

The Application				
1	Date:	September 28, 2018		
2	Applicant:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Seller: AltaGas Holdings Inc., for and on behalf of AltaGas Pipeline Partnership. 1700, 355 – 4th Avenue S.W. Calgary, AB T2P 0J1</p> <p>Authorized Representative: Brad Grant 403-691-7769 gc@altagas.ca</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Purchaser: 2133151 Alberta Ltd. 1700, 355 – 4th Avenue S.W. Calgary, AB T2P 0J1</p> <p>Authorized Representative: Brad Grant 403-691-7769 gc@altagas.ca</p> </td> </tr> </table>	<p>Seller: AltaGas Holdings Inc., for and on behalf of AltaGas Pipeline Partnership. 1700, 355 – 4th Avenue S.W. Calgary, AB T2P 0J1</p> <p>Authorized Representative: Brad Grant 403-691-7769 gc@altagas.ca</p>	<p>Purchaser: 2133151 Alberta Ltd. 1700, 355 – 4th Avenue S.W. Calgary, AB T2P 0J1</p> <p>Authorized Representative: Brad Grant 403-691-7769 gc@altagas.ca</p>
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3	Authorized Company:	AltaGas Holdings Inc. (“AHI”), for and on behalf of AltaGas Pipeline Partnership (“APP”)		
4	Board Order(s):	Copies of Board Orders are attached in Schedule “A”		
5	Acquiring Company:	2133151 Alberta Ltd., for and on behalf of Suffield Processing Limited Partnership. (collectively, “2133151”)		
6	Accountable Officer:	Randy Toone, Acting President, Gas		
7	Corporate Status:	Please see attached in Schedule “B”, a copy of the corporate organizational chart for 2133151, and corporate registration documents for 2133151.		
8	Action Sought:	<p>AHI, for and on behalf of APP is requesting that the Board grant leave for APP to sell and transfer to Suffield Processing Limited Partnership the following pipelines in whole pursuant to paragraph 74(1)(a) of the Act:</p> <ul style="list-style-type: none"> • Loverna-Fusilier Pipeline; • Sibbald-Hoosier Transfer Pipeline; • Sibbald-Hoosier Riser Site; • Suffield-Burstall Meter Station; • Koomati Lateral Pipelines; • South Suffield Pipeline; and • North Suffield Pipeline. <p>(collectively, the “Pipelines”)</p> <p>2133151, is requesting that the Board grant leave for Suffield Processing Limited Partnership to purchase the Pipelines from APP, pursuant to paragraph 74(1)(b) of the Act.</p>		

9	Reason for the application:	<p>APP has agreed to sell, and Suffield Processing Limited Partnership has agreed to purchase the Pipelines as part of a Purchase and Sale Agreement. This application to transfer the Pipelines from APP to Suffield Processing Limited Partnership is part of an internal re-organization (“Re-Organization”) undertaken in connection with the Purchase and Sale Agreement.</p> <p>Subsequently, Suffield Processing Limited Partnership will be sold to Brave Acquisition LP (“Subsequent Transaction”) and the shares of 2133151 will be acquired by Brave Acquisition LP.</p>
Operations		
10	Management Systems and Programs Under the OPR:	<p>The existing employees currently responsible for the Pipelines will remain engaged in their roles and continue to operate the Pipelines.</p> <p>2133151 confirms that, upon receiving Board approval for the transfer and closing of the Re-Organization, 2133151 will assume responsibility for coordinating the Emergency Management, Integrity Management, Safety Management, Security Management and Environmental Protection Programs set out in the <i>OPR</i> as it applies to the Pipelines.</p>
