

Stantec Consulting Ltd. 361 Southgate Drive Guelph ON N1G 3M5 Tel: (519) 836-6050 Fax: (519) 836-2493

April 1, 2008 File: 160960057

Jim Redford, Vice-President Market Hub Partners Canada L.P. P.O. Box, 50 Keil Drive North, Chatham, ON N7M 5M1

Dear Jim:

Reference: Proposed Sarnia Airport Storage Pool Pipeline - Environmental Report

Stantec Consulting Ltd. (Stantec) was retained by Market Hub Partners Canada L.P. (MHPC) to prepare an Environment and Socio-Economic Report (ER) assessing the proposed Sarnia Airport Storage Pool Project (the Project). The ER, prepared by Stantec, was completed in August, 2005.

In the fall of 2007, MHPC focused Project activities on filing an application with the Ontario Energy Board (OEB) for approval of the Project. Since the ER was prepared in 2005, advancements to the planning and design details have involved some refinements to the final route alignment. As a result, Stantec has taken steps to ensure that the ER remains current and pertinent to the conditions and features considered during the study process implemented to complete the ER.

To assess the refinements to the route as well as any developments since 2005, Stantec surveyed the proposed pipeline route on October 29, 2007. No significant changes to the features identified in the ER were noted. As well, no new features along the proposed route or features within the alignment refinements were identified that would affect the results of the route selection process or the mitigation measures recommended in the ER. The mitigation mosaics were updated with the refinements and are included as **Attachment 1**. These photo mosaics replace Appendix C in the ER.

On December 18, 2007, a Project re-introduction letter (**Attachment 2**) was sent to the members of the Ontario Pipeline Coordinating Committee (OPCC), and other agencies and stakeholders identified in the ER (**Attachment 3**). The letter stated that construction activities are planned to start as early as September 2008 and that MHPC is targeting a spring 2009 in-service date for the proposed project. The letter package included previous correspondence with each Agency, requested any new environmental information that was not included in the ER and offered an opportunity for the agencies to provide further comment on the ER.

Reference: Proposed Sarnia Airport Storage Pool Pipeline - Environmental Report

To date, Stantec and/or MHPC have received responses from four government agencies: the Ministry of the Environment (MOE), the St. Clair Region Conservation Authority (SCRCA), the Technical Standards and Safety Association (TSSA) and the Ministry of Transportation (MTO).

- The MOE response, from Penny Stewart, states that the letter package was forwarded to Patrick Spezowka for review (Attachment 4). No response has been received from Mr. Spezowka. No further communications have taken place;
- 2. The SCRCA response, from Heather MacKenzie, states that there is water quality and benthic species data available for Cow Creek (Attachment 5). This creek is inside the Study Area and was identified in the ER; however since it is not affected by the preferred or any of the alternative routes the detailed information is not relevant to the route evaluation.

An email response was sent thanking Heather MacKenzie (Attachment 6).

3. The TSSA response, from Oscar Alonso, discusses pipeline ownership, licensing and MHPC's Pipeline Integrity Management Program (**Attachment 7**).

MHPC sent a response to the TSSA on February 28, 2008 (**Attachment 8**). This letter summarized the Project correspondence with the TSSA since 1999, it detailed that pipeline design specifications are in accordance with Ontario Regulation 210/01, CAN/CSA Z662-03 and CAN/CSA Z662-07 and provided the pipeline design specifications (Schedule 6-8 and 6-10 of Pre-filed Evidence). As well, it discussed that the Sarnia Airport Storage Pool Limited Partnership will own and operate the facilities and will obtain a TSSA license to operate. In addition, the letter indicated that day-to-day operation activities are planned to be contracted to Union Gas Limited, including the provision of the Integrity Management Program and Emergency Response Program.

4. Three responses have been received from MTO. One response, from Doug Peeling, advises Stantec that the letter package was forwarded to Paul Santos for review (Attachment 9). The second MTO response is from Rob Tofflemire. It discusses that detailed plans are required to be approved for the crossing of Hwy # 402 (Attachment 10). The third response is from Kevin Boudreau (Attachment 11).

Mr. Boudreau's letter was addressed in a letter by MHPC on February 13, 2008 (**Attachment 12**). The letter provided a brief summary of contacts with MTO during Project development and acknowledged that permit EC-2006-32C-1, issued by MTO for the proposed crossing, has now expired. MHPC informed MTO that the crossing designs remain unchanged and a permit application for the crossing will be submitted to facilitate the planned January – March 2009 construction.

A summary of OPCC and other agency responses to the recent correspondence regarding the Project has been included as **Attachment 13**.

Stantec

April 1 2008

Reference: Proposed Sarnia Airport Storage Pool Pipeline - Environmental Report

Further to the ER, correspondence with the three proximal native groups, Walpole Island First Nation (WIFN), Chippewas of Kettle and Stoney Point First Nation, and Aamjiwnaang First Nation was conducted by MHPC to advance the communication of intellectual knowledge. Letters to each group were prepared and sent on December 7, 2007 (Attachment 14) and December 19, 2007 (Attachment 15). The December 7, 2007 letter discussed details of the storage pool and associated pipeline system, the environmental assessment process that was conducted for the Project, that construction is planned for as early as the fall of 2008 and that the in-service date is proposed for April / May 2009. The December 19, 2007 letter discussed the same timelines and details of the Project and discussed Stantec's review of WIFN's Millennium Report and that Stantec found no anticipated impacts to the First Nation traditional areas identified in the Millennium Report. To date no response has been received regarding the letters that MHPC sent in December.

In the opinion of Stantec, the ER remains current and the preferred route as described in the photomosaics represents the best routing alternative.

Sincerely,

STANTEC CONSULTING LTD.

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Steve Thurtell, B.Sc. Agr., M.Sc.

