ALASKA
PipelineProject

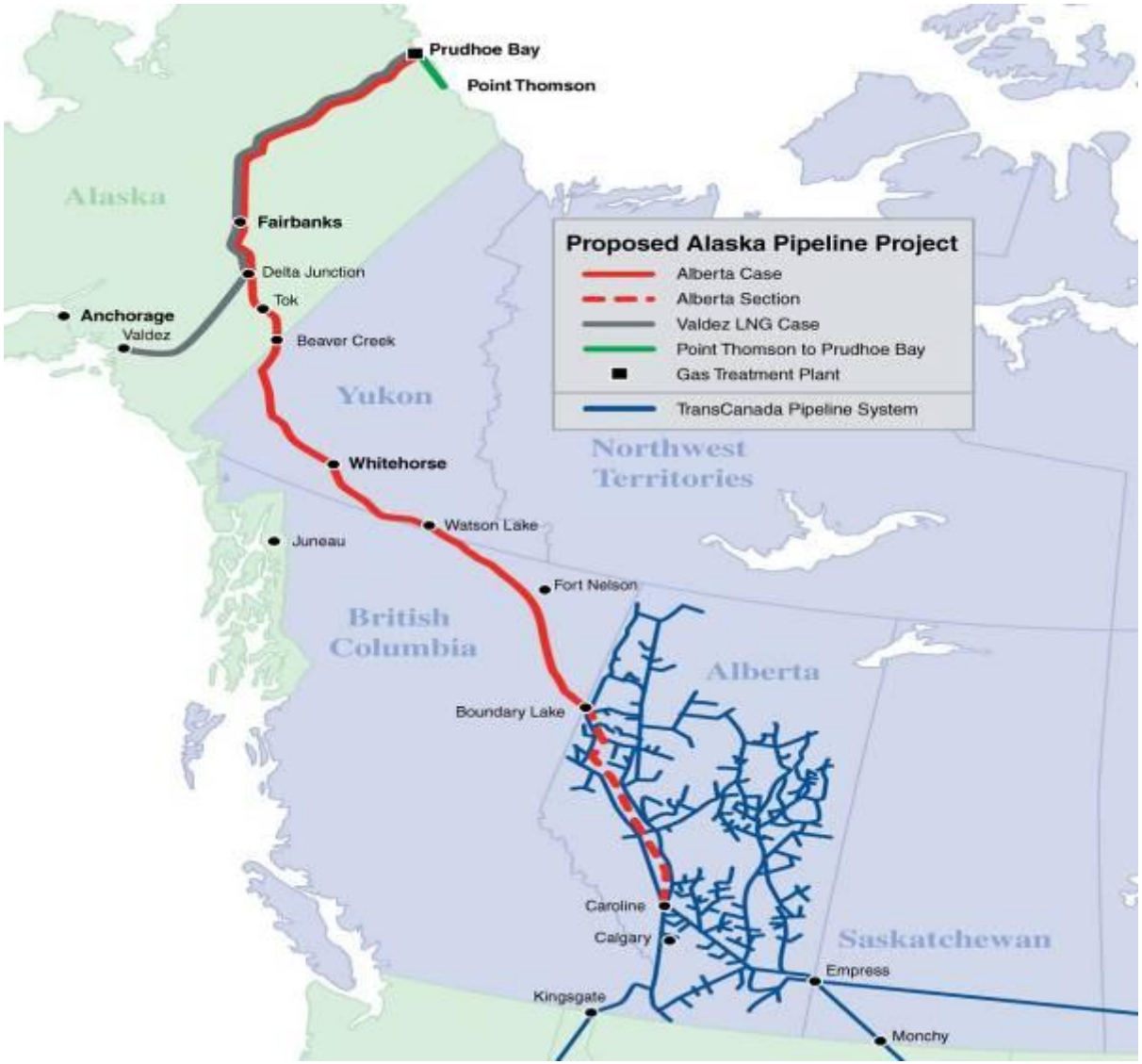
Project Update

Winter-Spring 2011 Community Meetings

March/April, 2011

TransCanada ExxonMobil

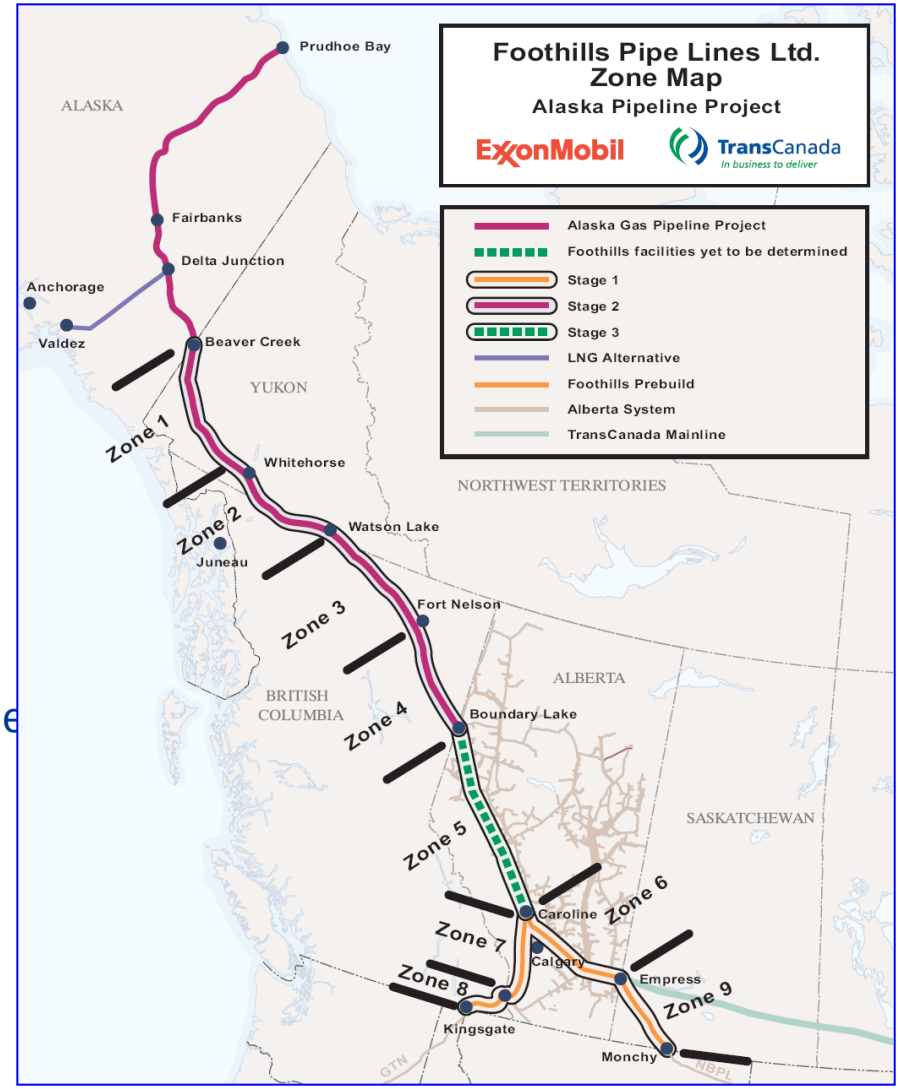
Alaska Pipeline Project



ALASKA
PipelineProject

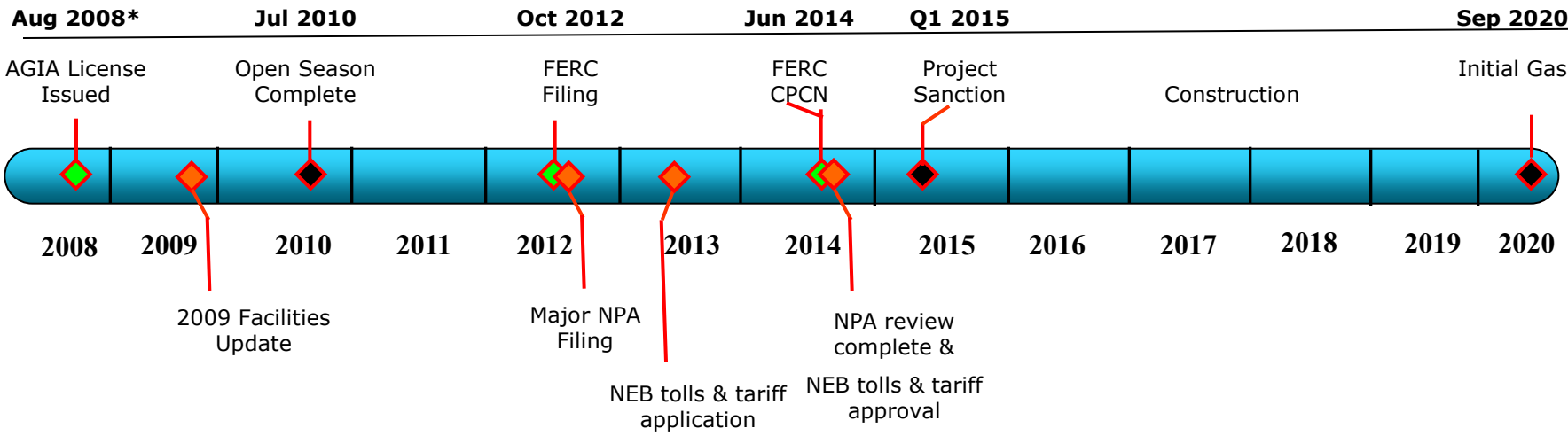
The Alaska Pipeline Project in Canada

- **Construction of 1550 km of NPS 48 inch pipeline and facilties**
  - 830 km in Yukon, 720 km in British Columbia
  - Routing will be consistent with the route identified under the *Northern Pipeline Act*
- **11 compressor stations initially**
  - 6 in Yukon (1 station has 2 units)
  - 5 in BC
- **Other permanent facilities**
  - 1 or more metering stations; 1 or more Operations and Maintenance Centers; Storage Yards
- **Temporary Facilities**
  - Material Staging Yards; Access Roads; Construction Camps
  - Miscellaneous (bridges, etc.)



ALASKA PipelineProject

Project Schedule



Common project activities

Alaska-specific activities

Canada-specific activities

* AGIA license assumed to be issued in August 2008 – actual date December 5, 2008

ALASKA PipelineProject

Northern Pipeline Act

- Late 1970's: 200+ days of Competitive NEB Hearing resulted in NEB decision in 1977 to approve Foothills project