11	Emergency Signage:	<p>Emergency signage for the Pipelines will be updated promptly upon the Board granting the application, issuing the appropriate orders and the completion of the Re-Organization. Following the Subsequent Transaction, Brave Acquisition LP will adjust emergency signage for the Pipelines as required.</p>
12	Records	<p>AHI, for and on behalf of APP, confirms that it will provide all records set out in section 10.4 of CSA Z662 and sections 56(e) to 56(g) of the <i>OPR</i> in its possession to 2133151 as of the date of closing of the Re-Organization of the Pipelines, which is anticipated to occur upon receipt of the NEB authorization of the sale and purchase of the Pipelines.</p>
Notification and Consultation		
13	Consultation Program:	<p>While there are no anticipated changes to the Pipelines or the operation of the Pipelines as a result of the Application, AHI, for and on behalf of APP, will send notice of the Application to all landowners, occupants, or interested parties subsequent to the filing of this application, and by no later than October 12th, 2018. AHI will write to the Board within 30 days of the date of this Application to advise whether any concerns were raised with AHI in relation to the Application.</p>
14	Landowner Notification:	<p>See section 13 above. Landowners will also be notified of the change in ownership by mail upon completion of the Re-Organization and the Subsequent Transaction.</p>
15	Commercial Third Parties:	<p>While there are no anticipated changes to the Pipelines or the operation of the Pipelines as a result of the Application, AHI, for and on behalf of APP, will send notice of the Application to all commercial third parties, by no later than October 12th, 2018, and AHI will write to the Board within 30 days of this Application to advise whether any concerns were raised with AHI in relation to the Application.</p>

The Pipeline		
16	Location:	<ul style="list-style-type: none"> • Loverna-Fusilier Pipeline (AO-1-XG-11-89 and Erratum) Endpoints and direction of flow: (Start) 9-12-30-1 W4M; (End) 14-7-30-28 W3M Length: 5.1 km (SK) and 0.3 km (AB) • Sibbald-Hoosier Transfer Pipeline (AO-2-XG-5-64) Endpoints and direction of flow: (Start) 10-12-30-01 W4M; (End) 9-19-30-28 W3M Length: 0.1 km (AB); 6.6 km (SK) • Sibbald-Hoosier Riser Site (AO-1-XG-A096-12-2002) Location: 09-19-30-28 W3M Length: N/A • Suffield-Burstall Meter Station (AO-3-XG_A163-25-2001) Location: 7-8-20-29 W3M Length: N/A • Koomati Lateral Pipelines (AO-2-XG-A109-35-2003) Endpoints and direction of flow: <ul style="list-style-type: none"> • Koomati Lateral A: (Start) 13-33-16-04 W4M; (End) 03-04-17-02 W4M • Koomati Lateral B: (Start) 04-04-17-04 W4M; (End) 03-04-17-02 W4M Length: <ul style="list-style-type: none"> • Koomati Lateral A: 22 km (AB) • Koomati Lateral B: 21.5 km (AB) • South Suffield Pipeline (AO-2-GC-97) Endpoints and direction of flow: (Start) SE-4-15-8 W4M; (End) 8-20-29 W3M Length: 111.75 km (AB); 2.35 km (SK) • North Suffield Pipeline (AO-2-GC-103) Endpoints and direction of flow: (Start) 04-03-19-09 W4M; (End) 08-08-20-29 W3M Length: 94.6 km (AB); 2.6 km (SK)

17	Description:	<ul style="list-style-type: none"> • Loverna-Fusilier Pipeline Description: 114.3 mm OD pipeline. Risers at 14-07-030-28 W3M and 09-12-030-01 W4M. There are no other facilities associated with this pipeline. Products Carried: wet Sweet Natural Gas • Sibbald-Hoosier Transfer Pipeline Description: 219.1 mm OD pipeline. Risers at 10-12-030-01 W4M and 09-19-030-28 (this riser is on a separate order). There are no other facilities associated with this pipeline. Products Carried: wet Sweet Natural Gas • Sibbald-Hoosier Riser Site Description: