

April 23, 2018

Prince Rupert Gas Transmission Ltd  
450-1 Street, SW  
Calgary, AB T2P 5H1

Attention: Prince Rupert Gas Transmission Ltd

**RE: Permit Extension for Application Determination Number 100082374, OGC Legacy# 9708460**

**Permit Holder:** Prince Rupert Gas Transmission Ltd  
**Permit Date of Issuance:** June 12, 2015  
**Extension Effective Date:** May 6, 2018  
**Extended Expiration Date:** May 6, 2019  
**Application Determination No.:** 100082374  
**Pipeline Project No.:** 000023589

## **PERMISSIONS**

### **Oil and Gas Activities Act**

1. The BC Oil and Gas Commission (the "Commission"), under section 32(5) of the *Oil & Gas Activities Act*, hereby extends the permit and any associated authorizations to construct, maintain and operate a pipeline.
2. This permit extension is subject to the original permit, authorizations, subsequent amendments and any additional conditions as set out herein.
3. The prescribed period of this permit has been extended for one year and will expire on **May 6, 2019** if the Permit Holder has not begun the activity by this date.

## **ADVISORY GUIDANCE**

1. Appropriate *Land Act* tenure will be issued upon acceptance of the post-construction plan. Submission of the original application and submission of the post-construction plan is considered application for all subsequent *Land Act* tenures; no further applications for replacement tenure is required.

This extension forms an integral part of the permit and should be attached thereto.



James O'Hanley  
Vice President, Applications

pc: OGC Compliance & Enforcement

May 10, 2017

Prince Rupert Gas Transmission Ltd.  
450-1st St SW, Drop Box 2350  
Calgary, AB  
T2P 5H1

Attention: Prince Rupert Gas Transmission Ltd.

**Re: Correction to Permit Extension for Application Determination Number 100082374, OGC Legacy # 9708460**

**Permit Holder:** Prince Rupert Gas Transmission Ltd.  
**Date of Extension Issuance:** May 1, 2017  
**Application Determination Number:** 100082374  
**Date of Correction:** May 10, 2017

The BC Oil and Gas Commission hereby corrects the Permit Extension letter identified and dated above as follows:

- The extended expiration date is corrected from June 12, 2018 to May 6, 2018.

The Permit Holder must comply with any permissions, authorizations, approvals and conditions set out in the original permit, any subsequent amendments to the permit and any additional corrections as set out herein.

This letter forms an integral part of your permit and should be attached thereto.



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Tarilee Rauscher  
Authorized Signatory  
Commission Delegated Decision Maker

May 1, 2017

Prince Rupert Gas Transmission Ltd.  
450-1st St SW, Drop Box 2350  
Calgary, AB  
T2P 5H1

Attention: Prince Rupert Gas Transmission Ltd.

**RE: Permit Extension for Application Determination Number 100082374, OGC Legacy 9708460**

**Permit Holder:** Prince Rupert Gas Transmission Ltd.

**Permit Date of Issuance:** June 12, 2015

**Extension Date of Issuance:** May 1, 2017

**Extended Expiration Date:** June 12, 2018

**Application Determination No.:** 100082374

**Pipeline Project No.:** 000023589

## **PERMISSIONS**

### **Oil and Gas Activities Act**

1. The BC Oil and Gas Commission (the "Commission"), under section 32(5) of the *Oil & Gas Activities Act*, hereby extends the permit and any associated authorizations to construct, maintain and operate a pipeline.

### **Petroleum and Natural Gas Act**

2. Pursuant to Section 138(1) of the *Petroleum and Natural Gas Act*, the Permit Holder is authorized to enter, occupy and use any unoccupied Crown land located within the operating area to carry out the oil and gas activity and related activities authorized under this permit.

## **CONDITIONS**

3. The rights granted by this authorization are subject to all subsisting grants to or rights of any person made or acquired under the *Coal Act, Forest Act, Land Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Water Sustainability Act* or *Wildlife Act*, or any extension or renewal of the same.
4. The Permit Holder must not assign or sublicense this permit or permit any person to use or occupy the land, other than its employees, contractors, or representatives, without the Commission's written consent.
5. The Permit Holder must ensure that the area is maintained in a condition so as to minimize hazards, including but not limited to hazards associated with storage of materials and equipment.
6. The Permit Holder must ensure that the area is free of garbage, debris and unused equipment.

## **ADVISORY GUIDANCE**

1. On September 21, 2015, section 14 of the *Land Act* was repealed. Accordingly, the section 14 *Land Act* authorization originally granted to enter, occupy and use any unoccupied Crown land for the purposes of carrying out this oil and gas activity is now authorized under section 138(1) of the *Petroleum and Natural Gas Act*, and the original authorization will be cancelled.
2. Appropriate *Land Act* tenure will be issued upon acceptance of the post-construction plan. Submission of the original application and submission of the post-construction plan is considered application for all subsequent *Land Act* tenures; no further applications for replacement tenure is required.
3. The term “unused equipment” has the same definition as in the Drilling and Production Regulation.

This extension forms an integral part of the permit and should be attached thereto.