Project Manager, Environmental Assessment

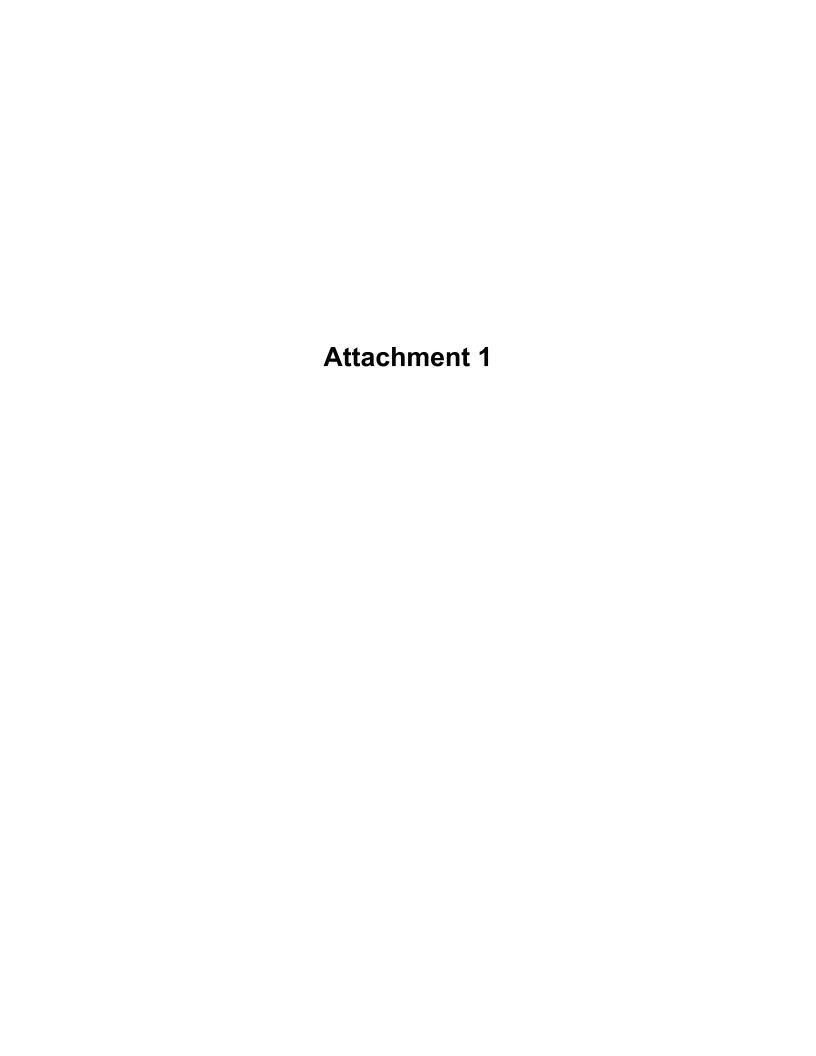
Tel: (519) 836-6050 Fax: (519) 836-2493

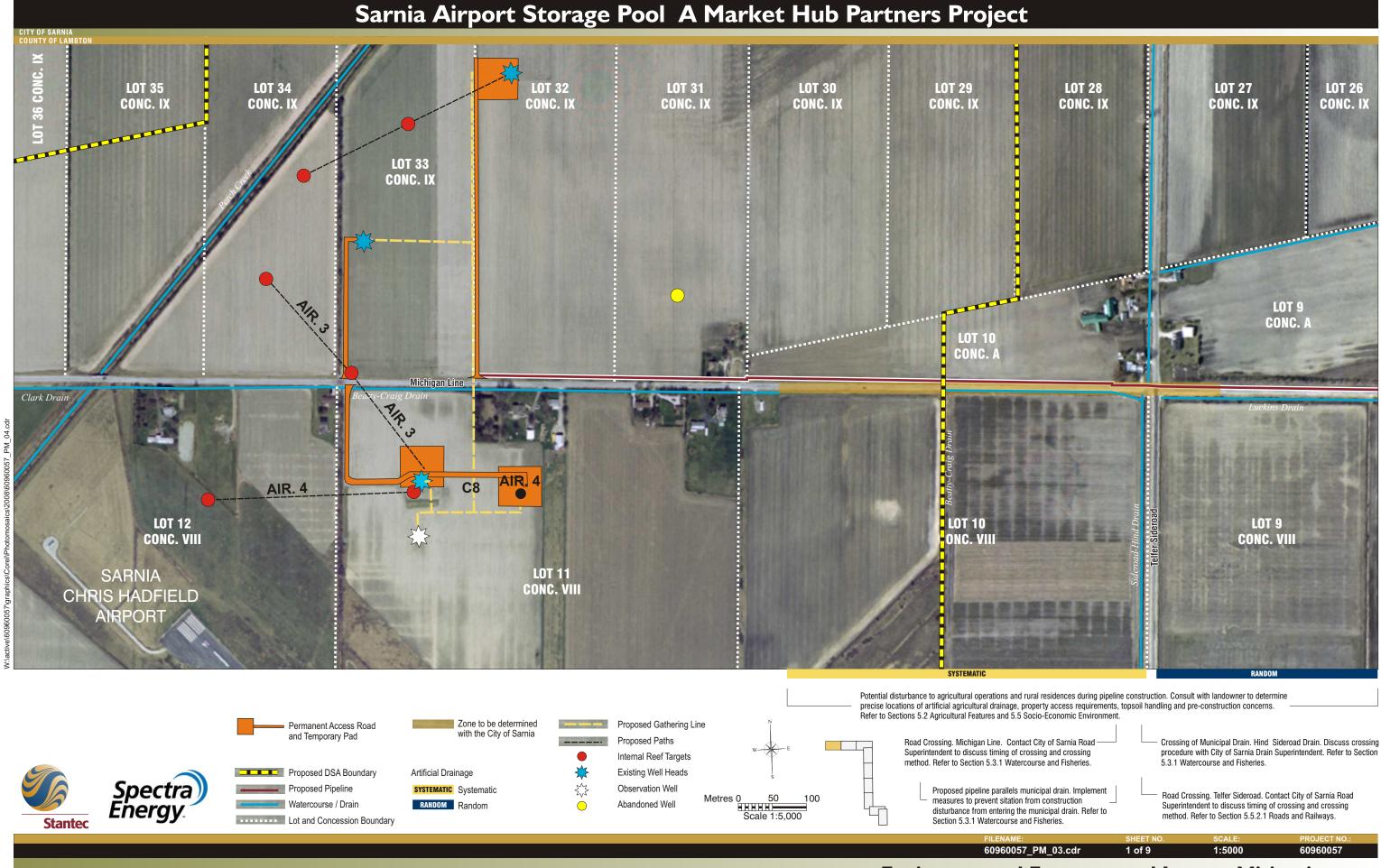
Steve.Thurtell@stantec.com

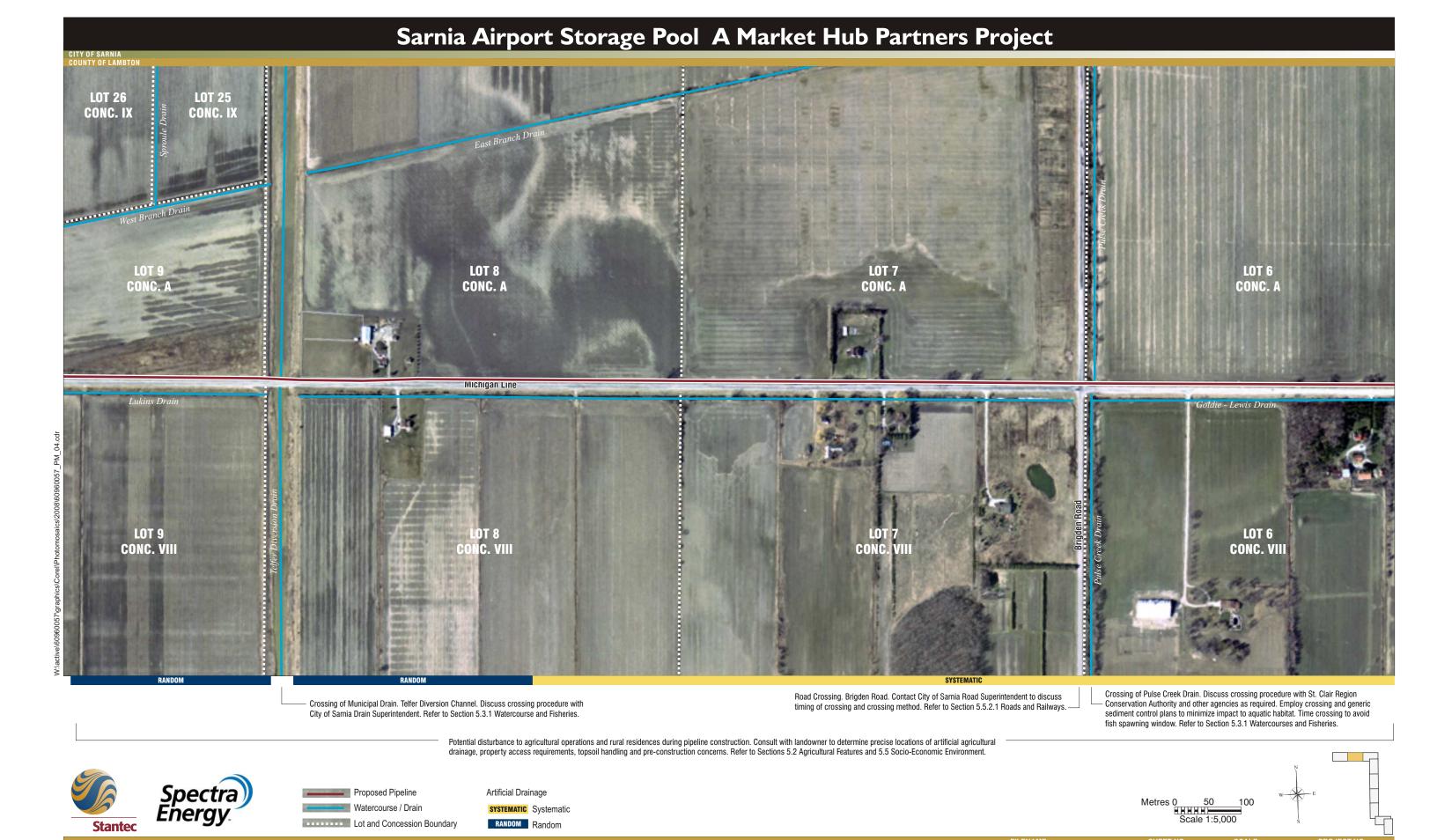
Attachments: 1-15

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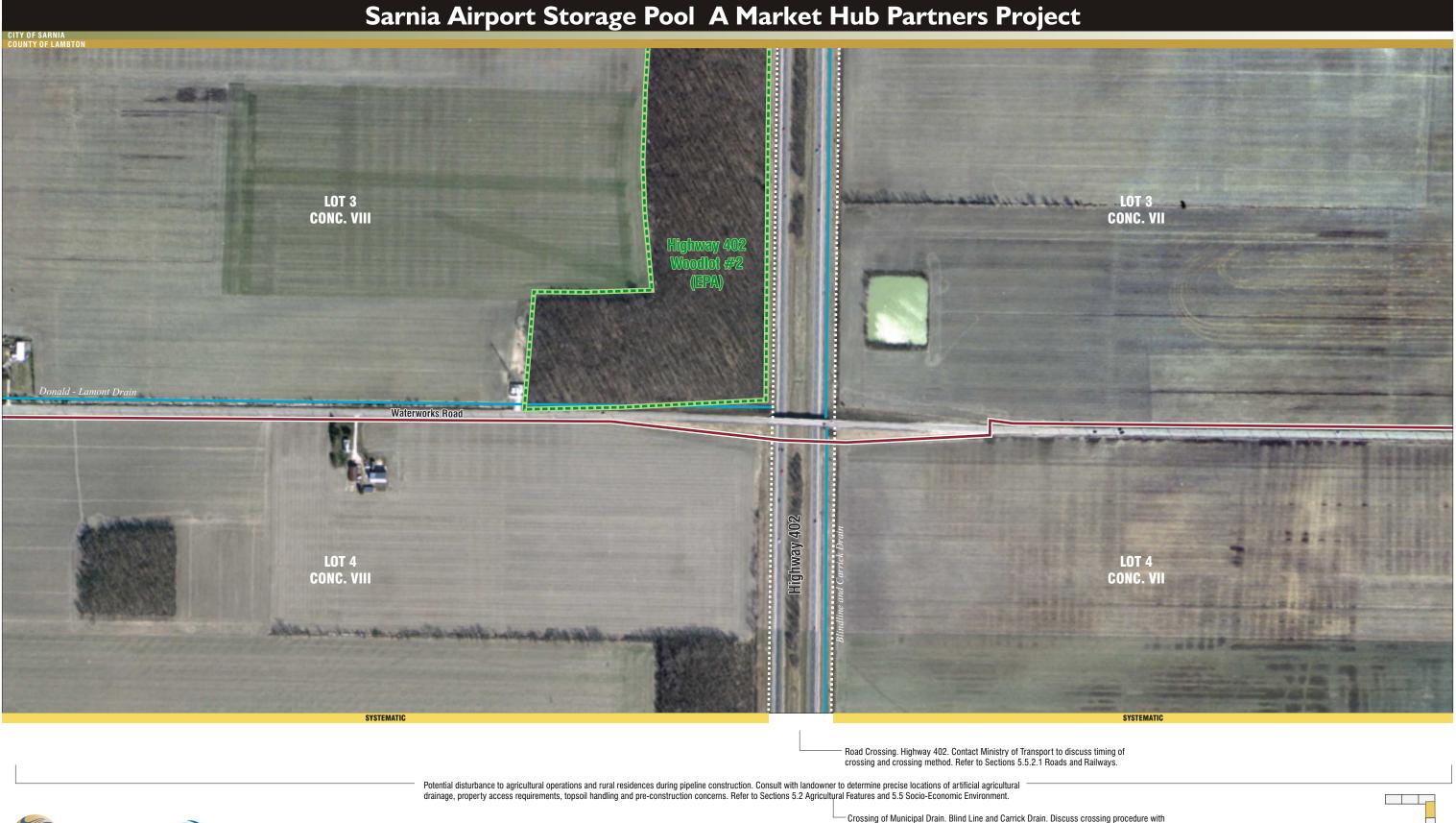




2 of 9

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Sarnia Airport Storage Pool A Market Hub Partners Project LOT 6 CONC. A LOT 5 LOT 4 LOT 3 CONC. A CONC. A CONC. A **VYNER** Michigan Line LOT 3 CONC. VIII Road Crossing. Michigan Line. Contact City of Sarnia Road Superintendent to discuss timing of crossing and crossing method. Refer to Section 5.5.2.1 Roads and Railways. -Potential disturbance to agricultural operations and rural residences during pipeline construction. Consult with landowner to determine precise locations of artificial agricultural drainage, property access requirements, topsoil handling and pre-construction concerns. Refer to Sections 5.2 Agricultural Features and 5.5 Socio-Crossing of Municipal Drain. Goldie-Lewis Drain. Discuss — crossing procedure with City of Sarnia Drain Superintendent. Refer to Section 5.3.1 Watercourses and Fisheries. Artificial Drainage Proposed pipeline parallels municipal drain. Implement measures to prevent siltation from construction Watercourse / Drain **SYSTEMATIC** Systematic disturbance from entering the municipal drain. Refer to Lot and Concession Boundary RANDOM Random Section 5.3.1 Watercourses and Fisheries.







Proposed Pipeline
Watercourse / Drain
Lot and Concession Boundary

Artificial Drainage

SYSTEMATIC Systematic

RANDOM Random

Road Crossing. Waterworks Road. Contact City of Sarnia Road Superintendent to discuss timing of crossing and crossing method. Refer to Section 5.5.2.1 Roads and Railways. —

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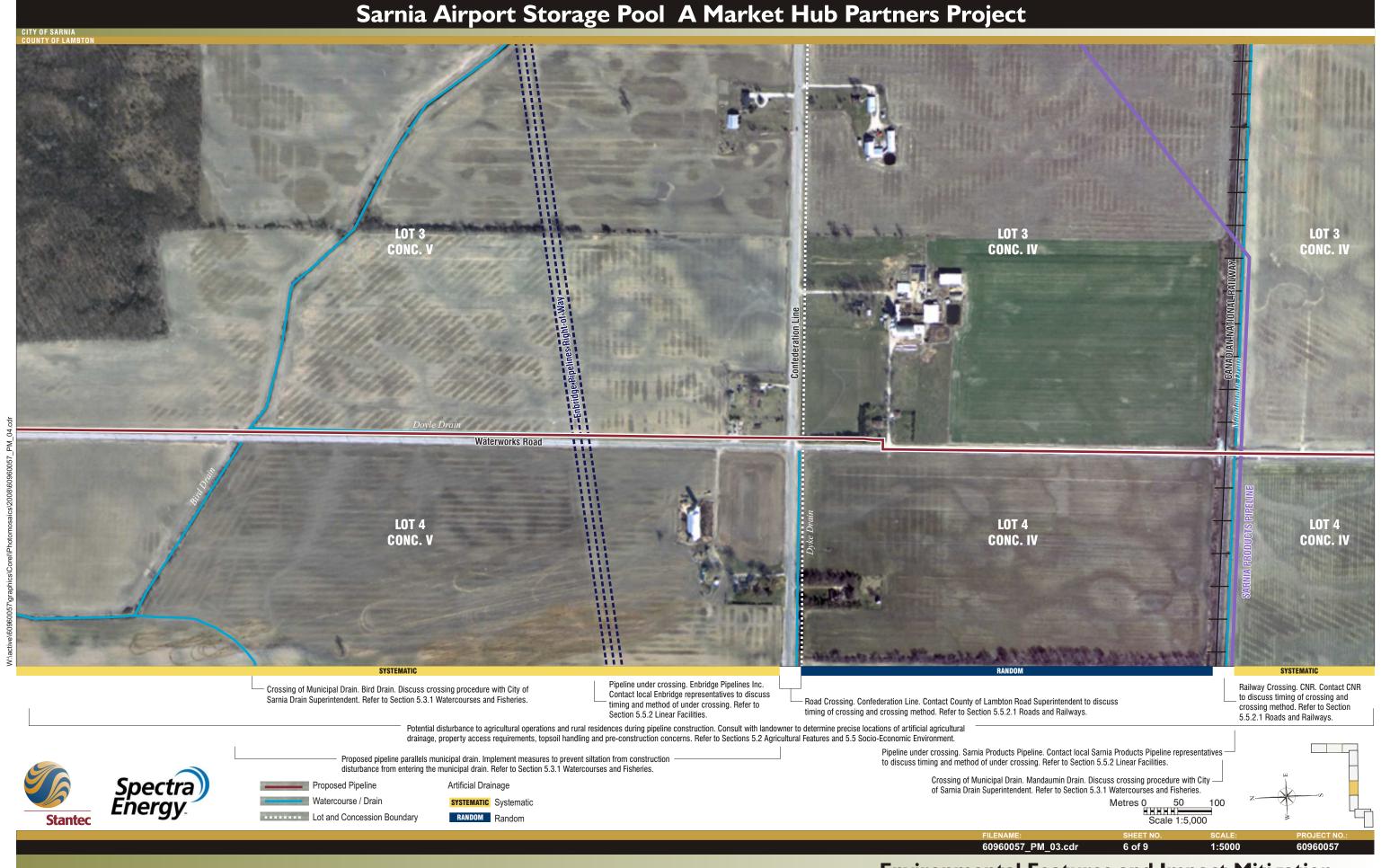
City of Sarnia Drain Superintendent. Refer to Section 5.3.1 Watercourses and Fisheries.

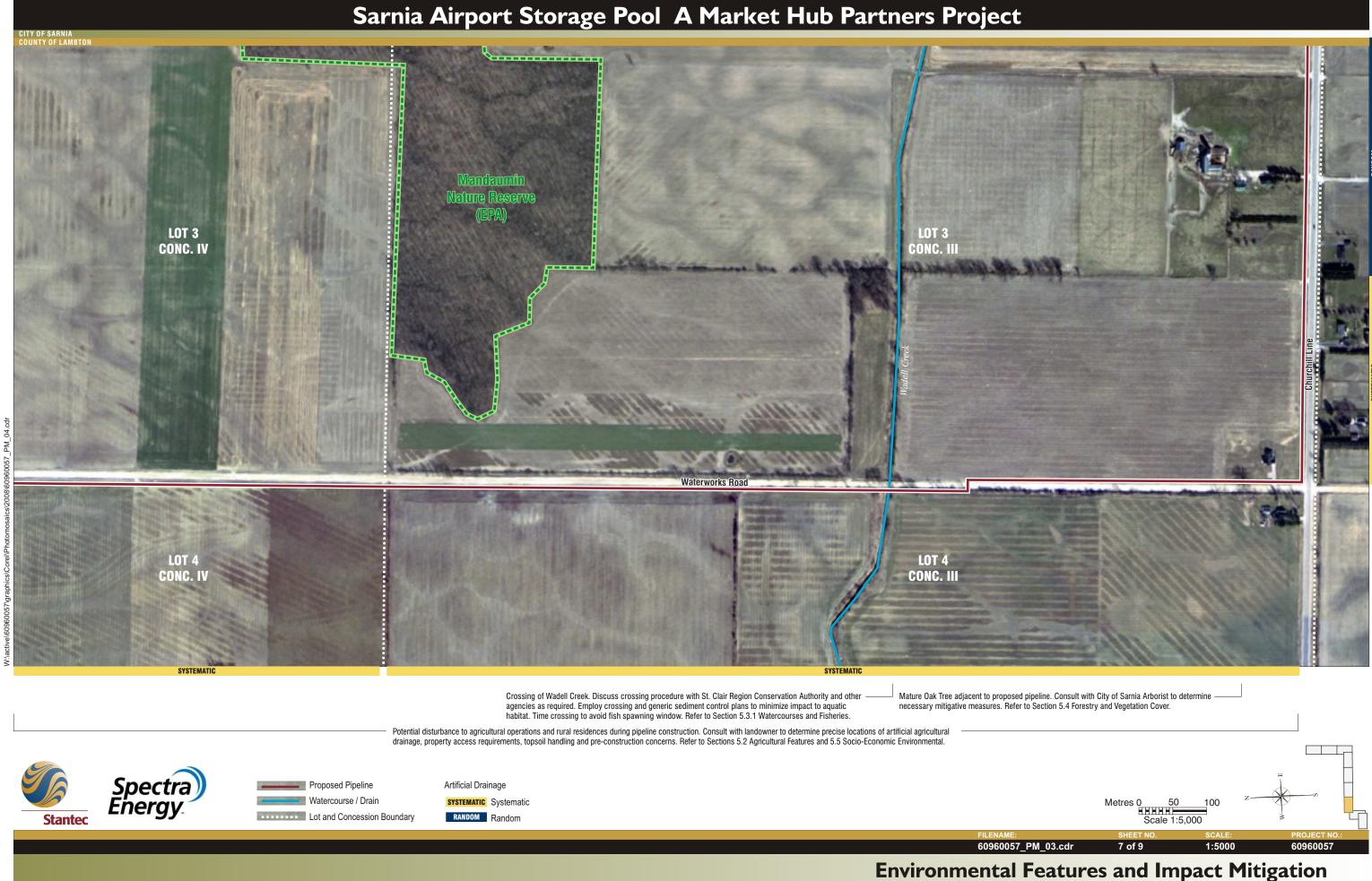
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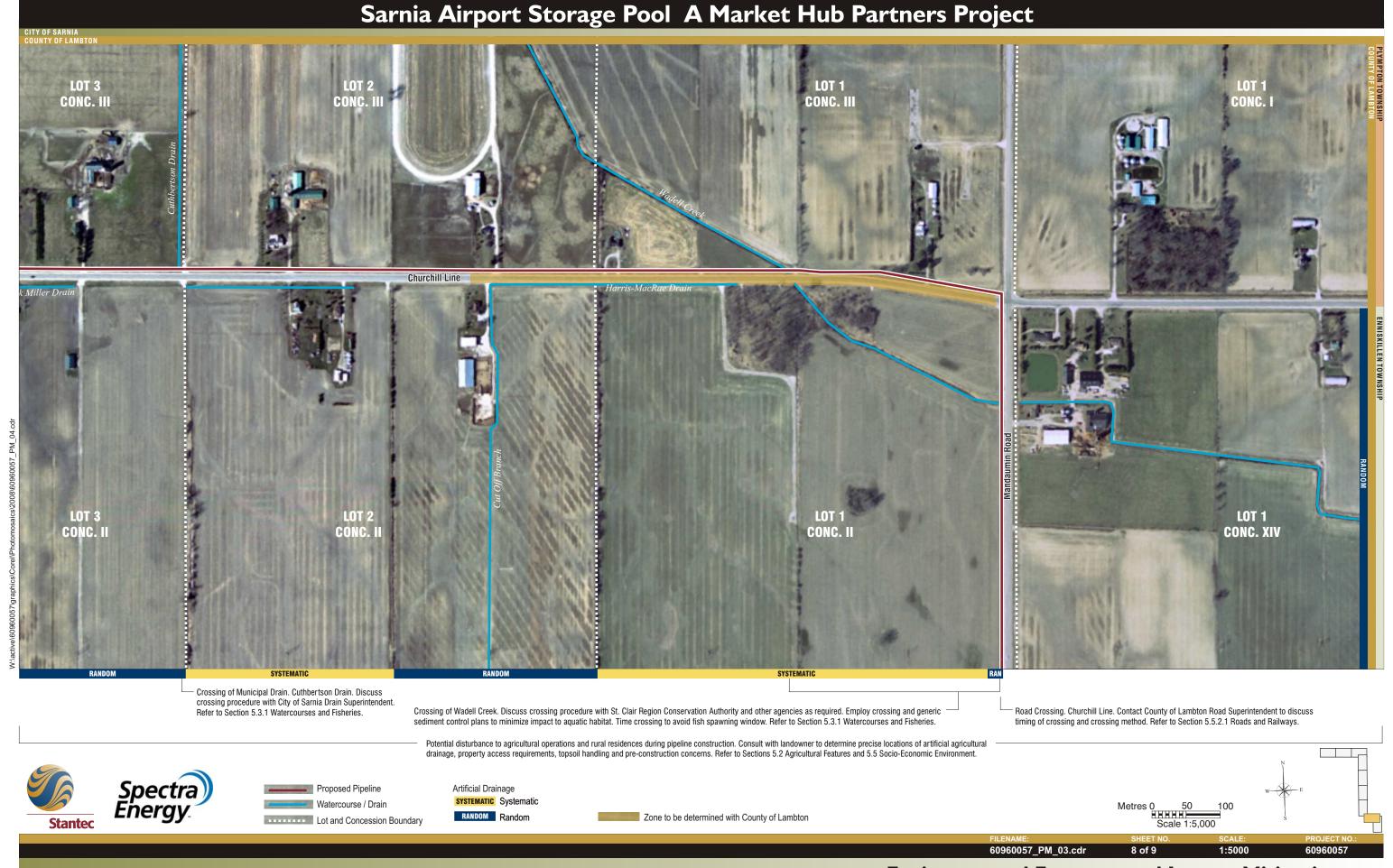
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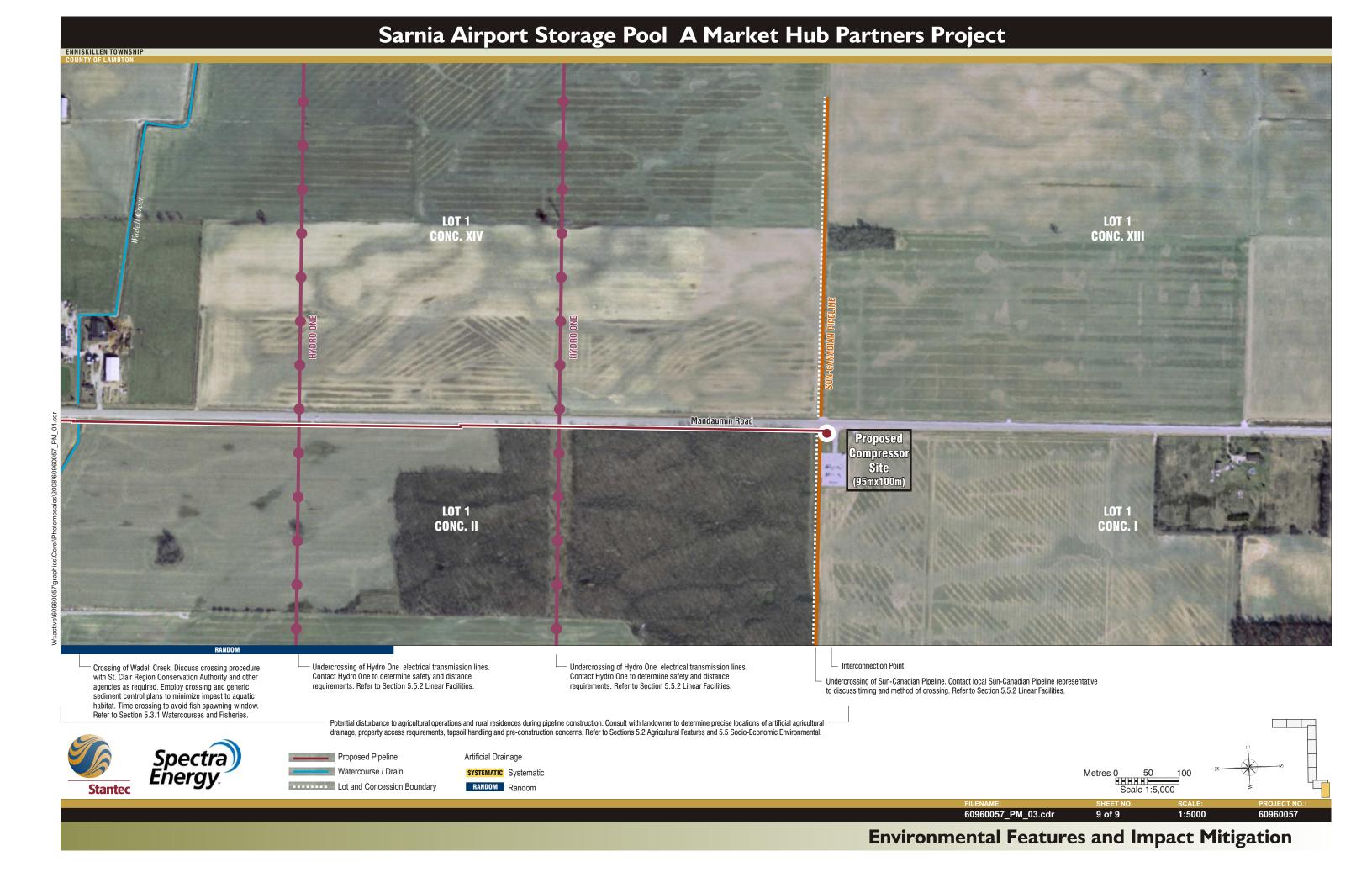
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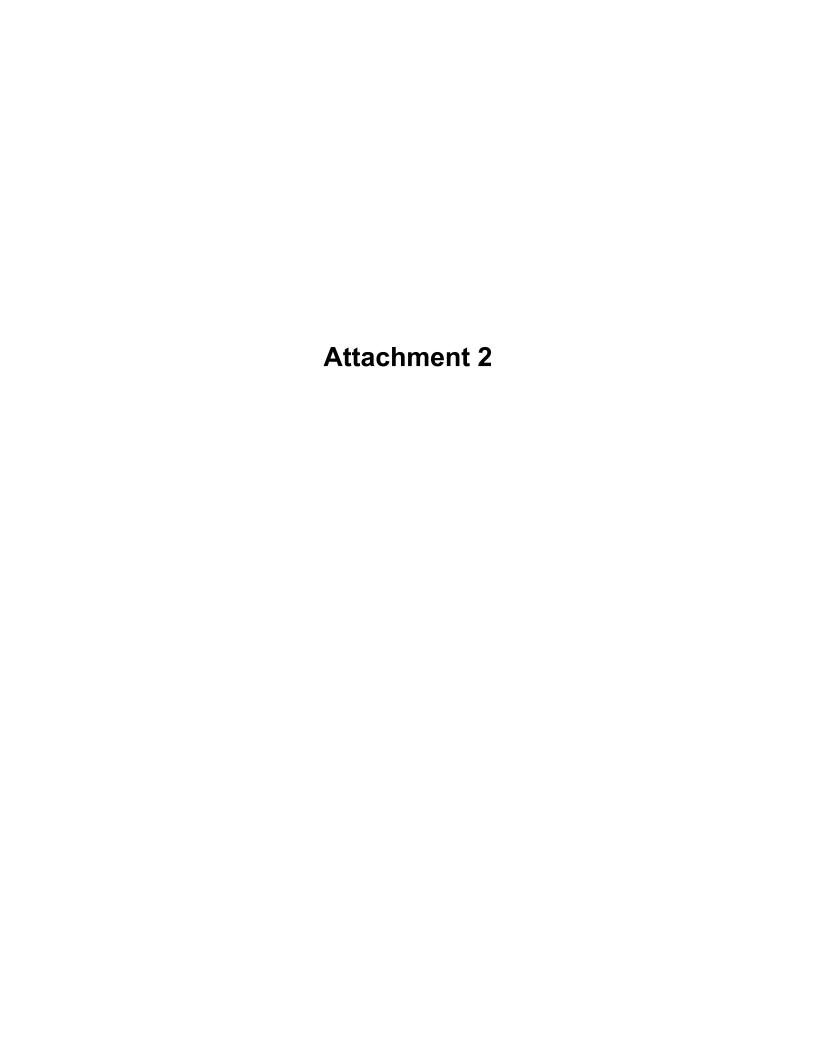














