust for pipeline abandonment purposes with NEB approval.

Financial information for the Trust can be found on our Pipeline Abandonment webpage (see 'Helpful resources' below).

Helpful resources - pipeline abandonment

Kinder Morgan Canada:
kindermorgan.com/pages/pipelinesafety/pipeline_abandonment

National Energy Board:
neb-one.gc.ca/prtcptn/pplnbndnmnt-eng.html

For additional questions on pipeline abandonment, contact landowners@kindermorgan.com.



Seeking landowner input: Emergency Management Program

The safety of landowners and the general public is of critical importance to us. We address safety through a number of our company policies and standards, including our robust Emergency Management Program (EMP).

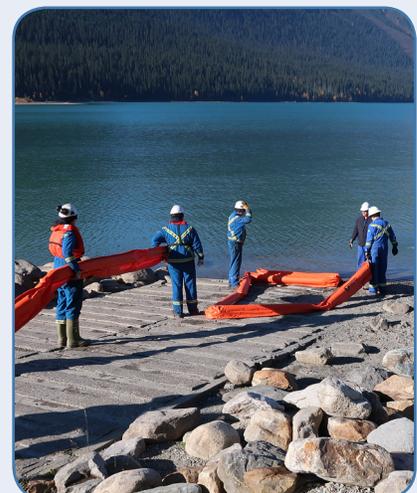
The EMP is a comprehensive set of plans and procedures designed to support our commitment to the safety of the public, our personnel, and the environment. The EMP was initially developed for the existing Trans Mountain Pipeline and its associated infrastructure; currently, it is being reviewed, enhanced, and upgraded as part of the Trans Mountain Expansion Project.

We would like to hear from landowners to ensure your input and local knowledge is carefully considered and incorporated into the enhanced EMP. We welcome your valuable input on topics such as the best access to rivers or creeks and unique local environmental conditions along our right-of-way.

Your input is important to the development of our plans, including Geographic Response Plans that describe natural and cultural resources and specific, detailed information relevant for incident response within a defined geographic area. Your local knowledge can help to improve the ability to respond in the event of an emergency.

For more information about our EMP, visit transmountain.com/emergency-response.

To provide input in to the EMP, please contact Emergency_Management@kindermorgan.com.



Ground disturbance activities and permits - what landowners need to know

Ground disturbance includes any work operation or activity, either below or at ground level, that disturbs or displaces the existing soil or ground cover.



Examples of ground disturbance includes, but is not limited to:

- Excavating, digging or trenching
- Drilling, tunneling or auguring
- Blasting
- Topsoil stripping and soil deposition
- Land clearing, leveling or planting
- Pile driving
- Post pounding

We issue approvals for ground disturbance, installations and related activities under two types of Permits:

1. 30 Metre (100 Foot) Ground Disturbance Safety Permit

This permit is required prior to any ground disturbance activity within 30 metres (100 feet) from the centre of the pipeline.

Realtor, political and property development signage are examples of items that require this type of permit.

2. Proximity (Crossing) Permit

This permit is an additional requirement prior to ground disturbance activity within the pipeline right-of-way, or within 7.5 metres (25 feet) where the pipeline is within a road allowance.

Additional examples of activities that require this type of permit includes but is not limited to:

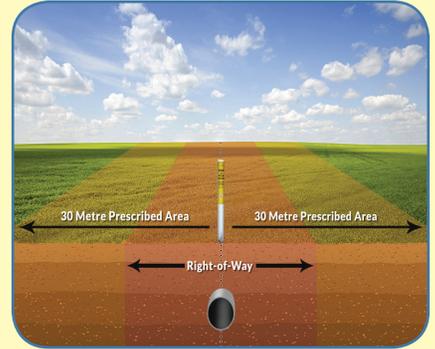
- New roads, driveways, trails or ditches
- Fences, posts and bollards
- Underground utility installations, abandonments and removals
- Plowing to a depth greater than 300 millimetres (12 inches)
- Vehicle or mobile equipment crossings outside of established roadways

For more information on permits or to download a permit application, please visit kindermorgan.com/pipelinesafety.



What is a pipeline 'prescribed area'?

A pipeline 'prescribed area' extends 30 metres from the centre of our pipeline (see diagram below). Any ground disturbance activity within the prescribed area will require a permit from us.



Call or Click Before You Dig

BC One Call: 1.800.474.6886

Alberta One-Call: 1.800.242.3447

clickbeforeyoudig.com

**Click
Before
YouDig.com**

In Washington State: dial 811

callbeforeyoudig.org



Contact us

We welcome and encourage your feedback about our Landowner Update newsletter:

Toll-free: 1.866.268.3001

Email: landowners@kindermorgan.com

Website: kindermorgan.com/pipelinesafety

Twitter: @KM_Canada

If you have any questions about our proposed Trans Mountain Expansion Project, please contact:

Toll-free: 1.866.514.6700

Email: info@transmountain.com

Website: transmountain.com

Twitter: @TransMtn