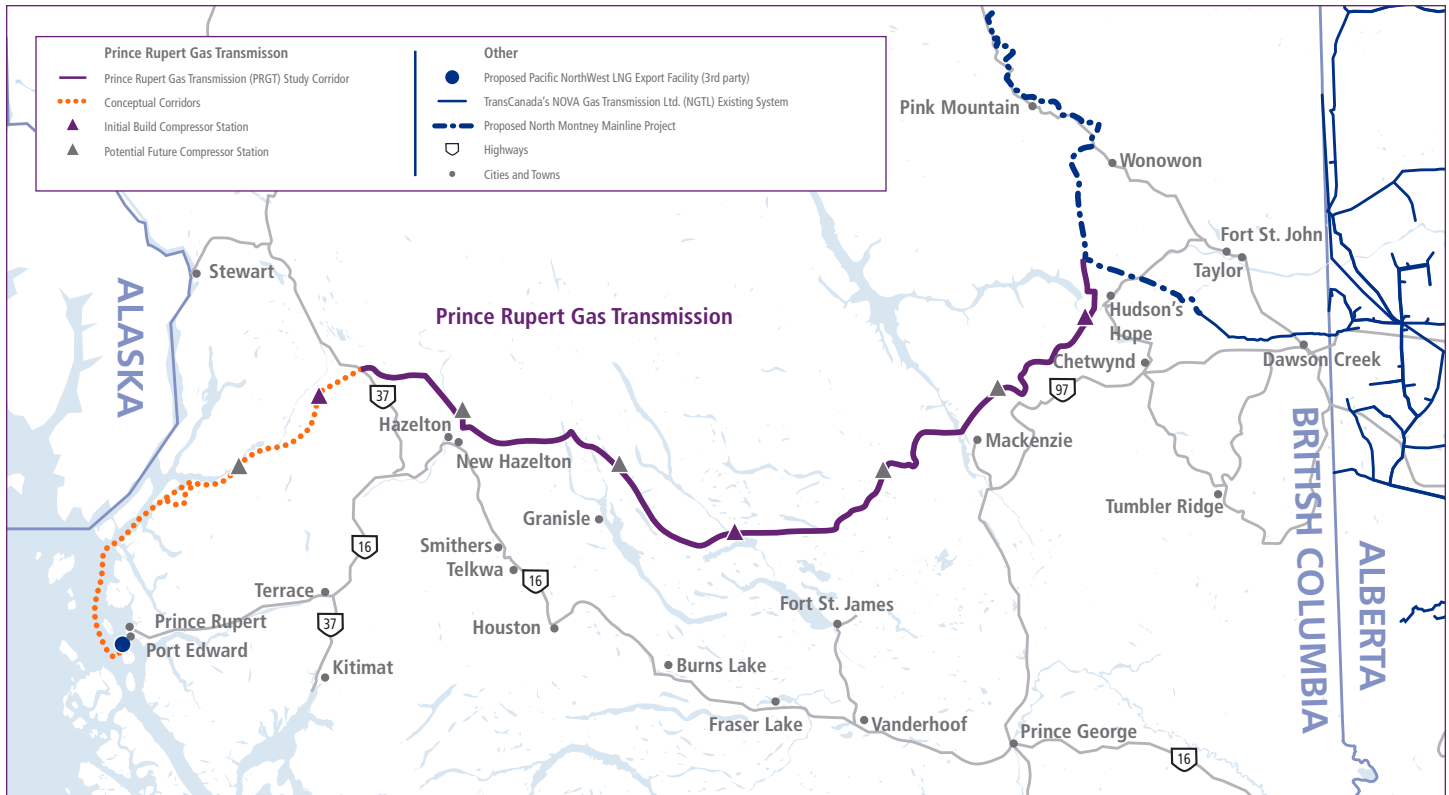




Prince Rupert Gas Transmission Project Overview



Prince Rupert Gas Transmission Project



Overview

In January 2013, TransCanada was selected by Progress Energy Canada Ltd. to design, build, own and operate an approximately 900-kilometre natural gas pipeline in northern British Columbia.