Stantec Consulting Ltd. 361 Southgate Drive Guelph ON N1G 3M5 Tel: (519) 836-6050 Fax: (519) 836-2493

December 18, 2007 File: 160960057

Agency Address Town, Province Postal Code

Attention: Title. F_Name L_Name, Position

Dear Title. L Name:

Reference: Sarnia Airport Pool Storage Project

In 2005, Stantec Consulting Ltd. ("Stantec") was retained by Market Hub Partners Canada L.P. ("MHP Canada"), a Spectra Energy partnership, to prepare an Environmental and Socio-Economic Assessment Report (ER) for the development of the proposed Sarnia Airport natural gas storage pool. The ER (dated August 2005), was sent to the members of the Ontario Pipeline Coordinating Committee (OPCC) and to other local agencies and organizations for review and comment.

Since our last correspondence, project development activities have continued. To date, the environmental assessment, pipeline route selection and preliminary project design have been completed. Stantec recently confirmed that there are no changes to the features noted in the ER that would alter the assessment results. Consultation with interested parties, such as municipalities, agencies, First Nations and landowners, are ongoing. The next significant step in the project development process will be making application to the Ontario Energy Board for approval of the Sarnia Airport Storage Pool. This application is expected to be filed with the Ontario Energy Board in the very near future.

Currently, MHP Canada is targeting a 2009 in-service date for the proposed project. Construction activities are planned to start as early as September 2008 and continue to the in-service date (spring 2009). The proposed project will include a 12-inch (323.9 mm) diameter natural gas pipeline, originating at the Sarnia Airport Storage Pool and terminating adjacent to the existing Union Gas Bluewater/Mandaumin Station (please see attached map).

A copy of our previous correspondence to you regarding the proposed project and the ER is attached. In addition, we have attached any correspondence from you in response to our original letter.

At this time, Stantec is confirming its environmental information and we ask that you provide any new environmental information that has not been considered in the ER. A letter report summarizing Stantec's findings will be issued early in 2008. Also, please feel free to provide any general comments concerning the proposed project and the ER.

Stantec

December 19, 2007 Page 2 of 2

Reference: Sarnia Airport Pool Storage Project

Thank you for your time in responding to our request. If you have any questions concerning the project or the ER please call.

Sincerely,

STANTEC CONSULTING LTD.

Seve Thursell

Steve Thurtell Project Manager

Tel: (519) 836-6050 Fax: (519) 836-2493

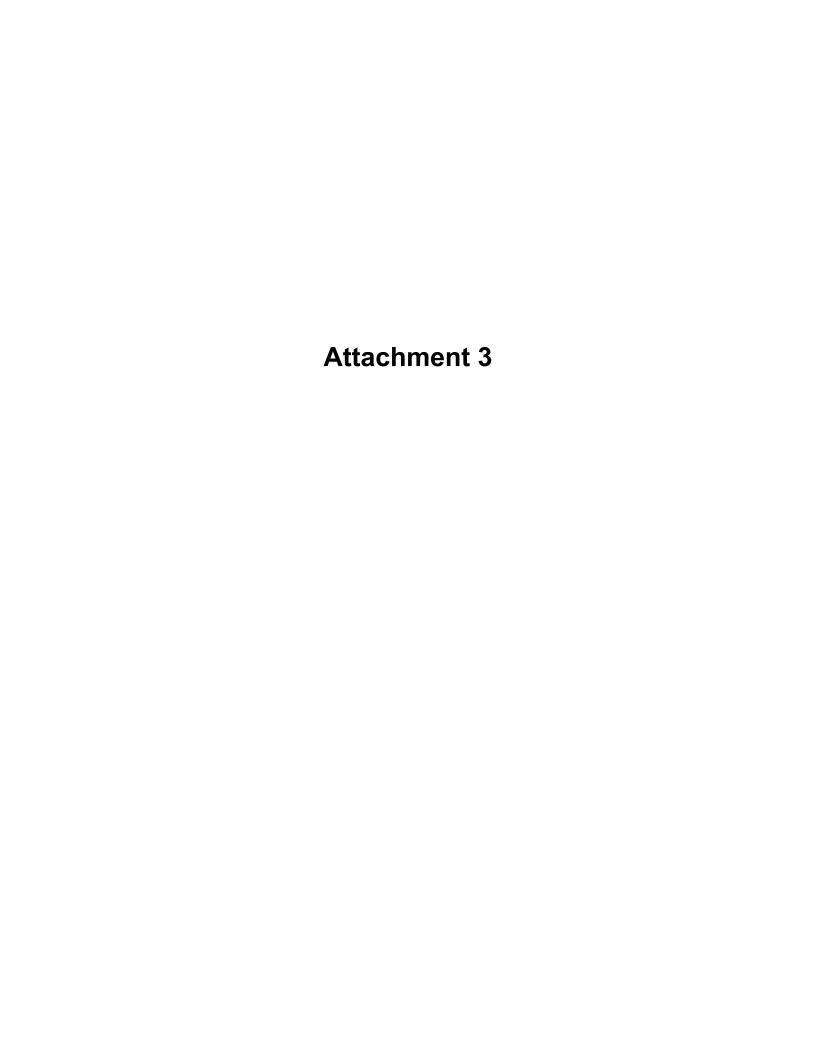
steve.thurtell@stantec.com

Attachment: Study Area Map

Acknowledgement Release Form

Previous Correspondence (if applicable)

c. T. Vadlja, Spectra Energy J. Redford, MHP Canada



Recipients of Sarnia Airport Storage Pool Update 2008

The following list of OPCC members and Stakeholders received the Project Reintroduction letter, dated December 18, 2008 with a request for new information:

- Ms. Zora Crnojacki, OPCC **OEB**
- Ms. Donna Mundie, OPCC **OMAFRA**
- Mr. Michael Johnson (replacing Mr. Peter Carruthers), OPCC MOCCR
- Mr. Doug Peeling, OPCC **MTO**
- Mr. Oscar Alonso, OPCC TSSA
- Ms. Sharon Rew, (Deryck Renton was removed from the list) OPCC MNR,
- Mr. Usman Ahmed (replacing Ms. Diane McArthur-Rodgers), OPCC MMAH
- Graham Martin is replacing Ron Sanderson, OPCC ORC
- NO member, MOEST Energy Science and Technology
- Ms. Kathy McDonald, OPCC MOE Regional Contact-Northern
- Mr. Brian Kaye, MOE Regional Contact- Eastern
- Mr. Mike Parker, OPCC MOE Regional Contact- Southwestern
- Mr. Ernie Hartt, OPCC MOE Regional Contact- Central
- Mr. Patrick Spezowka, OPCC MOE Eastern Supervisor, APEP
- Mr. Barry Duffey, **MOE** Supervisor APEP

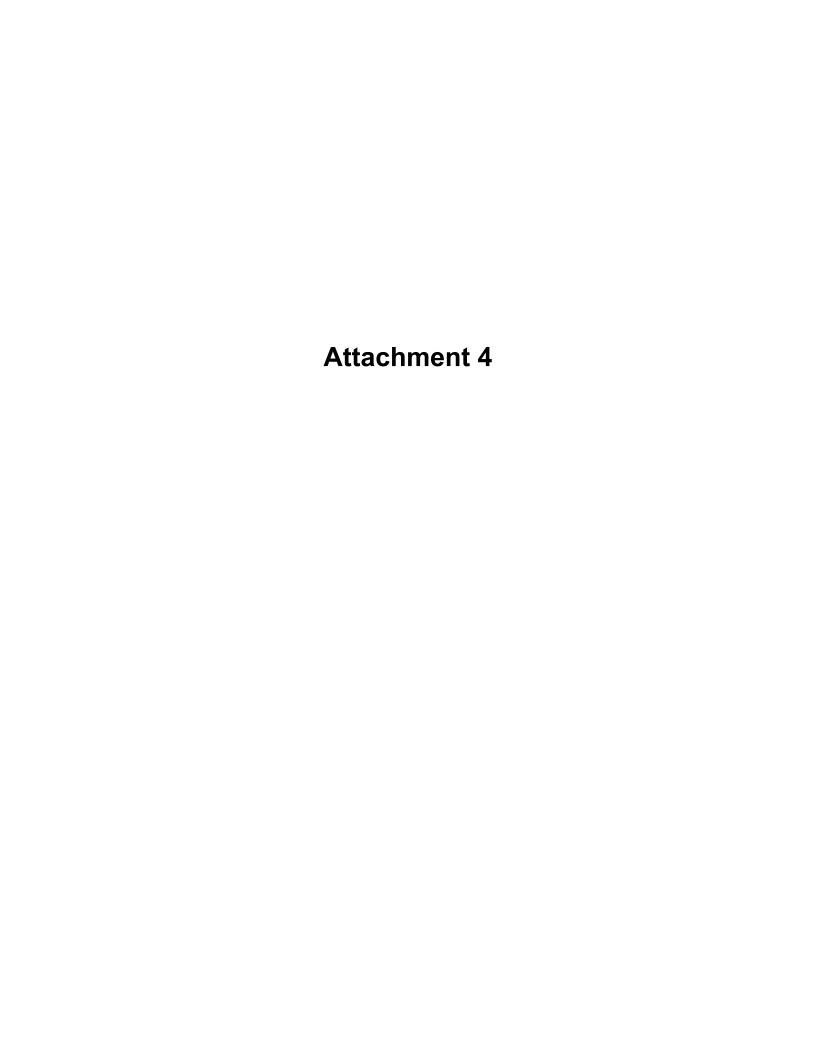
Non-OPCC members **Agency**

- Mr. Ken Yaraskaitch, MNR Chatham Area Supervisor
- Mr. Fred Johnson, MNR Chatham District, Fish & Wildlife Specialist
- Mr. Chris Hutt, MOE Senior Env. Officer
- Mr. John Turvey, OMAF Land Use Policy Specialist
- Mr. Ian Smyth, MTO Regional Development Review Coordinator
- Mr. Ralph Coe, St. Clair Region C.A., General Manager
- Mr. Michael Shnare, City of Sarnia, Director of Planning and Building
- Mr. Ezio Nadalin, Lambton County, Planner Planning and Development Department
- Mr. Bruce Curtis, MMAH, Manager S/W Municipal Services

Non-OPCC members Stakeholders

- Mr. Rick Robb, Ducks Unlimited, Senior Resource Specialist
- Ms. Rosemary Speirs, Ontario Nature, President
- Mr. Jeffery Peter, OFA, Senior Researcher
- Ms. Rebecca Lunn, OFA, Member Service Representative
- Ms. Debbie Coke, Lambton Federation of Agriculture, President

Responses received summarized in the attached table.