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James O'Hanley  
Vice President, Permitting & Authorizations

June 12, 2015

Prince Rupert Gas Transmission Ltd.  
450 - 1st Street SW  
Calgary, Alberta T2P 5H1

**Attention: Prince Rupert Gas Transmission Ltd.**

**RE: Pipeline Permit (Section 4)**

**Date of Issuance: June 12, 2015**  
**Commission File No: 9708460**  
**Job No.: 014697204-001**

#### **PERMISSIONS**

1. The BC Oil and Gas Commission (the "Commission"), under section 25(1) of the *Oil and Gas Activities Act*, hereby permits the holder to construct and operate a pipeline for the purpose of conveying natural gas subject to the following conditions, any applicable exemptions and authorizations:
  - a. The permissions and authorizations granted under this permit are limited to the areas described in the following construction plans by WSP Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated March 3, 2015:

WSP File: 130275CP04R1, sheet 1-27, revision 1, dated January 15, 2015, excluding those areas within Agricultural Land Reserve lands, within Indian Reserve 4 (Clotalairquot), and within Indian Reserve 16 (Babine).

2. This permit expires two years from the date of issuance as per section 8 of the *Oil and Gas Activities Act* General Regulation if the permit holder has not begun the construction of the pipeline permitted unless the permit has been extended.
3. In the area where two route options are proposed, between KM 443 and KM 465, the permit holder is authorized to construct the pipeline within one of the route options, but not both.

4. The permit holder is authorized to construct and operate the pipeline segments 001, 002, 003, 004 to transmit natural gas under a maximum operating pressure of 9930 kPa, and under a maximum concentration of H<sub>2</sub>S of 0.002<sup>1</sup> mol% unidirectionally, and in accordance with Piping & Instrumentation Diagram(s), 004776-01-ML-004, revision DD, dated September 3<sup>rd</sup>, 2014. Changes may be made to pigging design, and to above ground valves and piping, provided that:
  - i. the changes do not affect direct connections to pipelines and facilities;
  - ii. there are no changes to approved pressure protection, H<sub>2</sub>S protection or isolation;
  - iii. there is no substantive impact to any aspect of the project that was included in a consultation under the Consultation and Notification Regulation; and
  - iv. the design and operation of the pipeline continues to meet all regulatory requirements and the requirements of CSA Z662, as amended from time to time.

## CONDITIONS

### Notification and Reporting

1. At least 30 days prior to commencing any construction activities under this permit, the permit holder must provide the Lake Babine First Nation, Wilp Gyet Galdoo, Wilp Wosimlaxha, Wilp Gutgwinuxs, Wilp Luutkudziwus, Wilp Yagosip and Wilp Delgamuukw with the proposed construction schedule.
2. At least one week prior to the beginning of each month, the permit holder must submit a schedule to the Commission indicating the location and timing of horizontal directional drilling, direct pipe installation, microtunnelling or in-stream work planned to commence the following month.
3. Unless a submission has been made under condition 4, the permit holder must annually, on or before March 31 of each year, submit to the Commission's KERMIT system, a Post Construction Plan map showing the location and nature of any construction activities completed under this permit during the previous calendar year.
4. Within 60 days of completion of construction activities under this permit, the permit holder must submit to the Commission a Post Construction Plan as an ePASS shape file accurately identifying the location of the total area actually disturbed under this permit.

### First Nations

5. At the completion of construction activities the permit holder must restore any identifiable trails traditionally used by First Nations that were impacted by construction, to the level of access that existed prior to construction, if the location of the trail is made known to the

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<sup>1</sup> Note: 0.002 mol% means 0.0016, mol%, rounded.

permit holder by a First Nation or the Commission prior to the permit holder's notice of construction start.

6. Prior to commencement of construction activities on any portion of the pipeline right of way or work space, the permit holder must consider relevant information made available by a First Nation in the development of site specific mitigation plans. Relevant information includes culturally modified trees, cache pits, house pits, grave sites, pictograph sites, smoke houses, cabins, artifacts and areas traditionally used for camping, hunting, fishing and berry picking located within the pipeline right of way or work space.

The permit holder must submit, at least 30 days prior to the commencement of construction, the information, along with site-specific mitigation plans for any of the specified items identified that may be impacted by construction activities, to the satisfaction of the Commission.

