

450 – 1 Street SW Calgary, Alberta T2P 5H1

Tel: (587) 933-3854 Fax: (403) 920-2347 Email: robert_macleod@tcenergy.com

March 3, 2020

Filed Electronically

Canada Energy Regulator Suite 210, 517 Tenth Avenue SW Calgary, AB T2R 0A8

Attention: Ms. L. George, Secretary of the Commission

Dear Ms. George:

Re: Foothills Pipe Lines (South B.C.) Ltd. (Foothills)

Foothills Zone 8 West Path Delivery 2022 (Project)

Project Notification

In accordance with the Canada Energy Regulator (CER)¹ Interim Filing Guidance and Early Engagement Guide, attached is the Project Notification for the Project.

If the CER requires additional information with respect to this filing, please contact me by phone at (587) 933-3854 or by email at robert macleod@tcenergy.com.

Yours truly,

Foothills Pipe Lines (South B.C.) Ltd.

Original signed by

Robert MacLeod Regulatory Project Manager Regulatory Facilities, Canadian Natural Gas Pipelines

Enclosure

_

¹ For the purposes of this filing, CER refers to the Canada Energy Regulator or Commission, as appropriate.

PROJECT NOTIFICATION FORM TO THE CANADA ENERGY REGULATOR

PROPOSED PROJECT

Company Legal Name: Foothills Pipe Lines (South B.C.) Ltd.

Project Name: Foothills Zone 8 West Path Delivery 2022 (Project)

Expected Application Submission Date: June 1, 2020

COMPANY CONTACT

Project Contact: Robert MacLeod

Email Address: robert macleod@tcenergy.com

Address: 450 – 1 Street SW

Calgary, AB T2P 5H1

Phone: (587) 933-3854

Fax: (403) 920-2347

PROJECT DETAILS

The following information provides the proposed location, scope, timing and duration of construction for the Project. The proposed Foothills Zone 8 West Path Delivery 2022 Project (Project) would consist of the construction of two sections of pipe looping the British Columbia Mainline (BCML).

The **British Columbia Mainline Loop No. 2 Crowsnest Section** (Crowsnest Section), consisting of approximately 4 km of 1219 mm diameter (NPS 48) natural gas pipeline, to be located approximately 11 km west of Coleman, Alberta. The segment route will cross Crown (17%) and Freehold (83%) land from the Alberta / British Columbia border at b-73-G/82-G-10 and ending at NGTL's existing Crowsnest Compressor Station at d-78-G/82-G-10 in British Columbia. Acquisition of new land and temporary workspace (TWS) is anticipated to be required for the Project. Temporary worker accommodation (camp) may be required or Foothills may utilize local accommodations within nearby communities (Blairmore, Alberta and Sparwood, British Columbia).

The **British Columbia Mainline Loop No. 2 Yahk Section** (Yahk Section) consists of approximately 13 km of 1219 mm diameter (NPS 48) natural gas pipeline, to be located approximately 25 km east of the Town of Creston, British Columbia. The segment route will cross Crown (79%) and Freehold (21%) land starting from b-53-H/82-F-1 and b-72-B/82-F-1. Acquisition of new land and TWS is anticipated to be required. Temporary

March 2020 Page 1 of 9

worker accommodation (camp) may be required or Foothills may utilize local accommodations within nearby communities (Creston and Cranbrook, British Columbia).

CER Application (s.214): 06/2020

Anticipated start of construction: 02/2022

Anticipated construction completion: 11/2022

Planned in-service date: 11/2022

PROJECT MAP(S)

Please see Attachment 1 – Global and Regional Maps.

POTENTIALLY AFFECTED PARTIES

The following tables provide a preliminary list of potentially affected Indigenous groups and other potentially affected persons and communities for the Project, based upon the guidance for Step 1 in the CER's Early Engagement Guide.