If approved, the Prince Rupert Gas Transmission pipeline will safely deliver natural gas from a point near Hudson's Hope to a proposed liquefied natural gas (LNG) facility on Lelu Island within the District of Port Edward. The LNG facility will be constructed and operated by Pacific NorthWest LNG.

Anticipated Timelines

Project announced – January 2013

Regulatory application – Early 2014

Commence construction (pending approvals) – 2015


In service – end of 2018

Proposed Route Corridors

As we progress in our planning towards submission of our regulatory applications to the BC Environmental Assessment Office and the BC Oil & Gas Commission, we have further refined our route alternatives along the western section of the proposed route corridor. We have removed a route alternative known as Nass Bay North Marine from further consideration due to potential impact on the environment and constructability issues. The Alice Arm alternative is not currently proposed pending further technical and environmental assessment.

The decision to refine our marine route options confirms our ongoing commitment to minimizing disturbances to the environment, waterways and culturally sensitive areas. It provides a degree of certainty to communities along the proposed route and confirms that, should approvals be received, the presence of the pipeline will generate substantial benefits to those along the route for many years to come.

It is important to note that further refinements of the route are possible. We are developing our applications to the BC EAO and the BC OGC and plan to submit them soon following a thorough internal review. We remain on schedule to begin construction, once all approvals have been received, in early 2015 with an in-service date of late 2018.

A photograph of two men standing in a field of tall grass and bare trees under a blue sky with light clouds. One man is wearing a grey shirt and white pants, the other a green shirt and blue jeans. They appear to be in conversation.

“TransCanada’s core values of integrity, collaboration, responsibility and innovation are at the heart of our commitment to engagement.””

Aboriginal Engagement

We have a dedicated Aboriginal Relations team that has engaged with Aboriginal groups since the project was announced in January.

These discussions include capacity development - funding to help facilitate participation in government regulatory processes and project field programs (including leading or participating in traditional use and traditional ecological knowledge studies), training and employment opportunities, business opportunities and long-term community benefits.

We have actively engaged with approx. 25 Aboriginal groups who have an interest in the proposed pipeline routes.

To date, discussions with Aboriginal groups have helped us understand their interests, and define possible route options.

Stakeholder Engagement

Stakeholders are the people or groups who may be affected by the project.

We understand that the trust and support of the people who live and work near the proposed pipeline routes, local governments and landowners is earned, and that’s why we’re committed to building a long-term relationship.

TransCanada believes in engaging with stakeholders often to:

- Provide timely and accurate information;
- Identify concerns;
- Gather input and ideas;
- Find positive solutions.

Since January, when the project was announced, our engagement activities have included:

- Open houses, face-to-face meetings, presentations, project email, a toll-free line and website;
- Involvement in project-specific initiatives such as field studies, collecting and incorporating traditional ecological knowledge in environmental studies, and traditional land use studies;
- Employment and contracting opportunities;
- Investment in community-based activities;
- Participation in the regulatory process.

Our engagement continues throughout the life of the project.

Prince Rupert Gas Transmission Project Overview



Our Commitment to Landowners

Landowners have a right to know and want to understand what is occurring on or near their land. We are working with them so they know what is proposed and how they can participate.

TransCanada is committed to treating all landowners who may be affected by our project honestly, fairly, and with mutual respect.

All landowners will receive fair and equitable compensation for their land easements granted.

TransCanada is working closely with landowners to identify special circumstances, land restrictions, access routes, timing and other construction requirements to minimize disturbance to the land, the landowners and the environment.

Once the pipeline is in place, landowners will have the right to fully use and enjoy the right-of-way without having to notify TransCanada as long as the operation or integrity of the pipeline is not compromised. This includes normal agricultural practices such as plowing, fertilizing, disking, harrowing, cultivating, seeding, planting, spraying, tilling, baling, rolling and harvesting.

Community Benefits

\$25 Million Every Year in Property Taxes

Once it's operating, the project will generate an estimated \$25 million each year in property taxes. This revenue will help support school and hospital districts, emergency services, recreation services, recycling programs and other local programs vital to sustaining strong communities.

