



MOVING FORWARD TOGETHER

The Pacific Trail Pipelines Project Continues to Make Progress

This 463-kilometre underground pipeline will carry natural gas from Summit Lake, 55 kilometres north of Prince George, to the proposed Kitimat LNG export facility on British Columbia's north coast. The project is being developed by the Pacific Trail Pipelines Limited Partnership (PTP LP), which acquired the project in February 2011 from Pacific Northern Gas. PTP LP is made up of the three partners in the Kitimat LNG project – Apache Canada Ltd., EOG Resources Canada Inc. and Encana Corporation. The pipeline, together with the proposed Kitimat LNG facility, will open up western Canada's abundant natural gas resources to new export markets in the Asia-Pacific region. This important energy infrastructure will create new jobs, training opportunities and economic benefits across this economic corridor.

Creating Economic Opportunities

PTP LP is pleased to be working closely with First Nations Limited Partnership (FNLP) businesses and First Nation businesses along the pipeline route. As engineering and design work moves forward, the project is steadily creating new jobs and training opportunities throughout the region.

Construction of the pipeline is expected to generate as many as 2,000 jobs over a two- to three-year period. Significant emphasis has been put on ensuring local workers and businesses are given the opportunity to supply services and labour in areas such as:

- **General construction**
- **Industrial rentals and repairs**
- **Supplies (concrete, gravel and building materials)**
- **Transportation (air, trucking and rail)**
- **Clearing, logging and salvage**
- **Site restoration**
- **Equipment and parts**
- **Fuel**
- **Environmental monitoring**
- **Construction camps and catering**

Kitimat LNG Export Facility Planning Continues

Planning continues for the construction of the Kitimat LNG export facility. Kitimat LNG is currently carrying out a front end engineering and design (FEED) study, which is expected to provide certainty around project design, construction timelines and costs, and labour force requirements. The study is expected to be completed late in 2011 or early 2012. Currently, site preparation is underway, with clearing and rough grading taking place.

Kitimat LNG expects to be in a position to make a final investment decision (FID) on the facility by the end of 2011 or early



2012. Once FID is granted, construction of the Kitimat LNG export facility is expected to begin in 2012, with commercial operations expected to start in late 2015.

The regulatory approval process for the Kitimat LNG export facility is proceeding. The National Energy Board (NEB) continues to review Kitimat LNG's application for a 20 year export licence, and a decision is expected soon. The licence would allow the export of up to 10 million tonnes annually from the proposed Kitimat LNG facility. The project already has permits from the Canadian Environmental Assessment Agency and BC Environmental Office.

In the meantime, Kitimat LNG has made another significant investment in Kitimat with the purchase of the former Eurocan industrial site from West Fraser. Pending project approvals, the site will be used for pre-fabrication work, storing materials and as a work camp.

Proposed Compressor Station Would Link Existing and New Pipelines

A key component of the Pacific Trail Pipelines project is the proposed Summit Lake compressor station. The compressor will help maintain the flow of natural gas on the pipeline between Summit Lake and the Kitimat LNG facility. The compressor station would be located a half-kilometre south of the existing Spectra Energy and Pacific Northern Gas compressor station facilities near Highway 97, east of the Village of Summit Lake.

The compressor station will incorporate noise mitigation measures such as acoustical enclosures for the turbines and silencers on air intakes and exhausts.

Construction of the station is expected to generate local employment and regional opportunities to provide supplies and



services.

Construction of the station is aiming to meet an in-service date for PTP of 2015. While some preliminary construction work may occur in 2013, the bulk of work will occur in 2014.

Open Houses Continue Commitment to Consultation

The PTP LP continues to reach out to communities across the project area to provide information and updates. In June 2008, the PTP project was granted an Environmental Assessment Certificate after a comprehensive review led by British Columbia's Environmental Assessment Office. Consistent with the obligations of this regulatory approval, consultation and communications activities continue with First Nations, landowners, local governments, environmental organizations, federal and provincial authorities and other interested parties.

Looking Forward

- Winter 2011/12 – FEED for PTP is complete and the bidding process for the initial spreads begins
- Winter 2011/12 – Kitimat LNG owners make a FID
- Summer 2012 – Clearing and logging begins along the pipeline route
- 2013-2014 – Pipeline construction proceeds
- Winter 2015 – PTP is operational

Carefully Managing Our Environmental Impact

The partners in these two important projects are committed to environmental protection and minimizing environmental impacts. Both the pipeline project and the Kitimat LNG export facility will be engineered to the necessary standards and adhere to government and industry regulations. Environmental protection, health and safety are important corporate and personal responsibilities, and many policies and procedures have been developed to protect the environment.

Further Information

For more information about PTP, log on to: www.pacifictrailpipelines.com, www.kitimatlngfacility.com or email PTP at pacifictrailpipelines@apachecorp.com.