Landowners/Land Users and Other Potentially Affected Persons

| | Organization Name and/or Number of Potentially Affected Parties | |
|------------------------------|---|---|
| Potentially Affected Party | Crowsnest Section | Yahk Section |
| Landowner(s) | 5 | 8 |
| Crown Organizations | Province of British Columbia BC Parks – Crowsnest Provincial Park | Province of British Columbia BC Parks – Ryan Provincial Park |
| Occupant(s) | 0 | 3 |
| Adjacent/Nearby Landowner(s) | 2 | 21 |
| Land User(s) | 8 | 10 |

March 2020 Page 2 of 9

Indigenous Groups

| Indigenous Group | | Crowsnest Section | Yahk Section |
|--------------------------|-----------------------------------|-------------------|--------------|
| First Nations, Treaty 8 | N/A | N/A | N/A |
| | Blood Tribe | X | |
| | Piikani Nation | X | |
| First Nations, Treaty 7 | Siksika Nation | X | |
| | Stoney Nakoda Nations | X | |
| | Tsuut'ina Nation | X | |
| First Nations, Treaty 6 | Samson Cree Nation | X | |
| | Sunchild First Nation | Х | |
| Non-Treaty First Nations | Adams Lake Indian Band | Х | X |
| | Akisq'nuk First Nation | Х | Х |
| | Ktunaxa Nation Council | Х | X |
| | Little Shuswap Lake Indian Band | X | X |
| | Lower Kootenay First Nation | Х | X |
| | Qwelminte Secwepemc | X | X |
| | Shushwap Indian Band | X | Х |
| | St. Mary's Indian Band | X | X |
| | Tobacco Plains Indian Band | X | Χ |
| Métis Organizations, | Métis Nation of Alberta | X | |
| Settlements, and Locals | Métis Nation of Alberta Region 3 | X | |
| | Métis Nation BC | X | Х |
| | Métis Nation BC – Region 4 | X | Х |
| | British Columbia Métis Federation | Х | Х |

Government Authorities

| | BCML Loop No. 2 Crowsnest Section | BCML Loop No. 2 Yahk Section |
|--|---|---|
| Potentially Affected Party | Organization Name and/or Number of Potentially Affected Party | Organization Name and/or Number of Potentially Affected Party |
| Municipalities and/or Counties | Regional District of East Kootenay Municipality of Sparwood | Regional District of Central Kootenay |
| Federal and/or Provincial Government(s) | BC Parks (Crowsnest Park) BC Environment Assessment Agency BC Forest Lands and Natural Resources Operations and Rural Development (FLNRORD) BC Ministry of Transportation and Infrastructure (MOTI) BC Oil and Gas Commission (OGC) | BC Environment Assessment Agency BC Forest Lands and Natural Resources Operations and Rural Development (FLNRORD) BC Ministry of Transportation and Infrastructure (MOTI) BC Oil and Gas Commission (OGC) |

March 2020 Page 3 of 9

POTENTIAL IMPACTS RELATED TO THE PROJECT

The following potential impacts related to the Project have been identified by Foothills that have been or may be communicated to potentially affected persons and communities:

| Project Activity | Potential Impacts |
|-----------------------|---|
| Construction | Temporary workspace and access |
| | Noise and visual impacts |
| | Traffic management |
| | Watercourse crossings |
| Environmental Matters | Species at risk |
| | Weed management |
| | Land reclamation practices |
| | Cumulative project effects |
| Community Matters | Traffic management |
| | Potential effects on community infrastructure and resources |
| | Potential effects on recreational land user groups |
| Indigenous Matters | Potential effects on Indigenous rights and interests |
| Economic Matters | Local contracting and hiring opportunities |
| Land Matters | Land acquisition |
| | Planned land use after construction |
| Emergency Response | Pipeline integrity and monitoring |
| | Emergency preparedness and response. |

ISSUES RAISED BY POTENTIALLY AFFECTED PARTIES AND STATUS

Foothills Pipe Lines (South B.C.) Ltd.'s (Foothills) approach to ongoing consultation and engagement with stakeholders, landowners and Indigenous groups is designed to inform and to address issues or disputes to reach a mutual resolution or mitigate effects. Foothills' preferred method for addressing the concerns of stakeholders, landowners and Indigenous groups is through direct and respectful discussion. Issues received or identified during these discussions are systematically tracked and followed up on to promote mutual resolution and positive interest-based outcomes.