The tax payments flow to the provincial government, which then allocates the money to various accounts including school districts, policing funds, regional district operations and local provincial government operations.

Investments in Local Communities

Giving back has been part of TransCanada's culture for more than 60 years. We believe in making a positive difference in the lives of others through investing in communities.

Our Community Investment program focuses on three key areas: safety, the environment and community needs (e.g., training and health).



To learn more about our Community Investment program, please visit www.transcanada.com or contact the Prince Rupert Gas Transmission project directly (see contact information on the back page).

Employment Opportunities

If approved, the project will create thousands of short-term jobs over a four-year period.

Most of the jobs will be construction related. Hiring will take place through a general contractor and its subcontractors, and we will encourage them to hire Aboriginal and local residents.

As the project evolves, we will post a list of contractors on our website, www.princerupertgas.com.

Business Opportunities

The pipeline construction project will create demand for local goods and services such as food and accommodation, gravel supply and construction equipment.

If you have a business and are interested in contracting opportunities, please visit our website at www.princerupertgas.com to register. Contractors who are pre-qualified are invited to bid on project work.

For more information and to pre-qualify, please contact George Hemeon at george_hemeon@transcanada.com.

“The proposed Prince Rupert Gas Transmission Project will create opportunities for Aboriginal and local businesses and workers.”

Prince Rupert Gas Transmission Project Overview



“For more than 60 years, TransCanada has been a leader in the safe and reliable operation of North American energy infrastructure.”

Pipeline Safety

For more than 60 years, TransCanada has been a leader in the safe and reliable operation of North American energy infrastructure. From design to construction, to operations and maintenance, safety is integral to everything we do.

We use top quality steel and industry-leading welding techniques throughout our pipeline system to ensure we meet and exceed industry standards. We take additional safety precautions when the pipeline crosses roads, railways, waterways and communities.

During construction, welds are checked by x-ray and/or ultrasonic inspection methods and then we pressure-test the pipe, which is coated to protect against corrosion. We also use “smart pigs” – sophisticated inspection devices – to record information about the internal conditions of the pipeline.

TransCanada monitors its pipeline 24 hours a day, 365 days a year. Satellite technology sends data to our monitoring centre every five seconds. If a drop in pressure is detected, we immediately identify the problem area and isolate that section of the pipe remotely, closing the valves that control the flow of gas. Trained crews are dispatched by land or helicopter, depending on the location of the leak. If there is an incident, we work closely with authorities, emergency responders and the media to ensure residents in the area are aware of the situation and are safe.

In case of an emergency, please call TransCanada’s 24-hour toll-free number at 1.888.982.7222.



During Construction



After Construction

Environmental Protection

Understanding and protecting the natural and cultural environments is at the centre of everything we do.

We are conducting extensive environmental studies to analyze potential impacts on water, land, air, wildlife, vegetation and fish habitat.

We are also working closely with Aboriginal groups, local governments, landowners and stakeholders to understand how this project could impact their lives and the environment.

Our goal is to alleviate issues before they arise so we can minimize our footprint and help protect the environment for future generations.

The approval process for a new pipeline project is rigorous. We submit detailed environmental assessment reports and plans to the BC Environmental Assessment Office, the BC Oil and Gas Commission and various federal agencies.

Reclamation

Returning the land to its previous state is a goal TransCanada takes to heart. We are committed to minimizing the pipeline's environmental impact along the proposed route, both during construction and after the pipe is in the ground. Recognizing the importance of forested terrain as well as soil and top soil conservation, the project team will execute established techniques designed for the highest quality reclamation process.

With over 60 years of experience building and operating pipelines, TransCanada has successfully reclaimed thousands of acres on pipeline rights-of-way throughout North America. As with all of our pipeline projects, great care and planning is taken to minimize and avoid impacts to the environment, including rare or endangered species, habitat, significant water crossings, and historical and paleontological resources.