This is the end point of the pipeline. A 219.1 mm OD riser is on site. No other facilities. Product Carried: wet Sweet Natural Gas • Suffield-Burstall Meter Station Description: Has a 508 mm OD riser from the South Suffield pipeline, a 406 mm OD riser from the North Suffield pipeline. There is a metering equipment, an inlet separator, and above ground facility piping. Products carried: dry sweet natural gas • Koomati Lateral Pipelines Description: Consists of two pipelines Koomati A and B. Line A is 168.3 mm OD line with 6 risers associated with is, and Line B is a 323.9 mm OD line with 6 risers. There are no other facilities associated with this line. Products carried: dry sweet natural gas • South Suffield Pipeline Description: Consists of 0.44 km of 219.1 mm OD, 29.97 km of 273.1 mm OD, 31.42 km of 406.4 mm OD, and 0.550 km of 508 mm pipe. It has 14 risers (including the one at the meter station). Pipeline has one water crossing on the south Saskatchewan river Products Carried: dry sweet natural gas • North Suffield Pipeline Description: Is 406.4 mm OD with 14 risers (including the one at the meter station). The pipeline has one water crossing on the South Saskatchewan River. Products Carried: dry sweet natural gas
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18	Upstream and Downstream Facilities:	<p>See attached maps in Schedule “C”. None of the facilities will become stranded as a result of the transaction. The upstream and downstream facilities for each of the pipelines are as follows:</p> <ul style="list-style-type: none"> • Loverna-Fusilier Pipeline <ul style="list-style-type: none"> ○ Upstream: Pipeline Gathering System ○ Downstream: Loverna Gas Plant • Sibbald-Hoosier Transfer Pipeline <ul style="list-style-type: none"> ○ Upstream: Pipeline Gathering System ○ Downstream: Loverna Gas Plant • Sibbald-Hoosier Riser Site <ul style="list-style-type: none"> ○ Upstream: Sibbald-Hoosier Transfer Pipeline ○ Downstream: Loverna Gas plant • Suffield-Burstall Meter Station <ul style="list-style-type: none"> ○ Upstream: North Suffield and South Suffield pipelines ○ Downstream: N/A • Koomati Lateral Pipelines <ul style="list-style-type: none"> ○ Upstream: Pipeline Riser ○ Downstream: South Suffield Pipeline • South Suffield Pipeline <ul style="list-style-type: none"> ○ Upstream: Pipeline Riser ○ Downstream: Burstall Meter Station • North Suffield Pipeline <ul style="list-style-type: none"> ○ Upstream: Pipeline Riser ○ Downstream: Burstall Meter Station
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19	Specifications:	<ul style="list-style-type: none"> • Loverna-Fusilier Pipeline <ul style="list-style-type: none"> ○ Outside Diameter: 114.3 mm ○ Wall Thickness: 3.2 mm • Sibbald-Hoosier Transfer Pipeline <ul style="list-style-type: none"> ○ Outside Diameter: 219.1 mm ○ Wall Thickness: 4.78 mm • Sibbald-Hoosier Riser Site <ul style="list-style-type: none"> ○ Outside Diameter: N/A ○ Wall Thickness: N/A • Suffield-Burstall Meter Station <ul style="list-style-type: none"> ○ Outside Diameter: N/A ○ Wall Thickness: N/A • Koomati Lateral Pipelines <ul style="list-style-type: none"> ○ Koomati Lateral A <ul style="list-style-type: none"> ▪ Outside Diameter: 168.3 mm ▪ Wall Thickness: 3.48 mm (for 21.13 km); 4.78 mm (for 0.35 km) ○ Koomati Lateral B <ul style="list-style-type: none"> ▪ Outside Diameter: 323.9 mm ▪ Wall Thickness: 4.78 mm (for 18.12 km); 5.60 mm (for 3.0 km); and 7.47 mm (for 1.01 km) • South Suffield Pipeline <table border="1" data-bbox="606 873 1885 