Landowners/Land Users and Other Potentially Affected Persons

Foothills' initial engagement with potentially affected landowners and occupants with respect to the Project began in August 2019, when it sought to obtain survey access for preliminary investigations of the area(s). Though Project specifics were not finalized at the time, early engagement and understanding of stakeholder concerns and feedback was gathered and incorporated into Project planning.

Foothills distributed the initial Project information to potentially affected stakeholders in

March 2020 Page 4 of 9

November 2019 and began public engagement for the Project, including one-on-one meetings with potentially affected landowners, occupants and stakeholders to review project specifics. Foothills has also hosted meetings and presentations with respective government agencies within proximity to the Project and the following open houses have been held to-date for the Project:

- Fernie, BC (December 19, 2019)
- Sparwood, BC (December 18, 2019)
- Cranbrook, BC (December 16, 2019)
- Yahk, BC (December 17, 2019)

Indigenous Groups

Foothills' initial engagement with potentially affected Indigenous groups began in November 2019, when Foothills provided the initial Project information package that included an introductory letter, the Project Fact Sheet and Project overview maps, TC Energy's Indigenous Relations Policy brochure and information on the CER's process for section 214 applications. This information package was provided to all Indigenous groups identified in the table above.

In February 2020, Foothills provided all Indigenous groups listed above with a Project update, noting what updates had been made to the Project scope since the initial information package, along with updated information and maps. Foothills is also engaging Indigenous groups to identify any interests and concerns regarding routing through Crowsnest Provincial Park and in relation to the process for the Provincial Protected Area Boundary Adjustment.

In addition to sharing the information noted above, engagement to date has included one on one meetings with Indigenous groups to review Project specifics and address any questions. In addition to meetings with interested Indigenous groups who have requested a meeting, Foothills invited potentially affected Indigenous groups to the open houses listed above.

The following table provides a list of the issues or concerns raised by potentially affected Stakeholders and Indigenous groups with respect to the Project to date.

Crowsnest Section

| Description of Issue | Status of Resolution |
|--------------------------|---|
| Landowners / Occupants | |
| Survey Access and Timing | Foothills has confirmed the lands required for survey access and is in the process of discussion for the timing of surveys. |

March 2020 Page 5 of 9

Crowsnest Section

| Description of Issue | Status of Resolution | |
|---|--|--|
| Landowners / Occupants | | |
| Damage to trees, Removal of trees | Foothills will continue its engagement to learn more about the impacts and areas of concern. | |
| Business interruption, insurability | Foothills will continue its engagement to learn more about the concern and mitigate as required. | |
| Indigneous Groups | | |
| Project Splitting | Foothills has explained the independent commercial needs, system design drivers, and in-service timing for different projects proposed by Foothills. | |
| Government Authorities | | |
| Invasive plant species (weed control) | This issue will be addressed within the Environmental Protection Plan (EPP) for the Project. | |
| Access management (wildlife impacts) | This issue will be addressed within the EPP for the Project. | |
| Interest in hearing more about the proposed Project | Foothills is in the process of arranging additional information sharing sessions. | |

Yahk Section

| Landowners / Occupants | | |
|--|--|--|
| Impacts to Land and Property as a result of pipeline construction, including construction disturbance and future use | Foothills will continue to engage with the landowners to understand and address their concerns and mitigate as required. | |
| Weed control | Foothills will continue to engage and address this concern under its EPP for the Project. | |
| Impact to business operation | Foothills will continue to engage with the landowner to learn more about the impacts and concerns and mitigate as required. | |
| Increased Traffic | Foothills will continue to engage and address this concern under standard construction procedures. | |
| Indigneous Groups | | |
| Project Splitting | Foothills has explained the independent commercial needs, system design drivers, and in-service timing for different projects proposed by Foothills. | |
| Government Authorities | | |
| Invasive plant species (weed control) | This issue will be addressed within the EPP for the Project. | |
| Access management (wildlife impacts) | This issue will be addressed within the EPP for the Project. | |
| Interest in hearing more about the proposed Project | Foothills is in the process of arranging additional information sharing sessions. | |

March 2020 Page 6 of 9

DESCRIPTION OF LAND ACQUISITION PROCESS

Foothills will acquire the required freehold land rights using ROW agreements, beginning in Q2 2020. Foothills will apply to the British Columbia Oil and Gas Commission (OGC) for Crown land rights with the necessary permits or authorizations for pipeline and potential workforce accommodation (camp) land rights. Foothills will continue ongoing discussion with permit holders and landowners to finalize and necessary agreements/consents.