From:

Stewart, Penny (ENE) [Penny.Stewart@ontario.ca]

Sent:

Monday, December 31, 2007 9:48 AM

To:

Thurtell, Steve

Cc:

Spezowka, Patrick (ENE)

Subject: Sarnias Airport Pool Storage

Dear Steve

I have received your letter of December 18,2007 and will be forwarding it on to Patrick Spezowka APEP supervisor South Western Region for response as this project is in his region. Please ensure that all future documentation is directed to MR Spezowka.

Thank you

Penny S Stewart

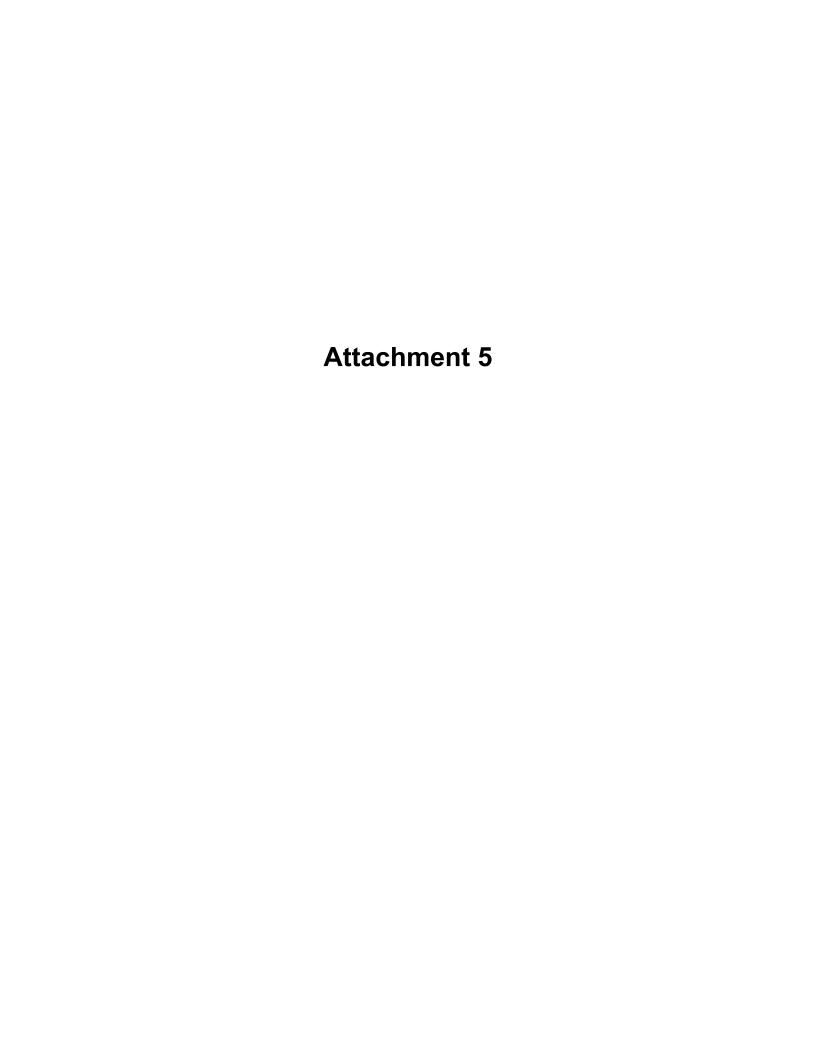
APEP Supervisor (A)

Eastern Region

613 548-6931 or 613 549-4000 X2624

Penny.Stewart @ontario.ca

Patrick Spezowka
Supervisor, Program
Services Unit
Environment ministry of
Assistant Directors
London 519 873-5027
Patrick spezowka@onterio



From: Heather MacKenzie [hmackenzie@scrca.on.ca]

Sent: Wednesday, January 16, 2008 1:29 PM

To: Thurtell, Steve

Subject: Sarnia Airport Pool Storage Project

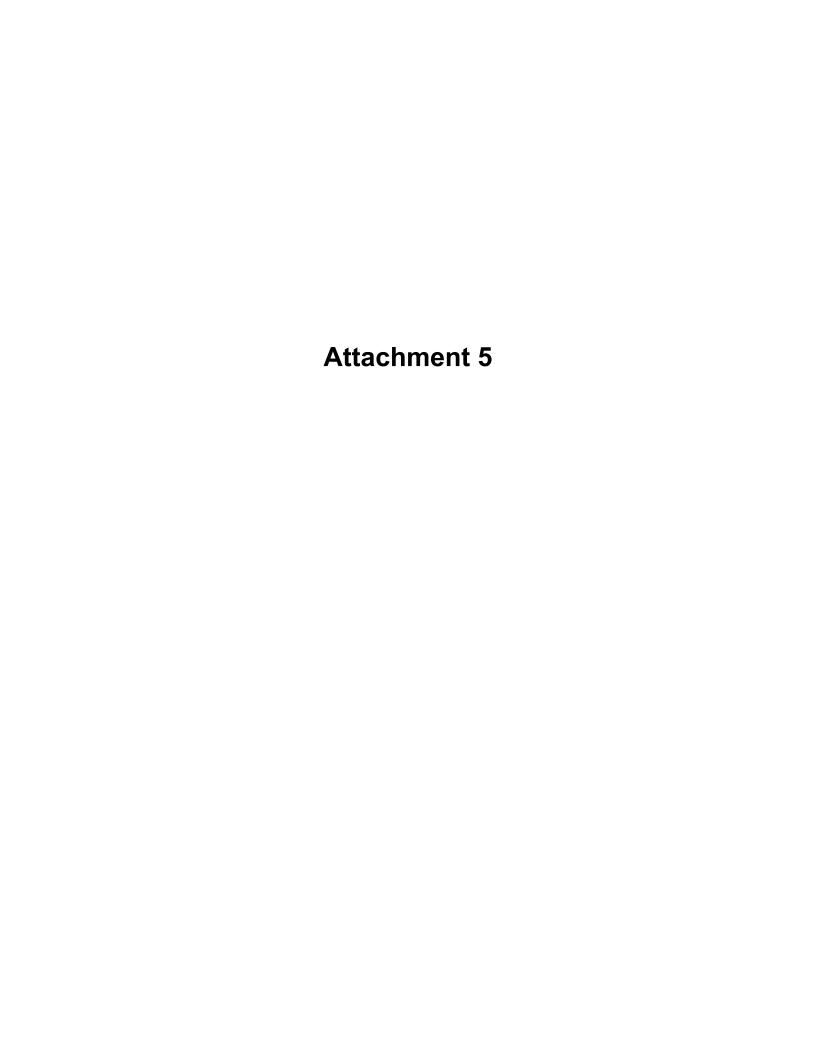


Hello Steve

SCRCA has water quality data on Cow Creek for eight dates in 2006 and an update to the benthic species list for 2006. Let me know if you would like this information. The water quality site is near the intersection of Waterworks Road and Lakeshore Road on the upstream side of the bridge over the main channel of Cow Creek. The two benthic sites are the same LHTS02 and LHTP01. Once you verify in writing that you would like the data I will let you know the fee. It will most likely be between \$50 and \$100.

If you have any questions, please call me at 519-245-3710 ext. 23.

Heather MacKenzie Aquatic Systems Biologist



From: Heather MacKenzie [hmackenzie@scrca.on.ca]

Sent: Wednesday, January 16, 2008 1:29 PM

To: Thurtell, Steve

Subject: Sarnia Airport Pool Storage Project

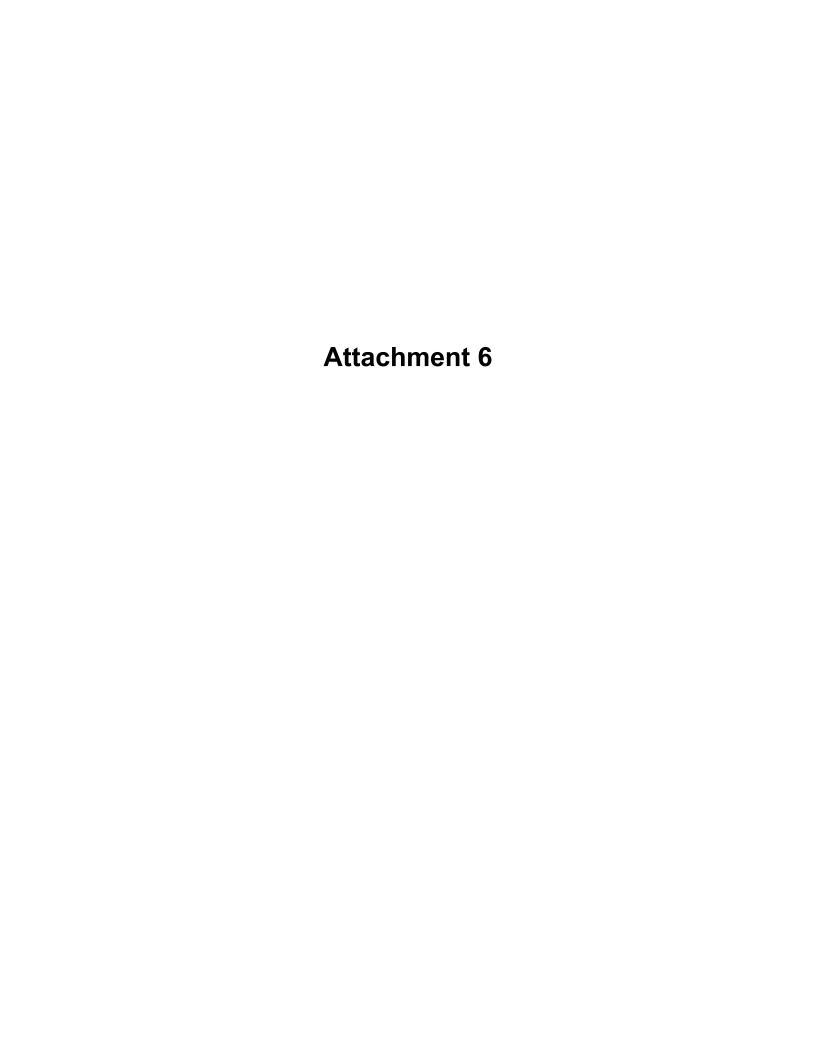


Hello Steve

SCRCA has water quality data on Cow Creek for eight dates in 2006 and an update to the benthic species list for 2006. Let me know if you would like this information. The water quality site is near the intersection of Waterworks Road and Lakeshore Road on the upstream side of the bridge over the main channel of Cow Creek. The two benthic sites are the same LHTS02 and LHTP01. Once you verify in writing that you would like the data I will let you know the fee. It will most likely be between \$50 and \$100.

If you have any questions, please call me at 519-245-3710 ext. 23.

Heather MacKenzie Aquatic Systems Biologist



Thurtell, Steve From:

Wednesday, January 16, 2008 3:00 PM Sent:

'Heather MacKenzie' To:

Subject: RE: Sarnia Airport Pool Storage Project

Hi Heather,

Thank you for the information. I will assess our needs and let you know if we can use that data

Sincerely, Steve.

Steve Thurtell, B.Sc. Agr., M.Sc.

Project Manager, Environmental Assessment

Stantec

Ph: (519) 836-6050 Ext. 208

Fx: (519) 836-2493 Cell: (519) 820-4237 Steve.Thurtell@stantec.com

stantec.com

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Please consider the environment before printing this email.

From: Heather MacKenzie [mailto:hmackenzie@scrca.on.ca]

Sent: Wednesday, January 16, 2008 1:29 PM

To: Thurtell, Steve

Subject: Sarnia Airport Pool Storage Project

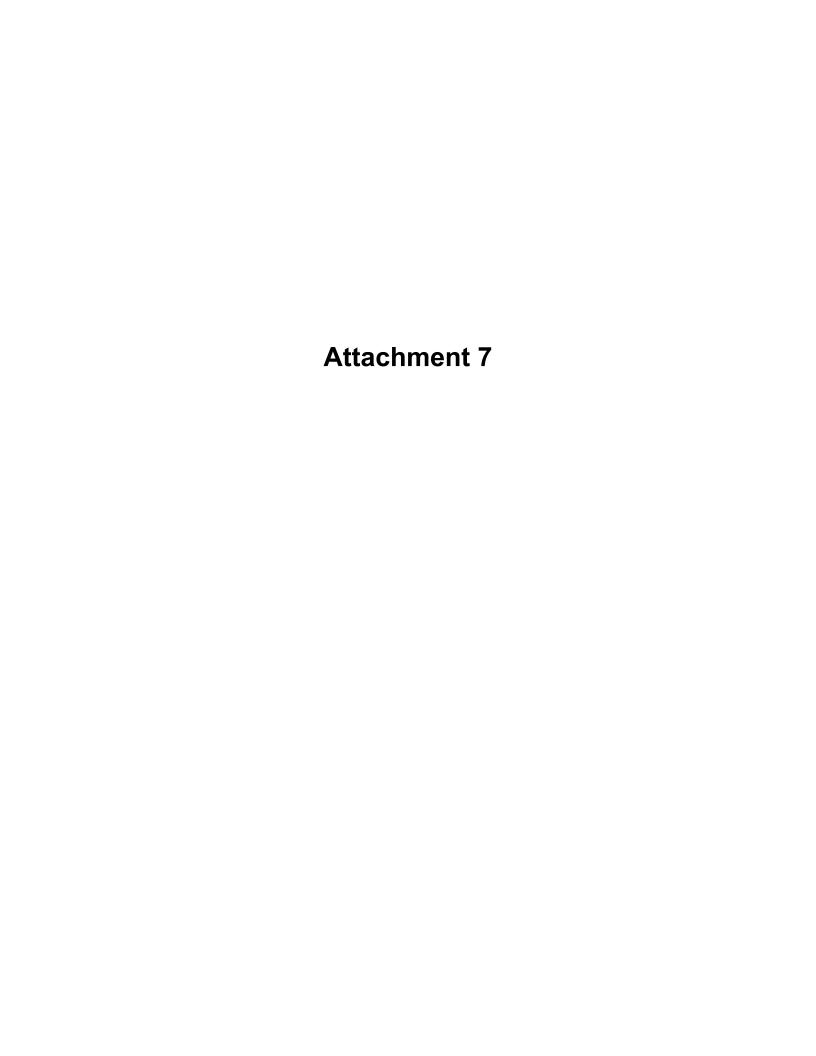


Hello Steve

SCRCA has water quality data on Cow Creek for eight dates in 2006 and an update to the benthic species list for 2006. Let me know if you would like this information. The water quality site is near the intersection of Waterworks Road and Lakeshore Road on the upstream side of the bridge over the main channel of Cow Creek. The two benthic sites are the same LHTS02 and LHTP01. Once you verify in writing that you would like the data I will let you know the fee. It will most likely be between \$50 and \$100.

If you have any questions, please call me at 519-245-3710 ext. 23.

Heather MacKenzie Aquatic Systems Biologist





January 2, 2008 File: C/F

Mr. Steve Thurtell, Project Manager Stantec Consulting Ltd. 361 Southgate Drive, Guelph ON N1G 3M5

Dear Mr. Thurtell:

Re: Sarnia Airport Pool Pipeline Project

This is in response to your letter of December 18, 2007. It would appear that the referenced pipeline will be owned/operated by Market Hub Partners Canada L.P. (MHP Canada). As this company is not licensed to operate pipelines, an application for Ontario Licence to Transmit Oil or Natural Gas by Pipeline Form FS 09137 (09/05) need to be completed prior to commissioning of this line. The application form can be found in at our web www.tssa.org.

In addition, MHP Canada will be required to formulate their Pipeline Integrity Management Program in conformance to Annex N of CSA Z662-07 and have it ready for our review at least two months prior to the commissioning of this line.

Should you have any questions, please call me.