943" style="margin-left: 20px;"> <tr> <td>Outside diameter</td> <td>219.1 mm</td> <td>273.1 mm</td> <td>406.4 mm</td> <td>406.4 mm</td> <td>508 mm</td> <td>508 mm</td> <td>508 mm</td> </tr> <tr> <td>Wall thickness</td> <td>4.8 mm</td> <td>5.6 mm</td> <td>7.9 mm</td> <td>8.7 mm</td> <td>7.9 mm</td> <td>11.1 mm</td> <td>12.7 mm</td> </tr> </table> • North Suffield Pipeline <ul style="list-style-type: none"> ○ Outside Diameter: 406.4 mm ○ Wall Thickness: 4.8 mm line pipe; 7.1 mm at South Saskatchewan crossing 	Outside diameter	219.1 mm	273.1 mm	406.4 mm	406.4 mm	508 mm	508 mm	508 mm	Wall thickness	4.8 mm	5.6 mm	7.9 mm	8.7 mm	7.9 mm	11.1 mm	12.7 mm
Outside diameter	219.1 mm	273.1 mm	406.4 mm	406.4 mm	508 mm	508 mm	508 mm											
Wall thickness	4.8 mm	5.6 mm	7.9 mm	8.7 mm	7.9 mm	11.1 mm	12.7 mm											
20	Pipe Material:	<ul style="list-style-type: none"> • Loverna-Fusilier Pipeline <ul style="list-style-type: none"> ○ Pipe Material: Carbon steel ○ Pipe Grade: 290 MPa ○ Pipe Manufacturing Process: Unknown ○ External Coating Type: Polyethylene • Sibbald-Hoosier Transfer Pipeline <ul style="list-style-type: none"> ○ Pipe Material: Carbon Steel ○ Pipe Grade: Unknown ○ Pipe Manufacturing Process: Unknown ○ External Coating Type: Unknown • Sibbald-Hoosier Riser Site <ul style="list-style-type: none"> ○ Pipe Material: N/A 																

		<ul style="list-style-type: none"> • Suffield-Burstall Meter Station <ul style="list-style-type: none"> ○ Pipe Material: N/A • Koomati Lateral Pipelines <ul style="list-style-type: none"> ○ Pipe Material: Carbon Steel ○ Pipe Grade: 317 MPa (Koomati Lateral A); 359 MPa (Koomati Lateral B) ○ Pipe Manufacturing Process: Unknown ○ External Coating Type: Primed, double polyethylene tape (Koomati Lateral A); extruded polyethylene (Koomati Lateral B) • South Suffield Pipeline <ul style="list-style-type: none"> ○ Pipe Material: Carbon Steel ○ Pipe Grade: 448 MPa ○ Pipe Manufacturing Process: Unknown ○ External Coating Type: Polyethylene jacket (for 4.8-5.6mm wall thickness pipe) and fusion-bonded epoxy (for 7.9-12.7mm wall thickness pipe) • North Suffield Pipeline <ul style="list-style-type: none"> ○ Pipe Material: Carbon Steel ○ Pipe Grade: 448 MPa ○ Pipe Manufacturing Process: Unknown ○ External Coating Type: Polyethylene jacket (for 4.8mm wall thickness pipe) and fusion-bonded epoxy (for 7.1mm wall thickness pipe)
21	Maximum Operating Pressure:	<ul style="list-style-type: none"> • Loverna-Fusilier Pipeline: 7890 kPa • Sibbald-Hoosier Transfer Pipeline: 6896 kPa • Sibbald-Hoosier Riser Site: N/A • Suffield-Burstall Meter Station: N/A • Koomati Lateral Pipelines: 8450 kPa • South Suffield Pipeline: 8460 kPa • North Suffield Pipeline: 8460 kPa
22	Long term use:	2133151 has no immediate plans to alter the present use of the Pipelines. In the event that 2133151 decides to alter the use of the Pipelines beyond that which is already permitted under existing authorizations, it would first seek Board approval to do so.
23	Operating Status:	Each of the Pipelines is currently operating.
24	Conditions of Service:	2133151 has no immediate plans to alter the conditions of service offered by the Pipelines, and does not anticipate any changes to the operation of the Pipelines.

Financial Matters		
25	Tolls and Tariffs:	2133151 has no immediate plans to alter or implement any changes to the tolls and tariffs on the Pipelines.
26	Value:	The current assessed value of the Pipelines is \$60.6 million based on the original cost of \$103.9 million and depreciation of \$43.3 million.