Foothills confirms that the land acquisition process for the Project will comply with the applicable sections of the CER Act, including sections 321 and 323. The Crown stakeholders and the landowners will be notified of the timing of the section 214 Application and their ability to participate in the CER process, consistent with the information contained in the section 323 notice.

In addition, TWS is anticipated to be required for construction of the Project and Foothills will obtain the necessary permits or authorizations from the OGC or landowners for TWS. To date, no issues or concerns have been raised, with respect to the land acquisition for the Project. Foothills will acquire the necessary land rights prior to the scheduled commencement of construction.

DESCRIPTION OF ROUTE SELECTION METHODOLOGY

For both pipeline route and facility site selection, Foothills employs a systematic and thorough route selection process using a variety of tools, such as:

- desktop studies
- helicopter reconnaissance
- ground verification and field surveys
- engineering, geotechnical and environmental field studies

This selection process takes into account the objectives of minimizing the total route length or land requirements, meeting applicable regulatory requirements and reducing the environmental footprint, while carefully assessing overall cost and constructability, and meeting customer demands. Feedback received through the early engagement phase with stakeholder, landowner and Indigenous groups informs the assessment of proposed routes and sites.

Facility Site

Based upon Foothills' assessment of system and engineering requirements, an above ground valve site and receiver barrel will be required at b-72-B/82-F-1 at the west end of the Yahk Section and a valve site and launcher barrel will be required at b-53-H/82-F-1 at

March 2020 Page 7 of 9

the east end of the Yahk Section. Both potential locations are adjacent to existing fenced crossover valve sites and at both sites, the fenceline for the exising valve will be expanded to surround the new above-ground facilities.

Pipeline Routing

Specific to pipeline route selection, Foothills' route selection process considers and balances several criteria when evaluating route options, including the following, where practical or feasible:

- minimizing length to reduce overall environmental and socio-economic footprint
- ensuring pipeline sections and facilities are economical to construct and operate
- paralleling existing linear disturbances
- ensuring public safety
- minimizing the number, and ensuring the construction feasibility, of watercourse, road, rail and utility crossings
- considering and avoiding sensitive environmental features
- avoiding terrain subject to geotechnical issues such as areas of unstable slopes, problem soils, or known seismic activity
- avoiding lands of designated status, such as parks, protected areas, cemeteries and historic, archaeological or heritage sites
- avoiding concentrated areas of rural residences and urban developments
- considering input received from potentially affected landowners, stakeholders and Indigenous groups through various engagement activities

FEEDBACK RECEIVED REGARDING ROUTING DURING EARLY ENGAGEMENT

Potentially affected landowners, occupants, land users and other stakeholders have been receptive to early engagement and any issues that have been identified are in the process of resolution. Foothills will be finalizing the Project footprint in the coming months and will continue to delineate survey information to determine Project specifics. As information and survey materials are available Foothills will continue its engagement, offer mitigations where applicable and provide greater detail on Project specifics.

Indigenous groups engaged to date have not provided feedback specific to pipeline routing; however, Foothills will continue to engage with Indigenous groups to resolve any issues that may arise, offer mitigations where applicable and provide greater detail on Project specifics.

Government authorities have received early notification of the proposed Project. On going engagement with applicable government agencies responsible for administering legislation, policies, regulations, required approvals, and guidelines, is imperative to