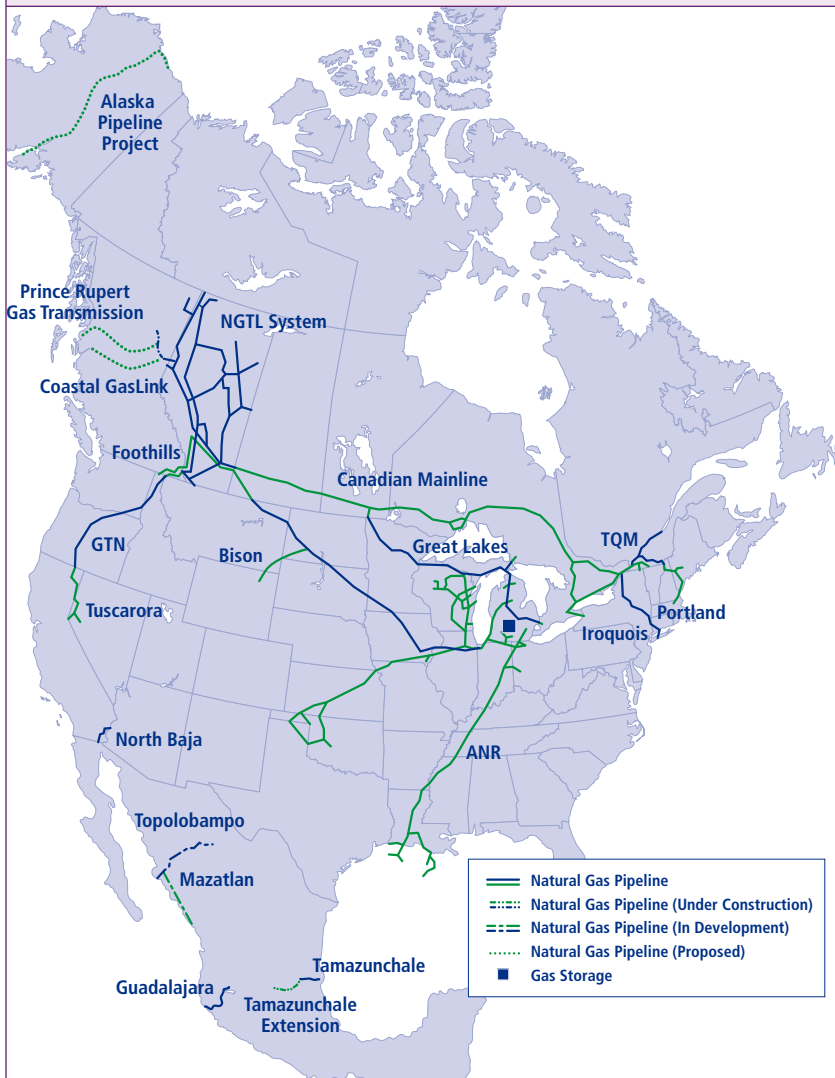
Prince Rupert Gas Transmission Project

About the Prince Rupert Gas Transmission project

The Prince Rupert Gas Transmission project is a wholly owned subsidiary of TransCanada PipeLines Limited. We have more than 50 years of experience building and operating pipelines in B.C. The pipeline will be approx. 900 kilometres in length from a point near Hudson's Hope B.C. to a proposed liquefied natural gas plant to be built on Lelu Island within the District of Port Edward. The 48-inch pipeline will have the capacity to transport 2 billion to 3.6 billion cubic feet of gas per day. Three compressor stations are planned, with provision for up to five more. The estimated cost of the project is \$5 billion.

Quick facts about TransCanada's natural gas pipeline network

- TransCanada operates one of North America's largest natural gas pipeline networks – 68,500 kilometres.
- The pipeline network taps into virtually every major gas supply basin on the continent.
- It delivers 20 per cent of the natural gas consumed in North America each day (approximately 14 Bcf/d) - heating homes, fueling power generation and industry.
- TransCanada is headquartered in Canada but has a significant presence in the United States and a growing business in Mexico.



Contact Prince Rupert Gas Transmission

We invite you to contact us with any questions regarding the proposed project:

Phone: 1.855.253.0099 (Toll-free)

Email: princerupertgas@transcanada.com

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