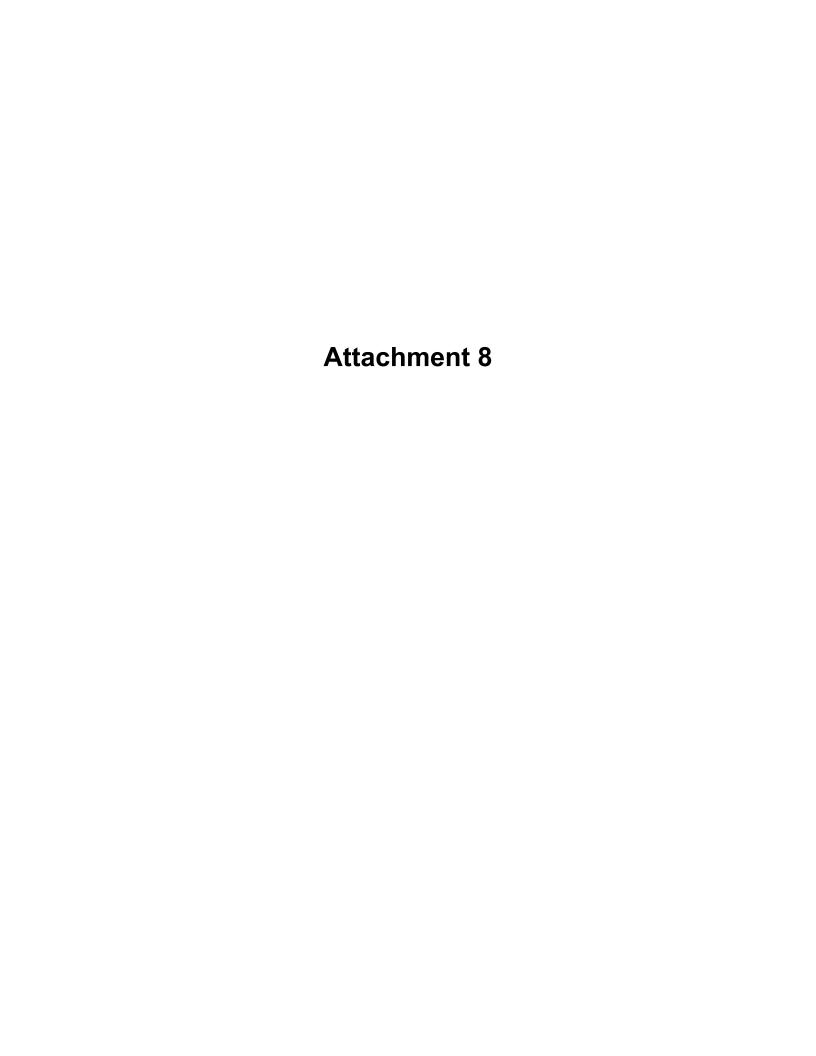
Yours truly

Oscar Alonso, P. Eng. Fuels Safety Engineer

Tel: (416) 734-3353 Fax: (416) 231-7525

L:\FSESB\OA\Sarnia Airport Pool Pipeline Project, MHP.doc

3300 Bloor Street West, 14th Floor, Centre Tower, Toronto, Ontario M8X 2X4
Telephone: 416-734-3300 Fax: 416-231-1626 Toll Free: 1-877-682-8772
E-mail: contactus@tssa.org Website: www.tssa.org





Market Hub Partners Management Inc.

February 28, 2008

Mr. Oscar Alonso, P. Eng. Fuels Safety Engineer

Technical Standards and Safety Authority Fuels Safety Program 14th Floor, Centre Tower 3300 Bloor Street West Toronto, Ontario M8X 2X4

Dear Mr. Alonso:

Re: Sarnia Airport Storage Pool Project

Stantec Consulting Ltd. ("Stantec") has forwarded your correspondence of January 2, 2008 regarding the Sarnia Airport Storage Pool Project (the "Project"). Since the Technical Standards and Safety Authority ("TSSA") has received correspondence on the Project dating as far back as June 18, 1999, it may be helpful to review and address all of the issues raised by TSSA over that seven year period.

Market Hub Partners Management Inc. ("MHP Management Inc.") and AltaGas Ltd., on behalf of Sarnia Airport Storage Pool Limited Partnership, a limited partnership being formed under the laws of Ontario by respective subsidiaries of MHP Management Inc. and AltaGas Ltd., currently own the natural gas storage rights in the Sarnia Airport Pool. An application was submitted to the Ontario Energy Board for the Project dated December 28, 2007 which requested approval for the construction of approximately 18 km of high-pressure transmission and storage gathering pipelines and two valve sites as well as drilling of three new horizontal storage wells. The Project facilities are scheduled to be placed into service as early as April 2009.

Ownership of the natural gas storage rights in the Sarnia Airport Pool have been held by a number of parties. In 1999, CanEnerco Limited ("CanEnerco") filed an application with the Ontario Energy Board for approval of a project to develop the Sarnia Airport Storage Pool, which was similar in design and scope to the currently proposed Project. On June 24, 1999, the TSSA notified ESG International Inc. (now Stantec) that in addition to the requirements of Ontario Regulation 157/97, the Ontario guidelines for locating new oil and gas pipeline facilities and for mitigating stress corrosion cracking may apply to the CanEnerco project. Also, the TSSA indicated that pipeline specifications would be required in order to provide further technical comment.

On July 7, 2005, the TSSA provided correspondence to Stantec in response to a May 2005 letter introducing the Project and new proponents. That TSAA letter referenced the previous June 24, 1999 correspondence and confirmed that: i) Ontario Regulation 157/97 has been replaced by Ontario Regulation 210/01; ii) the guidelines for locating new oil and gas pipeline facilities and for mitigating stress corrosion cracking remain valid; and iii) a new Director's Order of Amendment to the Oil and Gas Pipeline Systems Code Adoption Document was issued March

21, 2005 that, *inter alia*, adopts CAN/CSA Z662-03. Also, the TSSA reiterated that pipeline specifications would be required in order to provide further technical comment.

In December 2007, Stantec requested further comment on the Environmental and Socio-Economic Impact Assessment and on January 2, 2008, the TSSA responded in a letter to indicate its understanding that Market Hub Partners Canada L.P. would be the operator of the pipelines and to provide notification that: i) an Ontario Licence to Transmit Oil or Natural Gas by Pipeline (Form FS 09137 - 09/05) would need to be completed prior to commissioning; ii) the operator would be required to formulate an Pipeline Integrity Management Program ("Integrity Program") in conformance to Annex N of CAN/CSA Z662-07; and iii) the Integrity Program is required to be reviewed by TSSA two months prior to commissioning of the pipelines.

Section 6 – Proposed Facilities of the Pre-Filed Evidence for the Project provides detailed information with respect to the design of the pipelines for the Project and specifically states that the pipeline design specifications are in accordance with the Ontario Regulation 210/01 for Gas Pipeline Systems and CAN/CSA Z662-03. In addition, the pipeline and associated facilities will be designed in accordance with the Ontario guidelines for locating new oil and gas pipeline facilities and for mitigating stress corrosion cracking, as well as the new Director's Order of Amendment to the Oil and Gas Pipeline Systems Code Adoption Document that was issued March 21, 2005. Our understanding is that as of March 31, 2008, the TSSA will adopt CAN/CSA Z662-07, which will replace CAN/CSA Z662-03 in Ontario. To confirm, the proposed pipeline designs for the Project will also meet the requirements of CAN/CSA Z662-07. Attached are the design specifications for the storage gathering and transmission pipelines proposed for the Project.

Sarnia Airport Storage Pool Limited Partnership will own and operate the Project facilities, including the proposed pipelines, and therefore will apply to the TSSA for the required Licence to Transmit Natural Gas prior to the Project facilities being placed into natural gas storage service. Sarnia Airport Storage Pool Limited Partnership will contract day-to-day operation activities with Union Gas Limited via a services contract with MHP Management Inc., or an affiliated company. Through this contractual arrangement, the Project facilities will be integrated into the Union Gas Limited Pipeline Integrity Management Program, Emergency Response Program and other supporting processes.

Should you have any questions with respect to the Project or the Application, please do not hesitate to contact the undersigned.

Yours truly.

Jim Redford, **½**. Eng. Vice-President

(519) 436-4577

(519) 358-4449 (fax)

jredford@spectraenergy.com

Attach.

STORAGE GATHERING PIPELINE DESIGN AND PIPE SPECIFICATIONS

Design Specifications

| Location | Class 2 |
|--|---------------------------------|
| —————————————————————————————————————— | 0.8 |
| Location Factors | General Locations - 0.9 |
| | Road Crossings - 0.625 |
| Maria | Above Ground Facilities - 0.625 |
| Maximum Allowable Operating Pressure | 12,065 kPa |
| Test Medium | Water |
| Minimum Test Duration | 8 hours |
| Minimum Test Pressure | 15,082 kPa |
| Valve and Flange Ratings | |
| | PN 150 |
| Minimum Depth of Cover | (ANSI 900) |
| 2.2. Ammuni Deptii of Cover | 1.0 m |

Pipe Specifications

| Size | NPS 12 |
|------------------------|--------------------------------------|
| Outside Diameter | 323.9 mm OD |
| Wall Thickness | General Locations - 7.3 mm |
| | Road Crossings - 9.0 mm |
| | Above Ground Facilities – 9.0 mm |
| Grade | 448 |
| Category | |
| Туре | Electric Resistance Welded (ERW) |
| Coating | Yellow Jacket or Fusion Bonded Epoxy |
| Manufacturing Standard | CAN/CSA Z245.1-02 |
| | - 00112213.1-02 |

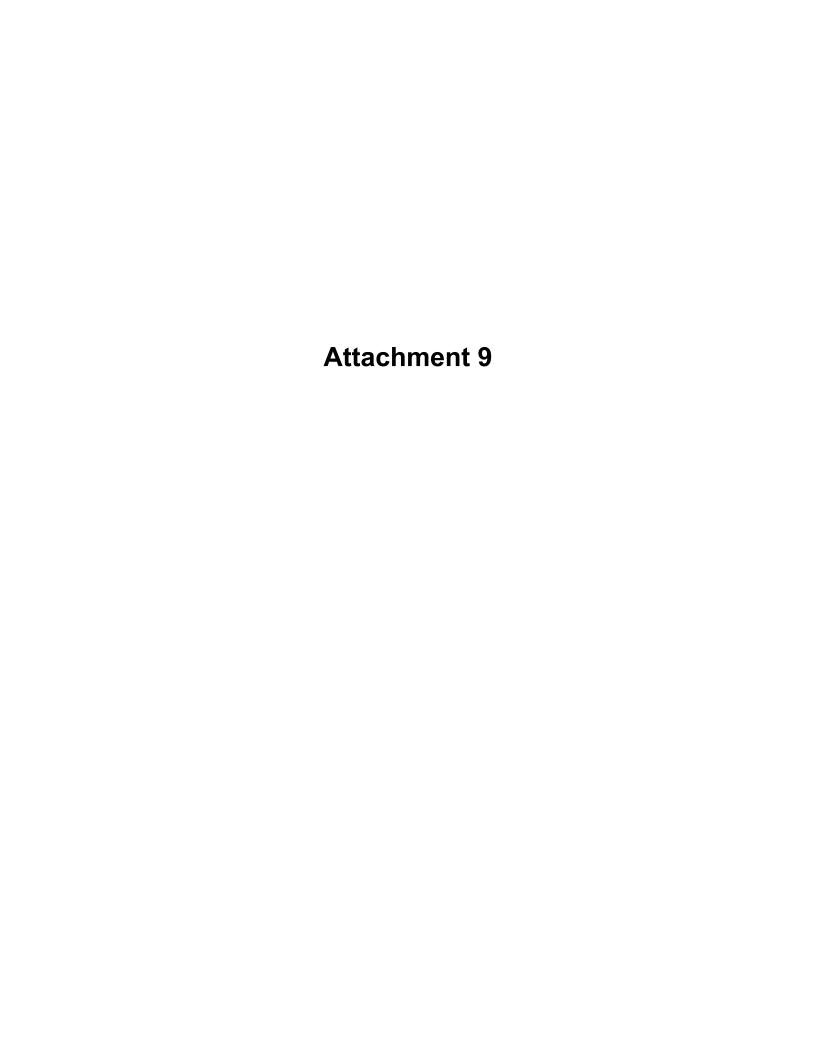
TRANSMISSION PIPELINE DESIGN AND PIPE SPECIFICATIONS

Design Specifications

| Location | Class 1 | |
|---|---|--|
| Design Factor | | Class 2 |
| Location Factor | General Locations - 0.9 Road Crossings - 0.75 Railway Crossings - 0.625 | General Locations - 0.9 Road Crossings - 0.625 Above Ground Facilities - 0.625 |
| Maximum Allowable Operating Pressure | Above Ground Facilities – 0.625 12,065 kPa | 12,065 kPa |
| Test Medium Minimum Test Duration Minimum Test Pressure | Water 8 hours 15,082 kPa | Water 8 hours 15,082 kPa |
| Valve and Flange Ratings Minimum Depth of Cover | PN 150 (ANSI 900) 1.0 m | PN 150 (ANSI 900) |

Pipe Specifications

| Size | |
|------------------------|---|
| | NPS 12 |
| Outside Diameter | 323.9 mm OD |
| Wall Thickness | Class I & II General Locations - 7.3 mm |
| | Class I Road Crossings – 7.3 mm |
| | Class I Railway Crossings – 9.0 mm |
| | Class II Road Crossings – 9.0 mm |
| | Class I and II Above Ground Facilities – 9.0 mm |
| Grade | |
| Category | 448 |
| Type | Elasti D |
| Coating | Electric Resistance Welded (ERW) |
| Manufacturing | Yellow Jacket or Fusion Bonded Epoxy |
| Manufacturing Standard | CAN/CSA Z245.1-02 |
| | 55112215.1-02 |



Ministry of Transportation Ministère des Transports



Operations Office Corridor Management and Property Section 301 St. Paul St, 2nd Floor St. Catharines, Ontario L2R 7R4 Phone - (905) 704-2916; Fax - (905) 704-2481

January 11, 2008

Stantec Consulting Ltd. 361 Southgate Drive Guelph, Ontario N1G 3M5

Att: Steve Thurtell

Project Manager

RE: Sarnia Airport Pool Storage Project

Thank you for your letter of December 18, 2007 regarding the above noted subject.

Please be advised that I have forwarded your letter to our London Office (Paul Santos, Regional Development Review Coordinator). Paul will review the proposed work and provide any comments to you.

If you required further information, please do not to hesitate to contact me.

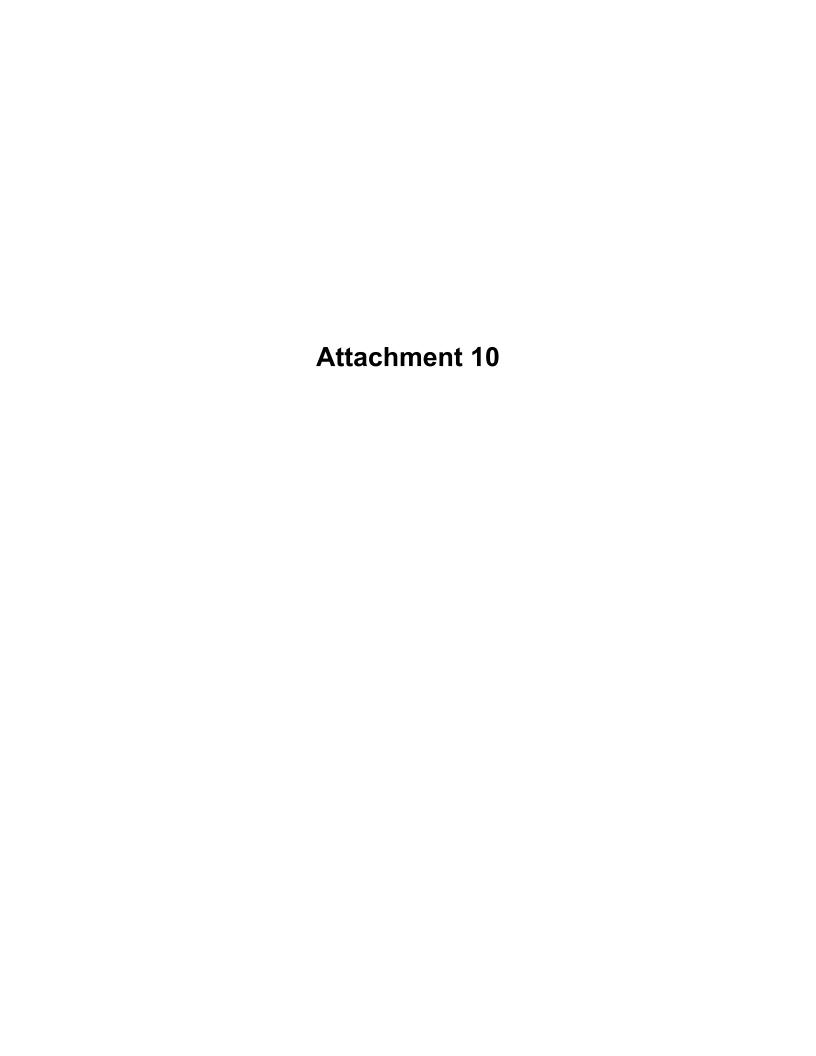
Thank you.