March 2020 Page 8 of 9

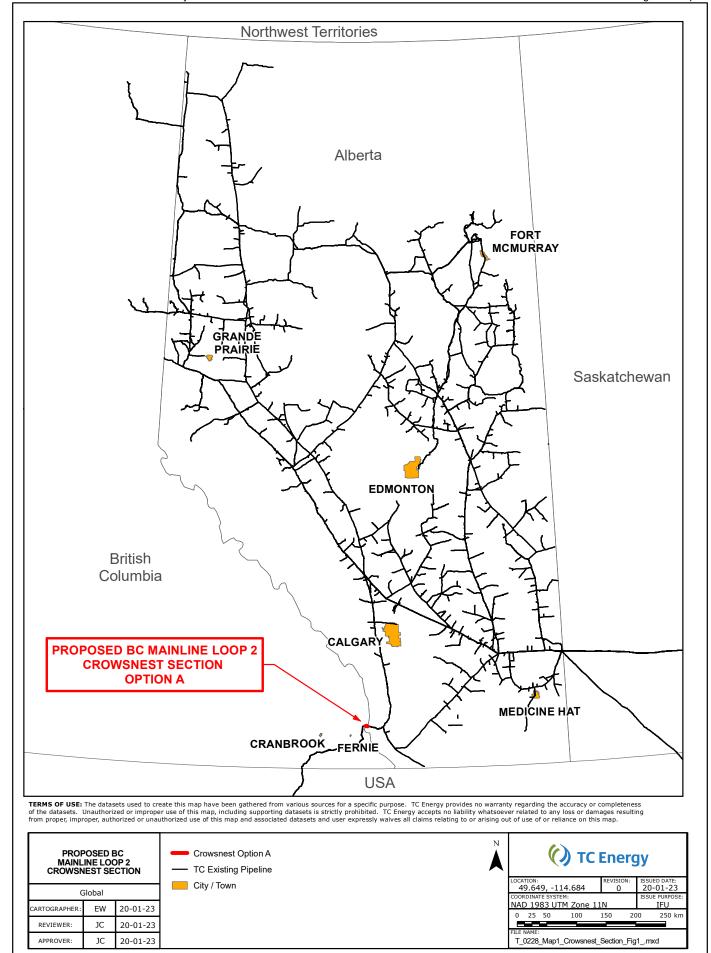
environmental planning for the Project, including routing of the proposed pipeline through Crowsnest Provincial Park.

The preferred approach on routing for this Project is to parallel existing ROW to the greatest extent practical. The preferred route for the Crowsnest Section parallels the existing route from the Alberta border to Foothills Crowsnest Compressor Station, and passes through the Crowsnest Provincial Park. Foothills currently holds a land occupancy permit from BC Parks for the existing two pipelines located within the Park, which were constructed in 1960 and 1980. Construction of the Crowsnest Section as part of the proposed Project (i.e., third pipeline), will require Foothills to obtain a Protected Areas Boundary Adjustment to the Crowsnest Provincial Park that would revise the boundary of the park to remove the area of the existing and proposed ROWs from the park. Once these lands are removed from the Park, the land would be designated as Crown land and would be subject to permit authorization by the OGC.

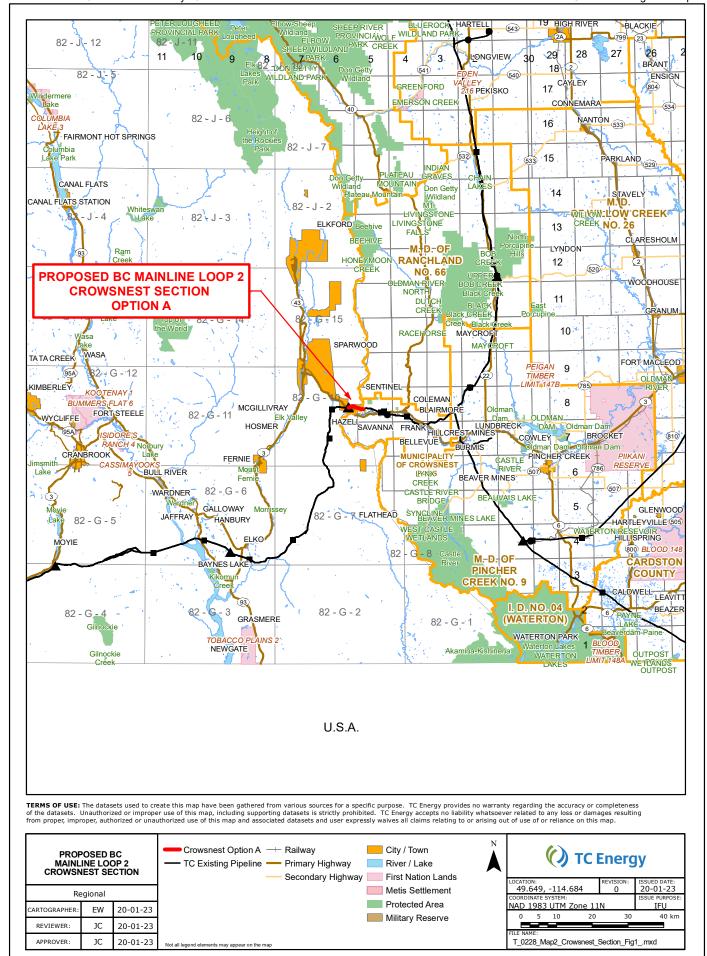
Foothills has commenced engagement with BC Parks to consider the proposed boundary adjustment for the Park. This boundary adjustment process ultimately requires the approval of the BC Legislature and that approval will not be completed prior to the expected Section 214 application filing with the CER in June of 2020.