27	Cost:	The purchase price for the Pipelines is approximately \$14,736,000.00.
28	Financing:	<p>The cost of acquiring the Pipelines as part of the Re-Organization will be financed internally by AHI.</p> <p>The company will be financing the Subsequent Transaction by way of an equity investment from its sponsor Birch Hill Equity Management Inc. as well as senior debt from a Schedule I Chartered Bank (i.e. National Bank or Bank of Montreal). At closing the equity investment is likely to be 60% of the purchase price and the drawn senior debt is likely to be 40%.</p>
29	Abandonment Funding:	<p>The abandonment cost estimate for all of the Pipelines is currently \$28,251,210, and consists of the following amounts, in 2010 dollars (CAD):</p> <ul style="list-style-type: none"> • Loverna-Fusilier Pipeline: \$169,920 • Sibbald-Hoosier Transfer Pipeline: \$202,160 • Suffield North, Suffield South, and Koomati Lateral Pipelines: \$27,879,130 <p>Currently, AHI maintains a surety bond in the amount of approximately \$30.3 million that has been supplied and accepted by the Board in compliance with the requirements set out in Order MH-001-2013. This surety bond applies to the Pipelines, as well as a number of assets which do not form part of the Re-Organization or the Subsequent Transaction. Once the Re-Organization and Subsequent Transaction are completed, each of AHI and 2133151 will seek the approval of the Board for two separate surety bonds, as follows:</p> <ul style="list-style-type: none"> • AHI intends to, upon 2133151 providing a satisfactory set-aside mechanism to the Board for the abandonment cost of the Pipelines, submit a request to the Board to authorize the reduction and replacement of AHI's existing \$30.3 million surety bond equal to the abandonment cost estimate of the remaining AHI assets not subject to the Re-Organization or Subsequent Transaction. • 2133151, intends to rely on a surety bond to backstop its obligation to pay for abandonment of the Pipelines in accordance with the NEB's decision in MH-001-2013. A draft surety bond is included as Schedule "D" to this application equal to the current abandonment cost estimate for the Pipelines. Upon receiving Board approval, 2133151 would finalize the surety bond and file a copy with the Board.
Jurisdiction		
30	Changes to Jurisdiction:	There are no immediate plans that would require any changes to the current jurisdiction.

Guide R – Transfer of Ownership, Lease or Amalgamation

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
Company Divesting of the Facilities			
1.	The nature of the transaction.	<ul style="list-style-type: none"> • Row 1-9, 25-29 	
2.	A map or maps of the pipeline and the relevant upstream and downstream facilities, identifying any facility that could become stranded.	<ul style="list-style-type: none"> • Row 16-24 • Attachment 	
3.	Confirmation that a copy of the records have been provided to the new owners of the facility.	<ul style="list-style-type: none"> • Row 12 	
4.	Estimated cost to abandon the facilities.	<ul style="list-style-type: none"> • Row 29 	
5.	Proposal for the existing set-aside mechanism for abandonment funding which applies to the facilities.	<ul style="list-style-type: none"> • Row 29 	
Company Acquiring the New Facilities			
1.	The new owner and operator of the pipeline including contact information.	<ul style="list-style-type: none"> • Row 1, 5-6 	
2.	The original cost of the asset, depreciation and net book value.	<ul style="list-style-type: none"> • Row 26-28 	
3.	The purchase price of the asset.	<ul style="list-style-type: none"> • Row 27 	
4.	The intended long-term use of the facilities.	<ul style="list-style-type: none"> • Row 22-23 	
5.	Any changes in the conditions of service offered, including estimated toll impact.	<ul style="list-style-type: none"> • Row 24-25 	
6.	A plan detailing how the applicant will acquire the information/records necessary to maintain and operate the facilities safely.	<ul style="list-style-type: none"> • Row 10-12 	
7.	Draft copy of the proposed set-aside mechanism (If using trust, indicate proposed trustee.)	<ul style="list-style-type: none"> • Row 29 • Attachment 	