Yours truly

Doug Peeling

Senior Policy Adviser

c:- P. Santos



Engineering Office Planning and Design Section Southwestern Region

659 Exeter Road London, Ontario N6E 1L3 Telephone: (519) 873-4550 Facsimile: (519) 873-4600

Ministère des Transports

Bureau du génie Section de planification et de conception Région du Sud-Ouest

659, chemin Exeter London (Ontario) N6E 1L3 Téléphone: (519) 873-4550 Télécopieur: (519) 873-4600



RECEIVED
JAN 2 3 7008

via fax and mail: (519) 836-2493

January 17, 2008

Steve Thurtell
Project Manager
Stantec Consulting Ltd.
361 Southgate Drive
Guelph, Ontario
N1G 3M5

RE: Market Hub Partners Canada L.P.

Sarnia Airport Pool Storage Project

Thank you for your letter of December 18, 2007, regarding your updated development activities for the above mentioned project.

Once your application has been approved by the Ontario Energy Board, the ministry will require detailed plans for the proposed crossing of Highway 402 for our review and approval. The details required were outlined in our previous correspondence of May 12, 2005. Please continue to keep us informed on the progress of the Sarnia Airport Pool Storage Project.

To discuss the Ministry of Transportation's permit requirements and obtain the necessary permit applications, please contact Mr. Jack Hitchcock, Corridor Management Officer, Operational Services – Chatham (870 Richmond Street, Chatham, Ontario N7M 5L3, Phone 519-354-1400, ext. 314).

Should you have any questions, please contact our office.

Yours truly,

Rob Tofflemire

Regional Development Review Coordinator (A)

for

Ian Smyth

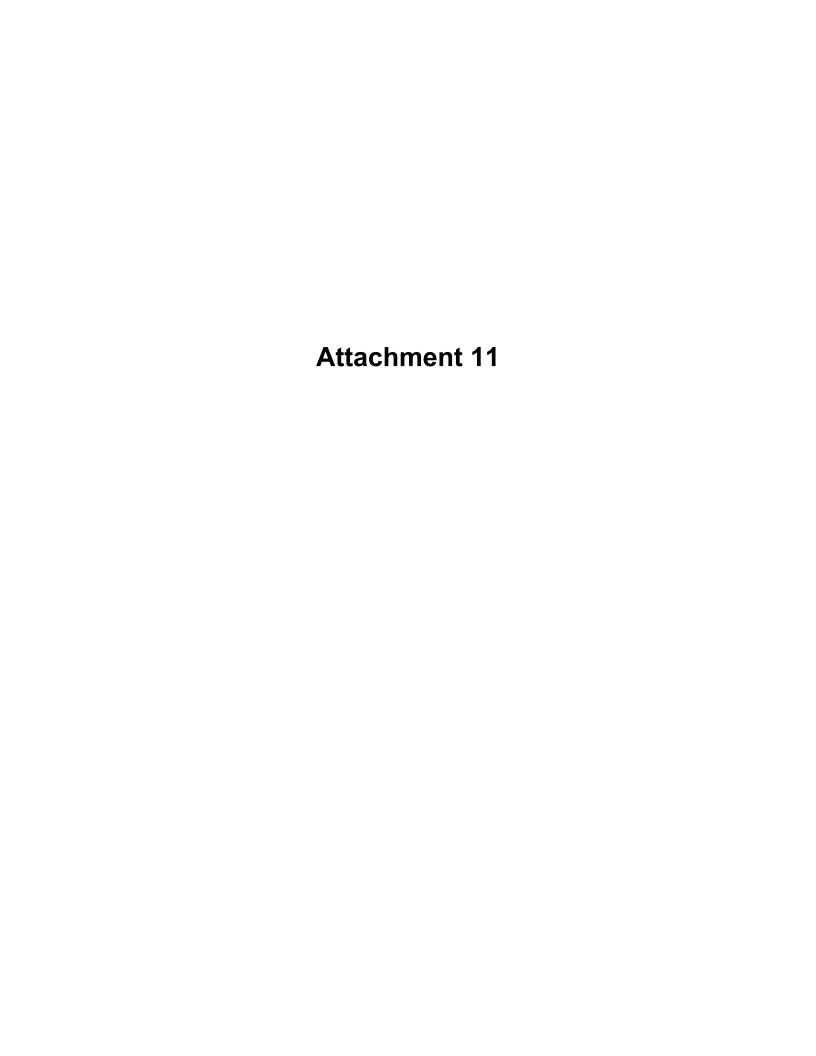
Regional Development Review Coordinator

Engineering Office

Planning and Design Section

Southwestern Region, London

c. K. Boudreau – Operational Services, London



Operational Services-London

659 Exeter Road London, ON N6E 1L3 Telephone: (519) 873-4730 Facsimile: (519) 873-4228

Ministère des Transports

Services opérationnels-London

659, chemin Exeter London, (Ontario) N6E 1L3 Téléphone : (519) 873-4730 Télécopieur : (519) 873-4228



January 29, 2008

Spectra Energy
Mr. Jim Redford, P. Eng.
Vice-President
PO Box 2001
50 Keil Dr. North
Chatham, Ontario
N7M 5M1

Re: Status of Sarnia Airport Pool Underground Natural Gas Storage Development

Dear Mr. Redford:

In response to your letter dated December 5, 2007 to our Chatham office, I offer the following information.

Under the *Provincial Transportation and Highway Improvement Act* (PTHIA), this ministry exercises certain controls, both within and adjacent to ministry highway corridors.

As it appears you are still in your planning process, it is not clear where the improvements will be constructed relative to our highway corridor(s). I can offer you some of the following guidelines:

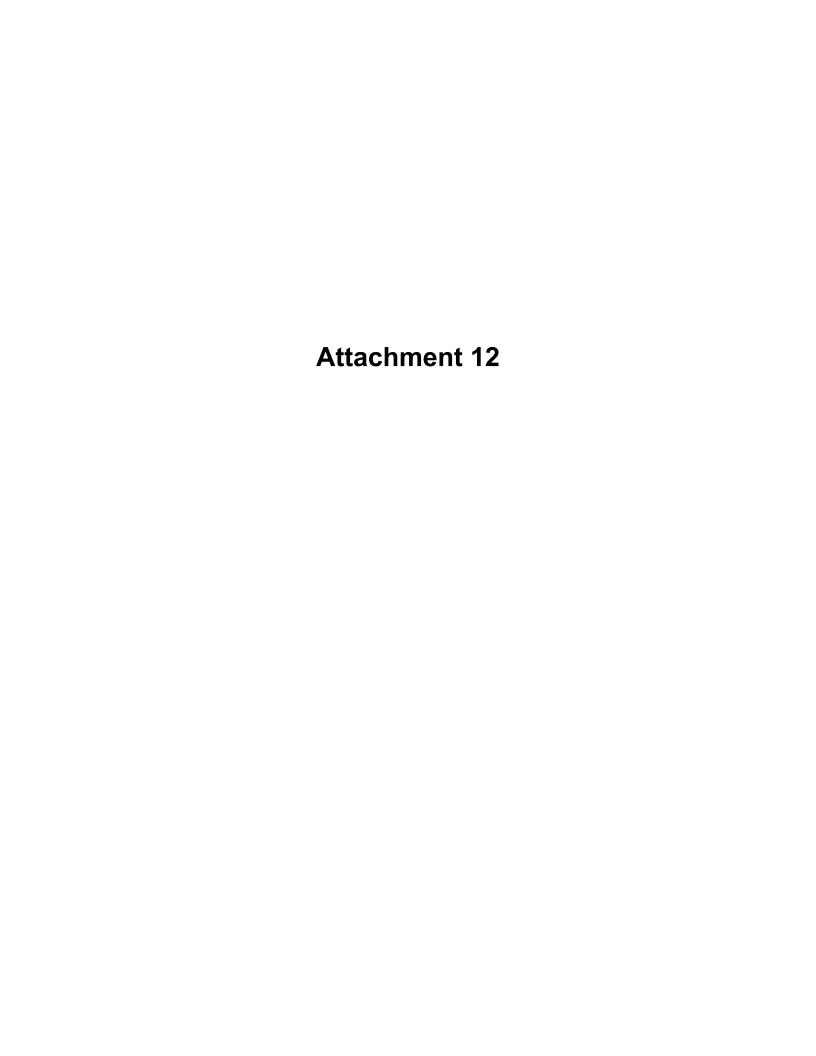
- If your work falls within 45 m of any limit of a highway or within 395 m of the centre point of an intersection, please consult this ministry.
- If your project includes the need for a transmission line or advertising sign within 400 m of the limit of a highway, please contact this ministry.
- If your work requires encroachment onto any portion of ministry owned land or right-of-way, please contact us.

Thank you for informing us of this project. Please keep us aware of your plans and should you have any questions concerning our involvement as a commenting agency, please contact the undersigned directly.

Kevin Boudreau, P. Eng. Field Services Engineer

Operational Services-London/Chatham

c: Operational Services-Chatham





Market Hub Partners Management Inc.

February 13, 2008

Ministry of Transportation Attn: Mr. Kevin Boudreau 870 Richmond Street P.O. Box 910 Chatham, Ontario N7M 5L3

Re: Status of Sarnia Airport Pool Underground Natural Gas Storage Development

Dear Mr. Boudreau,

Thank you for your letter of January 29, 2008, in response to our Sarnia Airport Pool project status correspondence dated December 7, 2007 ("Status Letter"). A copy of the Status Letter was sent to all landowners and interested parties within the proposed designated storage area and along the proposed pipeline route for the Sarnia Airport Storage Pool Project. As a follow up to your correspondence, we wanted to provide you with a brief summary of some key contacts made with the Ministry of Transportation during the planning stage of this project.

MHP Canada previously applied for an Encroachment Permit from the Ministry of Transportation with respect to the proposed Highway 402 pipeline crossing immediately west of and adjacent to Waterworks Road. The Encroachment Permit ("EC-2006-32C-1") for the proposed crossing was issued by the Ministry of Transportation on May 4, 2006. EC-2006-32C-1 has now expired. With the submission of an application for project approval to the Ontario Energy Board, a new Encroachment Permit application will be submitted later this year for January - March 2009 construction. Since the proposed crossing design remains unchanged, the new Encroachment Permit application will be based on the same supporting materials as EC-2006-32C-1.

During the project planning process, the Ministry of Transportation has received the Environmental & Socio-Economic Assessment Report through its participation in the Ontario Pipeline Coordinating Committee ("OPCC"). Mr. Doug Peeling has been forwarded any information distributed to the OPCC. Attached is a copy of the correspondence received from the Ministry of Transportation through the OPCC process.

Thank you for your consideration in this matter. If you have any questions or concerns I can be reached at 1-866-767-1277 or by e-mail at jredford@spectraenergy.com

Yours Truly,

Jim Redford, P.Eng Vice-President

cc. Louie Jeromel

(Project Manager)

Attach.

Stantec Consulting Ltd.
361 Southgate Drive
Guelph ON N1G 3M5
Tel: (519) 836-6050 Fax: (519) 836-2493

stantec.com





May 9, 2005 «Agency» «Street_Address» «City» «Prov» «Postal»

Attention:

«First_Name» «Last_Name», «Position»

Dear «Title» «Last_Name»:

Reference: Sar

Sarnia Airport Pool Storage Project

In response to the growing demand for natural gas storage, Market Hub Partners Canada L.P. (MHPC) and its' partner, True Oil Company, are seeking to develop natural gas storage in the Sarnia area.

Stantec Consulting Ltd. (Stantec) has been retained by MHPC to update an Environmental Impact Assessment (EA) for a proposed 323.9 mm (NPS 12) pipeline. The original EA was conducted in 1999 by ESG International Inc. The new pipeline would begin at Sarnia's Chris Hadfield Airport and proceed south-east via a preferred route to the termination point that is near the corner of Churchill Line and Mandaumin Road where it ties into the existing Union Gas pipeline system. The proposed pipeline route is shown on the attached map.

The purpose of this phase of the study is to confirm the accuracy and relevancy of the information presented in the original EA report and to prepare an updated supplemental report that will accompany an MHPC application to the Ontario Energy Board. This letter is to inform you of MHPC's proposed undertaking and, as an agency with an interest in the area, to ask for your input in providing any comments or concerns regarding the project. In particular, we are looking for any new information, policies or guidelines that this EA update should consider which might have been implemented since the original EA. We are also seeking any background environmental or socioeconomic information that may have been unavailable, or was unknown to your agency at the time of the last report.

Previous correspondence from your agency, regarding this project, is attached for your information. We have taken note of your previous comments and would like your agency to confirm that they remain relevant.

We are also interested in your agency's knowledge regarding other developments in the study area that are proposed for the next year. This information will be incorporated into the study update as a component of the cumulative effects assessment.

Stantec

Reference: Sarnia Airport Pool Storage Project

Your agency's response by May 31, 2005 would be appreciated. For your convenience, an acknowledgement response form is included for your use if you wish.

An Open House will be held to explain the project, and present an opportunity for any interested parties to provide input:

Bluewater Optimist Club 2505 London Line Sarnia ON Thursday May 19, 2005 6:00pm – 9:00pm

If you have any questions, please do not hesitate to call me (519) 836-6050

Yours truly,

STANTEC CONSULTING LTD.

David Wesenger Senior Project Manager Tel: (519) 836-6050 Fax: (519) 836-2493 dwesenger@stantec.com

Attachment: Study Area Map, Acknowledgement Response Form,

Previous Correspondence (if applicable)

c. T. Vadlja, Union Gas

s w:\active\60960057 sarnia airport pool ea update\correspondence\agency\sap agency contact 2 final.doc

RECEIVED MAY 17 2005

Ministry of Transportation

Engineering Office Planning and Design Section Southwestern Region

659 Exeter Road London, Ontario N6E 1L3 Telephone: (519) 873-4597 Facsimile: (519) 873-4600

Ministère des Transports

Bureau du génie Section de planification et de conception Région du Sud-Ouest

659, chemin Exeter London (Ontario) N6E 1L3 Téléphone: (519) 873-4597 Télécopieur: (519) 873-4600



May 12, 2005

David Wesenger Stantec Consulting Ltd. 361 Southgate Drive Guelph, Ontario N1G 3M5

Dear Mr. Wesenger

RE:

Market Hub Partners Canada L.P. Sarnia Airport Pools Storage Project

Thank you for your letter of May 9, 2005 addressed to Mr. Shawn McGuire, regarding your involvement in the EA Update for the above-mentioned project.

The ministry is currently undertaking a Planning and Preliminary Design Study for improvements to Highway 402 from the Blue Water Bridge Plaza easterly to Mandaumin Road. It is our understanding that the gas line would cross Highway 402 within our study area, on the west side of the Waterworks Road right-of-way. The current technically preferred alternative for Highway 402 is to widen westbound Highway 402 to 4 lanes with the two centre lanes designated for trucks. The preferred design includes widening Highway 402 westbound from east of Waterworks Road. The existing Waterworks Road structure would be retained. To the west of Waterworks Road a basket weave structure to carry trucks from the right to the centre two lanes is included in the technically preferred plan. We are currently working on preliminary design alternatives. We expect to have EA clearance for the Highway 402 improvements this fall with construction to begin in 2007.

To reiterate what was stated in a previous letter from Mr. Bentley of this office, the details of the highway crossing must be submitted for our review and approvals prior to the proposed pipeline's construction. The submission should include, but not be limited to, plans and cross sections indicating the location, depth, and type of crossing for the pipeline. Our current policy does not permit an open cut procedure for any type of highway crossing, however, the type of crossing will depend on the date construction is planned for the proposed pipeline. In addition, highway crossings must be fully encased within the proposed highway right-of-way and any crossing of Highway 402 must be situated completely outside the "footprint" area of the future basket weave structure.