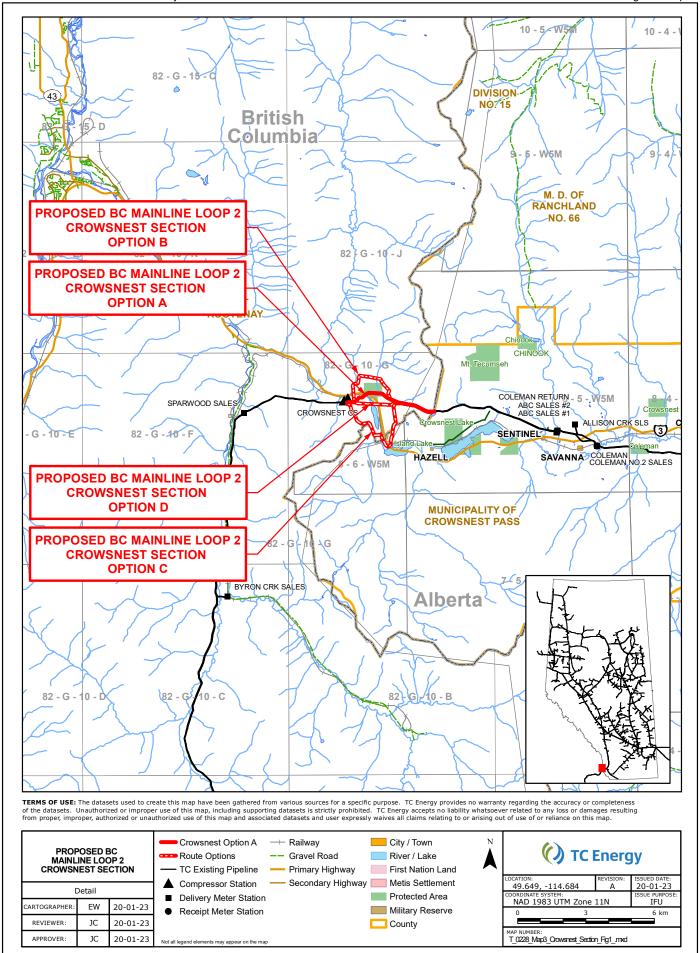
The BC *Environment Assessment Act*, which came into effect on December 16, 2019, identified that a project requires an Environment Assessment Certificate (EAC) where a portion of the project is within a protected area (such as provincial parks) and where the project will have a significant adverse environmental, economic, social, cultural or health effect in the area. At this time, Foothills is continuing to work with the BC Environmental Assessment Office (EAO) to determine if an EAC is required. Should the CER and the EAO finalize an agreement that would allow a single assessment of environmental effects under both regulatory agencies, Foothills will work within that construct once it has been established.