- 1977: *Agreement Between Canada and the United States of America on Principles Applicable to a Northern Natural Gas Pipeline*
- Environmental and socio-economic assessment and review under the Federal Environmental Assessment and Review Order
  - Final EARP Report concluded that the proposed pipeline could be constructed and operated in an environmentally acceptable manner
  - The panel acknowledged that implementation / mitigation measures would be required for construction

ALASKA
PipelineProject

Northern Pipeline Act (cont'd)

- 1977-1978: Enactment of the *Northern Pipeline Act*
  - Certificates of Public Convenience and Necessity were issued for all Canadian sections of the APP (Yukon, Alberta, BC, Sask.)
  - The environmental and socio-economic impacts of the APP would be acceptable with appropriate mitigation
- 1978: Creation of Northern Pipeline Agency to oversee the planning and construction by Foothills Pipe Lines Ltd. (Foothills) of the Canadian portion of the Alaska Natural Gas Transportation System (ANGTS), a pipeline project intended to transport Alaskan and northern Canadian gas to markets in southern Canada and the Lower 48 States.
- 1981-1982: Construction of the Pre-Build through southern British Columbia, Alberta and Saskatchewan
- Late 1990's: expansions along the Pre-Build facilities under *Northern Pipeline Act*

Northern Pipeline Act:
Socio-economic and Environmental Approach

- Issues-focused approach to developing the required post-certificate regulatory submissions.
- Previously identified issues - sourced from various reports from regulatory bodies prepared during the initial review of the Foothills project
- Issues update – current understanding of the issue
- Available information – studies carried out previously for Foothills; information collected by others (resource managers, regulatory agencies, etc)
- Current work plan - the planned approach to address these issues for eventual submission of compliance filings with the Northern Pipeline Agency commencing in the fall of 2012.
- NPA compliance filings to include:
  - environmental protection plan (including monitoring programs, reclamation plan, caribou protection plan),
  - socio-economic issues management plan;
  - and information used to develop the plans

ALASKA
PipelineProject

Key Focus Areas: Environment

Previously identified issues:

- Wildlife: large mammals, waterfowl, raptors, species of concern
- Fisheries
- Air
- Noise
- Water use
- Waste management
- Archaeology and cultural resources