Please continue to keep us informed on the progress of the Sarnia Airport Pool Storage Project in order to ensure that the pipeline does not conflict with our Highway 402 expansion plans.

To discuss the Ministry of Transportation's permit requirements and obtain the necessary permit applications, please contact Mr. Jack Hitchcock, Corridor Management Officer, Operational Services at telephone number 519-354-1400, ext. 314 in Chatham at Box 910, 870 Richmond Street, Chatham, Ontario N7M 5L3.

If you have any further questions or comments, please do not hesitate to contact our office.

Yours truly,

Paul Santos

Regional Development Review Coordinator

Planning & Design Section

Southwestern Region - London

c. M. Swim, Planning and Design - London

B. Kope, Operational Services - Chatham

J. Hitchcock, Operational Services - Chatham

August 11, 2005

Ministry of Transportation 301 St. Paul Street, 2nd Floor St, Catherines, ON L2R 7R4

Attention: Mr. Doug Peeling

Re: Sarnia Airport Storage Pool Project

Dear Mr. Peeling:

Market Hub Partners Canada L.P. and True Oil Company, through a limited partnership being formed under the laws of Ontario (Sarnia Airport Storage Pool L.P.), propose to develop a natural gas storage pool which will include construction of Nominal Pipe Size (NPS) 305 mm (12-inch outside diameter) natural gas pipelines, well facilities and an associated compressor facility. The Preferred Route for the pipeline begins at the storage wells at the Sarnia Chris Hadfield Airport and interconnects with the Ontario natural gas pipeline network at the existing Union Gas Ltd. facilities located in Lot 1, Concession 1, City of Sarnia. The project proponents are proposing to construct portions of the pipeline in the winter of 2006 and to construct the balance of the proposed pipeline and station facilities in the spring and early summer of 2006. Well drilling activities are planned to occur from winter to spring 2006. The project schedule will allow the storage pool to be in-service by June 1, 2006.

At this time, the project proponents would appreciate your review of this report. Please forward any comments to Ms. Zora Crnojacki, Chairperson, Ontario Pipeline Coordination Committee, Ontario Energy Board, 2300 Yonge St., 26th Floor, Suite 2601, Toronto Ontario M4P 1E4 or by email at CrnojaZo@oeb.gov.on.ca, and to the undersigned by September 22, 2005.

If you have questions or require clarification, please do not hesitate to contact me at 1-519-836-6050 or by e-mail at dwesenger@stantec.com, or Jim Redford of Market Hub Partners Canada at 1-866-767-1277 or by email at jredford@duke-energy.com.

Thank you for your time in this endeavor.

Yours very truly,

David Wesenger Senior Project Manager Stantec Consulting Limited

Attach.

ĭ

Ministère des Transports

Telephone No. (905) 704-2916 Fax No. (905) 704-2481



Construction and Operations Executive Office 2nd Floor 301 St. Paul Street St. Catharines, Ontario L2R 7R4

August 12, 2005

Stantec Consulting Ltd. 361 Southgate Drive Guelph, Ontario N1G 3M5

Att: Dave Wesenger

Project Manager

RE: Sarnia Airport Storage Pool Project

Thank you for your letter of August 11, 2005 regarding the above noted subject.

Please be advised that I have forwarded your letter and plan to our London Office (lan Smyth, Regional Development Review Coordinator). Ian will review the proposed work and provide any comments directly to Ms. Zora Crnojacki (Chairman, OPCC).

If you required further information, please do not to hesitate to contact me.

Thank you.

Yours truly

Doug Peeling

Senior Policy Adviser

c:- lan Smyth

Engineering Office Planning and Design Section Southwestern Region

659 Exeter Road London, Ontario N6E 1L3 Telephone: (519) 873-4597 Facsimile: (519) 873-4600

Ministère des Transports

Bureau du génie Section de planification et de conception Région du Sud-Ouest

659, chemin Exeter London (Ontario) N6E 1L3 Téléphone: (519) 873-4597 Télécopieur: (519) 873-4600



September 14, 2005

Ms. Zora Crnojacki, Chairperson Ontario Pipeline Coordination Committee Ontario Energy Board 2300 Yonge St., 26th Floor Suite 2601 Toronto, Ontario M4P 1E4

Dear Ms. Crnojacki

RE: Market Hub Partners Canada L.P.

Sarnia Airport Pool Storage Project – Environmental Report

The ministry has received an Environmental Report and enclosed letter dated August 11, 2005 from Stantec Consulting requesting that comments regarding the project noted above be forwarded directly to you.

A review of the report indicated that the ministry's previous comments outlined in a letter dated May 12, 2005 remain applicable. This letter has been included in Appendix A1 of the report.

Further progress has been made on the Planning and Preliminary Design Study for improvements to Highway 402 from the Blue Water Bridge Plaza easterly to Mandaumin Road. Please see the attached drawings (Plates 26 and 27) indicating the recommended plan for the Highway 402 widening in the vicinity of Waterworks Road.

We continue to await the submission of detailed plans for the proposed highway crossing, for our review and approval as per our previous correspondence. Please continue to keep us informed on the progress of the Sarnia Airport Pool Storage Project.

To discuss the Ministry of Transportation's permit requirements and obtain the necessary permit applications, please contact Mr. Jack Hitchcock, Corridor Management Officer, Operational Services at telephone number 519-354-1400, ext. 314 in Chatham at Box 910, 870 Richmond Street, Chatham, Ontario N7M 5L3.

If you have any further questions or comments, please do not hesitate to contact our office.

Yours truly,

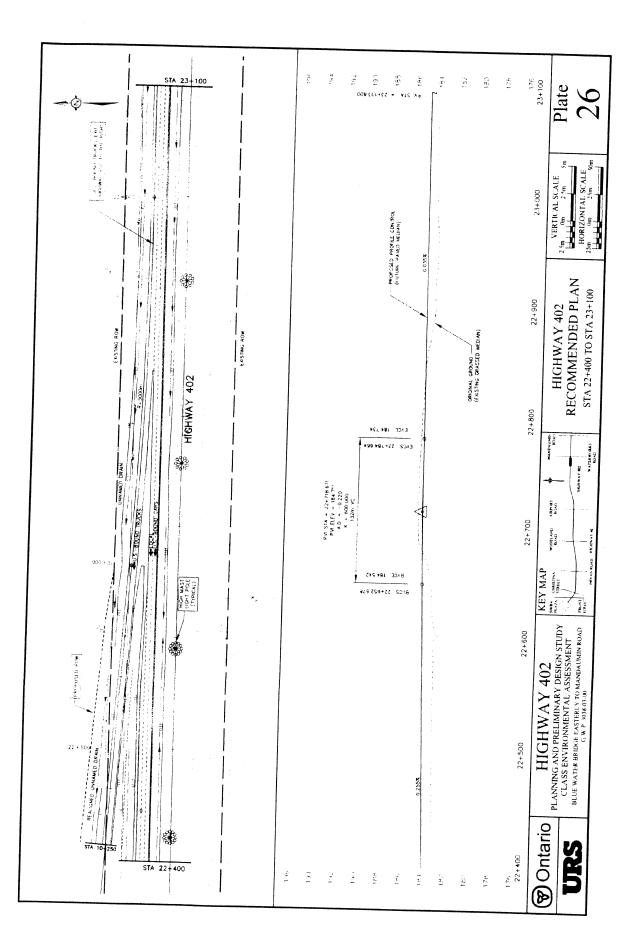
Paul Santos

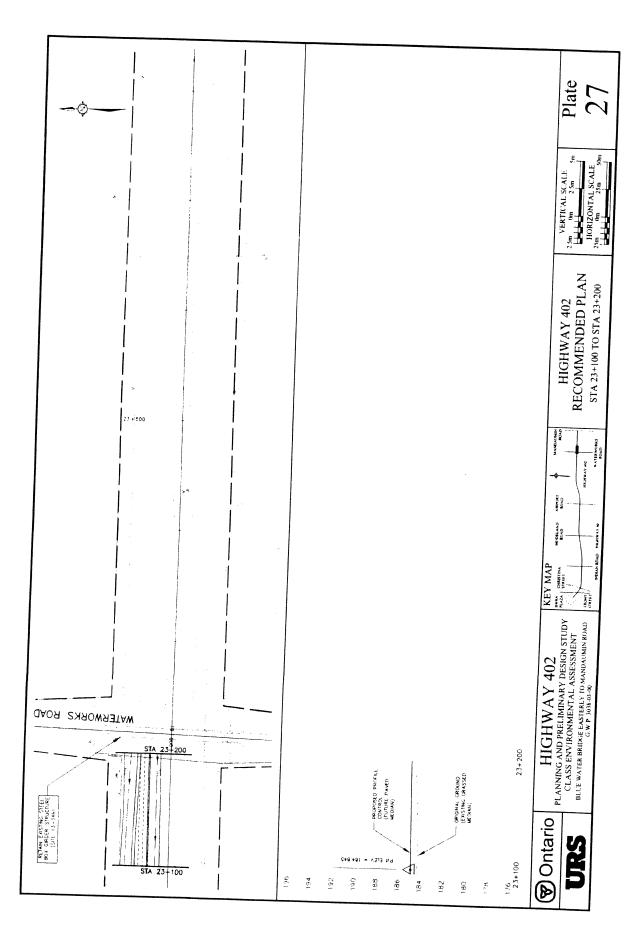
Regional Development Review Coordinator

Planning & Design Section Southwestern Region - London

C.

D. Wesenger, Stantec Consulting Ltd.
M. Swim, MTO - Planning and Design – London
B. Kope, MTO - Operational Services – Chatham
J. Hitchcock, MTO - Operational Services – Chatham







Stantec Consulting Ltd. 361 Southgate Drive Guelph ON N1G 3M5 Tel: (519) 836-6050

Fax: (519) 836-2493

December 18, 2007 File: 160960057

Agency Address Town, Province Postal Code

Attention:

Title. F_Name L_Name, Position

Dear Title. L_Name:

Reference: Sarnia Airport Pool Storage Project

In 2005, Stantec Consulting Ltd. ("Stantec") was retained by Market Hub Partners Canada L.P. ("MHP Canada"), a Spectra Energy partnership, to prepare an Environmental and Socio-Economic Assessment Report (ER) for the development of the proposed Sarnia Airport natural gas storage pool. The ER (dated August 2005), was sent to the members of the Ontario Pipeline Coordinating Committee (OPCC) and to other local agencies and organizations for review and comment.

Since our last correspondence, project development activities have continued. To date, the environmental assessment, pipeline route selection and preliminary project design have been completed. Stantec recently confirmed that there are no changes to the features noted in the ER that would alter the assessment results. Consultation with interested parties, such as municipalities, agencies, First Nations and landowners, are ongoing. The next significant step in the project development process will be making application to the Ontario Energy Board for approval of the Sarnia Airport Storage Pool. This application is expected to be filed with the Ontario Energy Board in the very near future.

Currently, MHP Canada is targeting a 2009 in-service date for the proposed project. Construction activities are planned to start as early as September 2008 and continue to the in-service date (spring 2009). The proposed project will include a 12-inch (323.9 mm) diameter natural gas pipeline, originating at the Sarnia Airport Storage Pool and terminating adjacent to the existing Union Gas Bluewater/Mandaumin Station (please see attached map).

A copy of our previous correspondence to you regarding the proposed project and the ER is attached. In addition, we have attached any correspondence from you in response to our original letter.

At this time, Stantec is confirming its environmental information and we ask that you provide any new environmental information that has not been considered in the ER. A letter report summarizing Stantec's findings will be issued early in 2008. Also, please feel free to provide any general comments concerning the proposed project and the ER.

Stantec

December 19, 2007 Page 2 of 2

Reference: Sarnia Airport Pool Storage Project

Thank you for your time in responding to our request. If you have any questions concerning the project or the ER please call.

Sincerely,

STANTEC CONSULTING LTD.

Steve Thurtell Project Manager Tel: (519) 836-6050 Fax: (519) 836-2493 steve.thurtell@stantec.com

Attachment:

Study Area Map

Acknowledgement Release Form Previous Correspondence (if applicable)

c. T. Vadlja, Spectra Energy J. Redford, MHP Canada

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Ministère des Transports

Operations Office Corridor Management and Property Section 301 St. Paul St, 2nd Floor St. Catharines, Ontario L2R 7R4 Phone - (905) 704-2916; Fax - (905) 704-2481



January 11, 2008

Stantec Consulting Ltd. 361 Southgate Drive Guelph, Ontario N1G 3M5

Att: Steve Thurtell

Project Manager

RE: Sarnia Airport Pool Storage Project

Thank you for your letter of December 18, 2007 regarding the above noted subject.

Please be advised that I have forwarded your letter to our London Office (Paul Santos, Regional Development Review Coordinator). Paul will review the proposed work and provide any comments to you.

If you required further information, please do not to hesitate to contact me.

Thank you.

Yours truly

Doug Peeling Senior Policy Adviser

c:- P. Santos

Engineering Office Planning and Design Section Southwestern Region

659 Exeter Road London, Ontario N6E 1L3 Telephone: (519) 873-4550 Facsimile: (519) 873-4600

Ministère des Transports

Bureau du génie Section de planification et de conception Région du Sud-Ouest

659, chemin Exeter London (Ontario) N6E 1L3 Téléphone: (519) 873-4550 Télécopieur: (519) 873-4600



January 17, 2008

Steve Thurtell Project Manager Stantec Consulting Ltd. 361 Southgate Drive Guelph, Ontario N1G 3M5

via fax and mail: (519) 836-2493

RE:

Market Hub Partners Canada L.P. Sarnia Airport Pool Storage Project

Thank you for your letter of December 18, 2007, regarding your updated development activities for the

Once your application has been approved by the Ontario Energy Board, the ministry will require detailed plans for the proposed crossing of Highway 402 for our review and approval. The details required were outlined in our previous correspondence of May 12, 2005. Please continue to keep us informed on the progress of the Sarnia Airport Pool Storage Project.

To discuss the Ministry of Transportation's permit requirements and obtain the necessary permit applications, please contact Mr. Jack Hitchcock, Corridor Management Officer, Operational Services -Chatham (870 Richmond Street, Chatham, Ontario N7M 5L3, Phone 519-354-1400, ext. 314).

Should you have any questions, please contact our office.