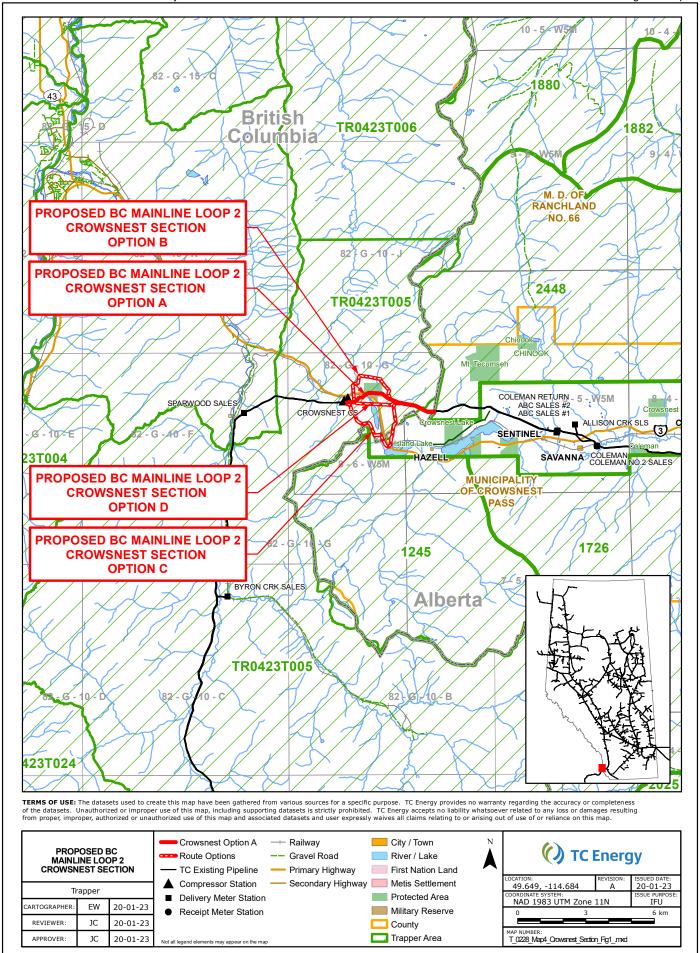
March 2020 Page 9 of 9



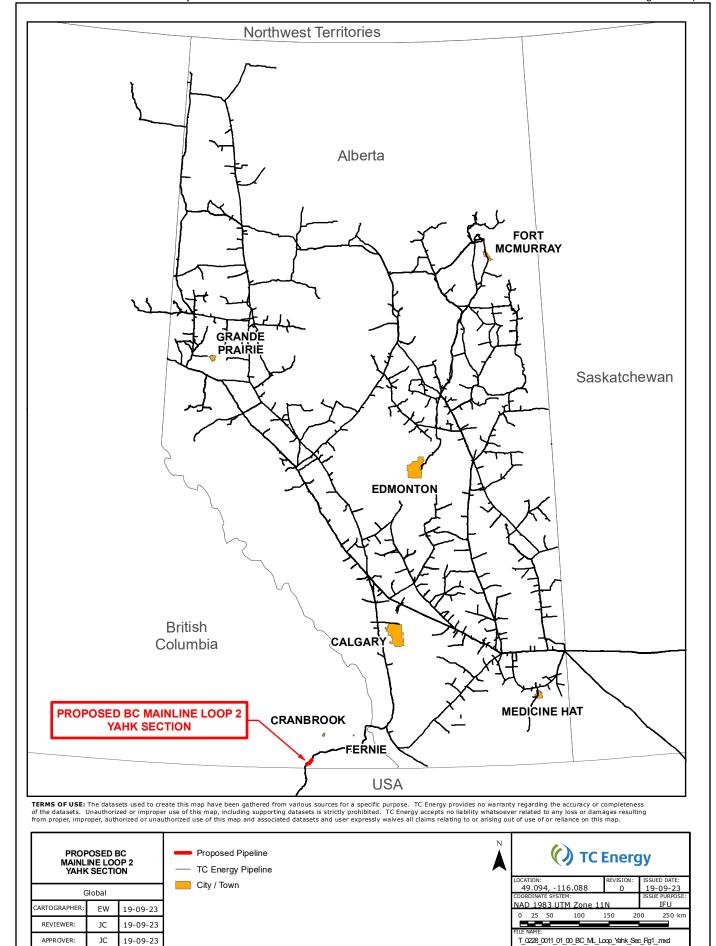
March 2020 Page 1 of 8







March 2020 Page 4 of 8



March 2020 Page 5 of 8