Proposed discussion papers

- Cumulative effects
- Climate change
- Sustainability

Key Focus Areas:
Socio-economic

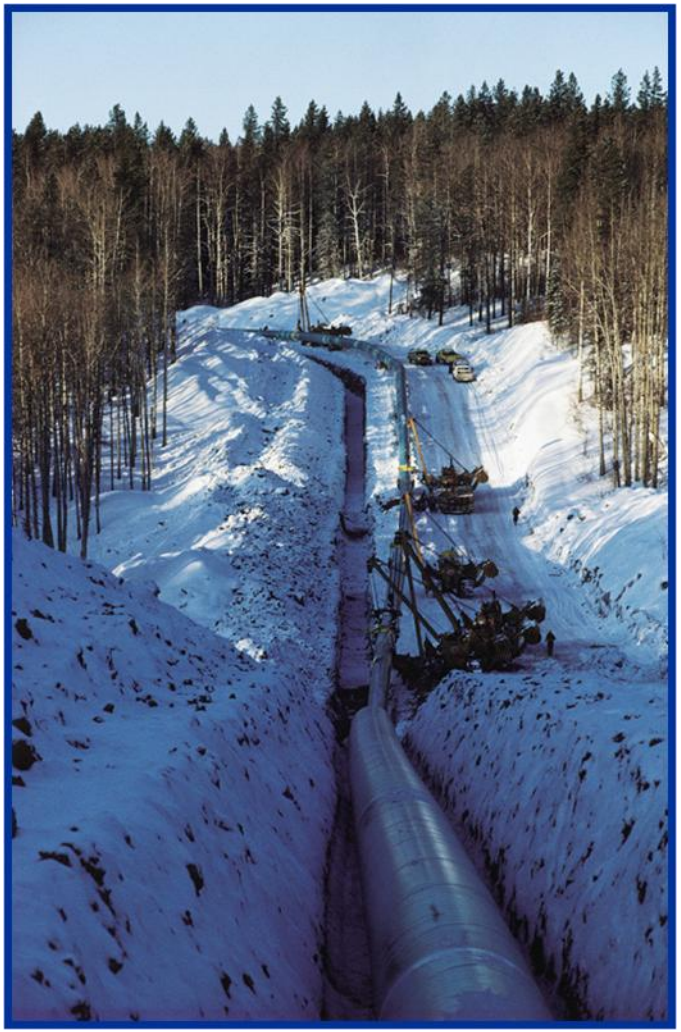
Previously identified issues:

- Employment and training
- Economic benefits including business opportunities
- Demographic changes due to in-migration of workers and their families
- Accommodation availability for workers
- Health & Social Services and other community services
- Security and policing
- Transportation and communications infrastructure
- Gas and utilities infrastructure
- Traditional livelihoods and culture
- Recreational land use and special areas

Key Focus Areas: Engineering

Previously identified issues:

- Permafrost – frost heave and thaw settlement; climate change
- Pipeline integrity – seismic activity, slope stability
- Watercourse crossings including on alluvial fans, mudflows, etc.
- Effect of chilled pipeline on groundwater flow
- Revegetation and erosion control
- Access roads
- Use of granular deposits
- Location of construction camps, staging areas, compressor stations
- Gas supply to communities



Key Activities to Date

- **Information review and data gap identification**
- **Engagement with regulatory agencies**
- **Progressed understanding of interested parties**
- **Initiating dialogue with communities and Aboriginal groups**
- **Developed work plans**
- **Commenced field studies in 2010 to continue through 2011 and 2012**
  - Route review and refinement
  - Watercourse crossing review
  - Ecological land classification mapping
  - Traditional ecological knowledge
- **Initiated training of participants for involvement in field programs**

ALASKA
PipelineProject

Key Activities Planned for 2011-2012

- Continue collection of information to fill data gaps and update community and environmental understanding
- Progress dialogue with Aboriginal and community groups to share information and support meaningful relationships
- Continue engineering design and construction planning
- Develop environmental protection measures and socio-economic issues management measures with involvement of regulatory agencies, resource managers, Aboriginal groups, communities, and stakeholders
- Develop and submit required plans and programs to the Northern Pipeline Agency commencing in 2012

ALASKA
PipelineProject

Wrap-Up and Discussion

- Continue dialogue and information sharing
- Increase local involvement in our work

Thank You

ALASKA PipelineProject