Yours truly,

Rob Tofflemire

Regional Development Review Coordinator (A)

for

lan Smyth

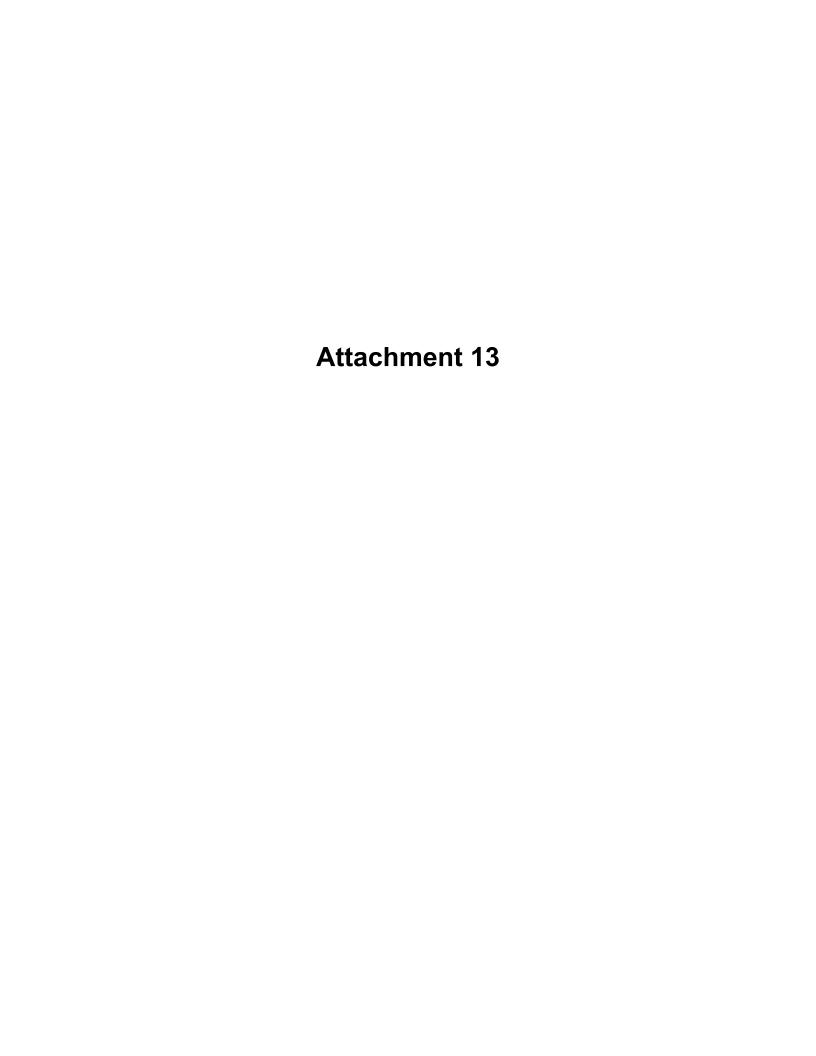
Regional Development Review Coordinator

Engineering Office

Planning and Design Section

Southwestern Region, London

K. Boudreau - Operational Services, London C.

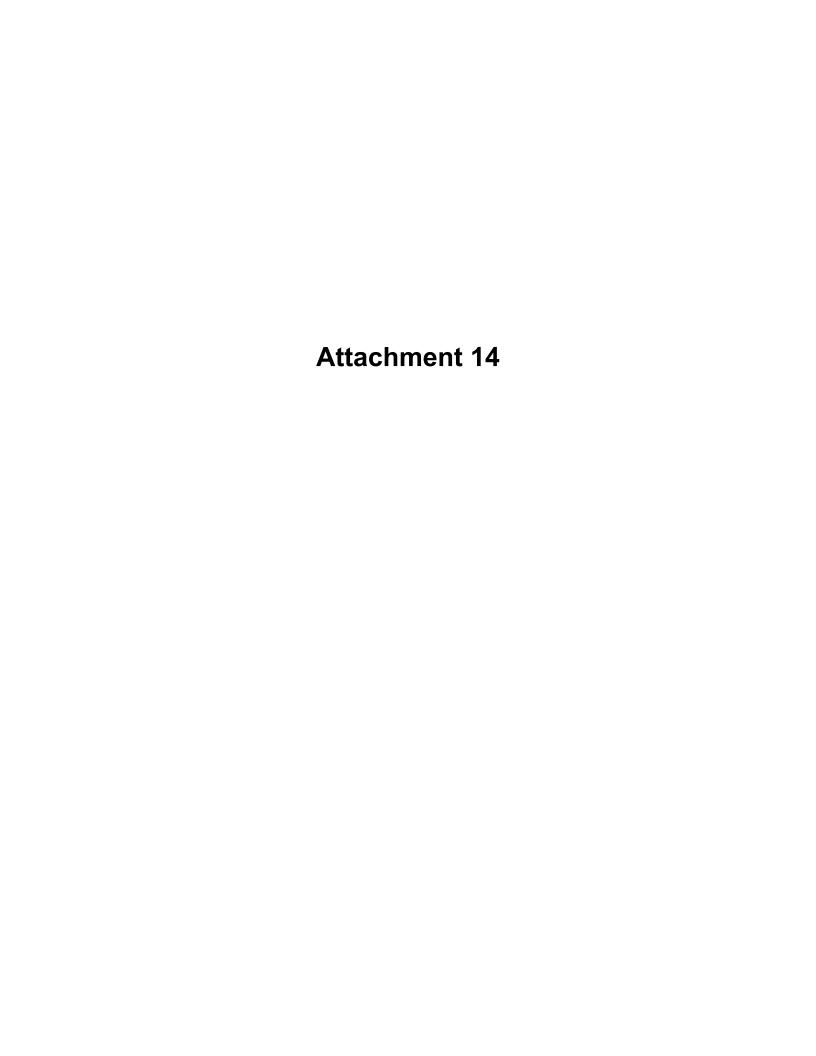


Summary of OPCC Responses to Sarnia Airport Pool Storage Project - 2008

| Agency | Agent | Comments | Applicant Response |
|--------|--|--|--|
| MOE | Patrick Spezowka | December 31, 2007 (Penny Stewart forwarded the letter to Patrick) | No response required. |
| SCRCA | Heather MacKenzie (for Ralph Coe) | January 16, 2008 Cow Creek has updated information available | Cox Creek is not directly affected by the preferred or alternative routes. |
| TSSA | Oscar Alonso | January 2, 2008 MHPC as an operator, requires a license to operate pipelines prior to commissioning; Pipeline integrity management program required to be reviewed by TSSA | February 28, 2008 Summary of correspondence since 1999; pipeline design specifications are in accordance with Ontario Regulation 210/01 and CAN/CSA Z662-03; pipeline facility designs considered Ontario guidelines and latest Director's Order; pipeline design meets CAN/CSA Z662-07; design specifications (Schedule 6-8 and 6-10 of Prefiled Evidence) attached; SASP LP to own and operate facilities and will obtain TSSA license; day-to-day operation activities will be contracted to Union Gas Limited, including the provision of the Integrity Management Program and Emergency Response Program. |
| МТО | Doug Peeling | January 11, 2008 Paul Santos will review the proposed work | No response required. |
| МТО | Rob Tofflemire (for Ian Smyth) | January 17, 2008 Hwy 402 crossing requires detailed plans approval; permit contact provided | No response provided. Detailed plans forwarded to MTO previously and permit released (expired). Another Highway 402 crossing permit will be obtained prior to construction. |

Summary of OPCC Responses to Sarnia Airport Pool Storage Project - 2008

| Agency | Agent | Comments | Applicant Response |
|------------|-------------------|---|---|
| MTO cont'. | Kevin Boudreau | January 29, 2008 MTO exercises certain controls within and adjacent to ministry highway corridors; guidelines: notify ministry if work is within 45m of highway limit or 395 m of centerline; if a transmission line or highway sign is within 400m of highway limit; encroachment is onto ministry owned land or right-of-way. | contacts with MTO during project development; permit EC-2006-32C-1 issued by MTO for proposed crossing has now expired; crossing designs remain |





December 7, 2007

Chief Joseph Gilbert Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9

Dear Chief Gilbert:

Sarnia Airport Storage Pool

I would like to update you and your office on the proposed Samia Airport Pool natural gas underground storage development project that Market Hub Partners Canada L.P. and its partner, AltaGas Operating Partnership, have planned for your area.

We are seeking to develop the Sarnia Airport Pool, located near the Sarnia Chris Hadfield Airport, in response to the growing demand for natural gas services. This storage pool will be developed in a depleted underground hydrocarbon reservoir and is proposed to be linked to the Ontario natural gas transmission system. The Sarnia Airport Pool will provide additional natural gas storage space to the nearly 250 Bcf (billion cubic feet) of natural gas storage space currently operated in Ontario.

To date, environmental assessments, pipeline route selection, and consultations have been undertaken with respect to the project and project plans have been discussed with local municipal officials as well as affected landowners. An application for project approvals will be made shortly to the Ontario Energy Board, the body that regulates the energy sector in our Province.

The Sarnia Airport Pool facilities are proposed to be available for service in April/May 2009. Construction activities for wells, pipelines and related facilities are planned to commence in the fall of 2008 and will be staged to continue through to the proposed inservice date.

Should you or your staff have any questions, or require any further information on this project, please call me. I can be reached at 1-866-767-1277.

Sincerely,

Jim Redford, P. Eng. Vice-President



December 7, 2007

Chief Tom Bressette Chippewas of Kettle & Stony Point RR #2 Forest, Ontario NON 1J0

Dear Chief Bressette:

Sarnia Airport Storage Pool

I would like to update you and your office on the proposed Sarnia Airport Pool natural gas underground storage development project that Market Hub Partners Canada L.P. and its partner, AltaGas Operating Partnership, have planned for your area.

We are seeking to develop the Samia Airport Pool, located near the Samia Chris Hadfield Airport, in response to the growing demand for natural gas services. This storage pool will be developed in a depleted underground hydrocarbon reservoir and is proposed to be linked to the Ontario natural gas transmission system. The Samia Airport Pool will provide additional natural gas storage space to the nearly 250 Bcf (billion cubic feet) of natural gas storage space currently operated in Ontario.

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Should you or your staff have any questions, or require any further information on this project, please call me. I can be reached at 1-866-767-1277.

Sincerely,

Jim Redford, P. Eng.

Vice-President



December 7, 2007

Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia, Ontario N7T 7H5

Dear Chief Plain:

Sarnia Airport Storage Pool

I would like to update you and your office on the proposed Sarnia Airport Pool natural gas underground storage development project that Market Hub Partners Canada L.P. and its partner, AltaGas Operating Partnership, have planned for your area.

We are seeking to develop the Sarnia Airport Pool, located near the Sarnia Chris Hadfield Airport, in response to the growing demand for natural gas services. This storage pool will be developed in a depleted underground hydrocarbon reservoir and is proposed to be linked to the Ontario natural gas transmission system. The Sarnia Airport Pool will provide additional natural gas storage space to the nearly 250 Bcf (billion cubic feet) of natural gas storage space currently operated in Ontario.

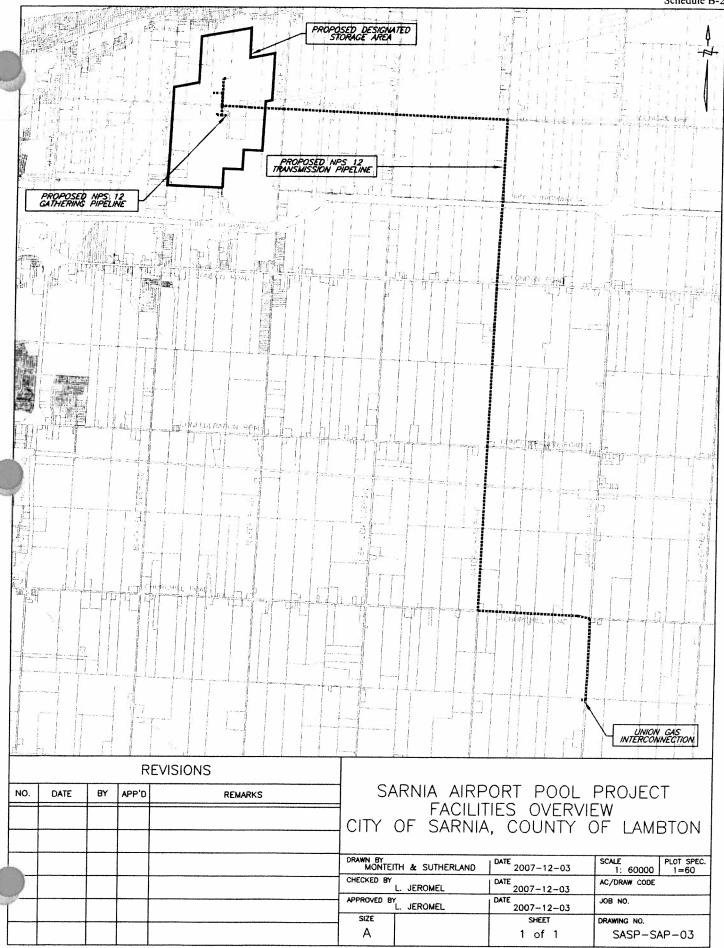
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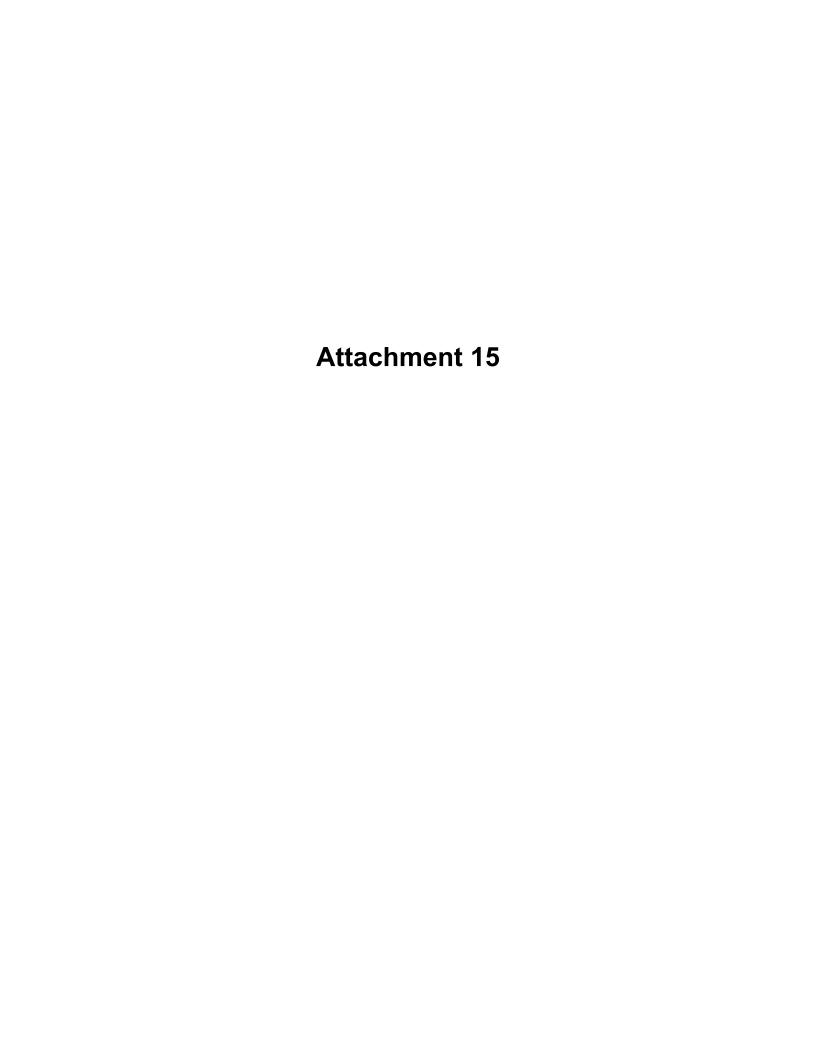
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Should you or your staff have any questions, or require any further information on this project, please call me. I can be reached at 1-866-767-1277.

Sincerely.

Jim Redford, P. Eng. Vice-President







December 19, 2007

Chief Joseph Gilbert Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9

Dear Chief Joseph Gilbert:

Re:

Proposed Sarnia Airport Storage Pool Project

Further to my correspondence of December 7, 2007 regarding the proposed Sarnia Airport Storage Pool project, I am writing to you specifically regarding the Environmental and Socio-Economic Assessment Report (ER) that was prepared in 2005 by Stantec Consulting Ltd. ("Stantec") of Guelph, Ontario. A copy of the ER is enclosed for your reference.

As you know, project construction activities are planned to start as early as September 2008 and continue through to the spring 2009 in-service date. The project will consist of the installation of natural gas storage wells; storage gathering pipeline; valve sites; and the 12-inch (323.9 mm) diameter natural gas transmission pipeline. The transmission pipeline originates at the Sarnia Airport Storage Pool, will primarily be installed within existing road allowances and will terminate at the existing Union Gas Limited Mandaumin/Bluewater Station (please see attached map).

As the ER was prepared in 2005, Stantec recently conducted a field assessment of the Study Area and did not observe any significant changes to environmental features identified in the ER. In addition, the Final Report of the Walpole Island First Nation Traditional Ecological Knowledge — Canadian Millenium Pipeline Project Impact Assessment ("Millenium Report") was reviewed by Stantec with regards to the pipeline route for the proposed Sarnia Airport Storage Pool project. The Millenium Report documents traditional areas for fishing, deer hunting and plant/medicine/berry picking. No traditional fishing areas or plant/medicine/berry picking areas are impacted by the proposed Sarnia Airport Storage Pool project, however the proposed 12-inch transmission pipeline route does cross a long and narrow east/west corridor identified in the Millenium Report as a traditional deer hunting area. Historically, much of the wooded lands were cleared for agriculture. Nevertheless, a fragmented group of woodlots still exist. As discussed above, the 12-inch transmission pipeline route will be located on road allowance for the majority of its length and therefore construction and operation of the proposed pipeline will not impact woodlots identified as traditional deer hunting grounds.

If you have any questions or comments regarding our proposed project or the ER, please do not hesitate to contact myself (519-436-4577), Mr. John Bonin (705-525-4880), or Mr. Dave Wesenger of Stantec (519-836-6050).

Yours truly,

Jim Redford Vice-President

Attachment: Route Map



December 19, 2007

Chief Tom Bressette
Chippewas of Kettle & Stony Point
RR #2
Forest, Ontario
N0N 1J0

Dear Chief Tom Bressette:

Re:

Proposed Sarnia Airport Storage Pool Project

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Yours truly,

Jim Redford Vice-President

Attachment: Route Map



December 19, 2007

Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia,ON N7T 7H5

Dear Chief Chris Plain:

Re: Proposed Sarnia Airport Storage Pool Project

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