## Clearing

7. Clearing and site preparation must be limited to areas needed for the pipeline right of way and work space.
8. Clearing and site preparation, inclusive of work space, must be confined to the construction corridor and must not exceed 813.03 ha on Crown land and must not, without leave of the Commission, occur within:
  - a. 100 meters of where water is diverted by a waterworks, water supply well or water storage reservoir;
  - b. an area containing a mineral lick, bald eagle, osprey, goshawk or great blue heron nest unless the mineral lick or nest is not damaged by activities authorized under this permit;
  - c. a permanent sample site on Crown Land used as a snow course;
  - d. an area that would require harvest or disturbance of whitebark pine trees;
  - e. a riparian management area (RMA), except as identified in the construction plans referenced in Permissions, to facilitate a stream or wetland crossing, or where it does not involve new clearing and existing clearings do not have a reestablished vegetative cover; and
  - f. a wildlife tree retention area other than those identified in the construction plans referenced in Permissions.
9. Except with leave of the Commission, new cut for additional work space is not permitted within an established wildlife habitat area (WHA), ungulate winter range, riparian reserve zone (RRZ), or old growth management area as defined in the Environmental Protection and Management Regulation (EPMR) or the *Forest and Range Practices Act* and its regulations.
10. Clearing and site preparation, except shooflies identified in the construction plans referenced in Permissions, must be confined to the area approved in the Certified Project Description of the associated Environmental Assessment Certificate.
11. Clearing and site preparation must be limited to the area necessary to safely construct the pipeline taking into account the influence of terrain, safe equipment operations, clearing

debris, worker safety and egress, protection of adjacent infrastructure, and other conditions relevant to safe construction operations.

12. Clearing and site preparation, other than those identified in the construction plans referenced in Permissions, must be located on any previously disturbed areas located within the construction corridor unless:
  - a. a previously disturbed area is less than 2 hectares;
  - b. such clearing and site preparation is required to avoid one or more of the areas or features identified in condition 8 (a) to (f); or
  - c. the permit holder is granted leave by the Commission to carry out such clearing and site preparation.
13. Prior to any clearing within growth and yield plots 66-79-41G, 66-79-42G, 66-71-8G, or research installation EP6057.06, the permit holder must ensure any trees to be harvested are measured to the satisfaction of the and the results of those measurements must be submitted to the Commission and MFLNRO.
14. The permit holder must maintain vegetation and minimize stumping or ground disturbance within 10 metres of the high water mark of a fish bearing watercourse and delay grading of the banks of watercourses until immediately before construction of either pipeline crossings or crossings for vehicle access, except where necessary to address terrain related constraints, safe equipment operations, clearing debris, worker safety and egress, protection of adjacent infrastructure or environmental values and other conditions relevant to safe construction operations. Appropriate erosion and sediment control structures must be installed as necessary to ensure debris and soil are not deposited into watercourses.
15. Any trees harvested within the RMA of a stream or wetland must be felled away from the stream or wetland, and any trees, debris or soil deposited below the high water mark must be removed immediately.

## **Wildlife**

16. Except with leave of the Commission, the permit holder must not undertake clearing activities between April 1 and July 31 unless pre-clearing surveys are completed, and where appropriate, mitigation is implemented as per the methods outlined in the Bird Nest Mitigation and Monitoring Plan (Appendix F-2 of the Construction Environmental Management Plan).
17. Except with leave of the Commission, the permit holder must not undertake any construction or significant maintenance activities within a wetland when an active waterfowl nest is present within 200 metres of the pipeline right of way and work spaces in that wetland.
18. Except with leave of the Commission, works within any fish bearing watercourse in the Morrison, Tsezakwa and Suskwa watersheds must not occur between July 15 and June 15.
19. Except with leave of the Commission, the permit holder must not undertake construction or significant maintenance activities within proposed WHAs 6-335 and 6-336 between January 1 and June 15.



20. Except with leave of the Commission, the permit holder must not undertake construction or significant maintenance activities within 200 meters of an active grizzly bear or black bear den between November 1 and May 15.
21. Except with leave of the Commission, the permit holder must not undertake construction or significant maintenance activities within 500 meters of an active wolverine den between February 1 and August 1.
22. Except with leave of the Commission, the permit holder must not, with respect to fisher:
  - a. undertake construction or significant maintenance activities within 200 metres of any active den; and
  - b. undertake construction or significant maintenance activities within 400 metres of an active den between March 15 and July 31.
23. When using aircraft to undertake activities associated with the permit, the permit holder must provide written instructions to the pilot specifying that flights must not, except in the event of an emergency situation directly approach, hover over, circle, or land near mountain goats, moose, elk, or caribou.
24. When using aircraft to undertake activities associated with the permit, the permit holder must provide written instructions to the pilot specifying that flights must not, except in the event of an emergency situation directly approach, hover over or circle near, or land within 500 meters of known wolverine den sites between February 1 and June 30.
25. The permit holder must implement appropriate measures to reduce the obstruction of wildlife movement across the pipeline right of way during construction and operations.
26. The permit holder must collect and store garbage in a manner that does not attract bears.

### **Terrain Stability, Acid Rock Drainage and Mineral Leaching**

27. Prior to operating the pipeline, the permit holder must prepare and file with the Commission a report satisfactory to the Commission for the monitoring and maintenance of ground and slope stability on areas where the stability
  - a. may be affected by clearing or construction of the pipeline; or
  - b. may affect the safe operation of the pipeline.

The report must be prepared by a qualified professional and must include an assessment of and monitoring plan for any areas where karst or ground subsidence may be located.

28. The permit holder must submit prior to construction an acid rock assessment and mitigation information to the Commission, all to the satisfaction of the Commission, with respect to potentially acid generating (PAG) rock along the proposed pipeline route. The information must include the following elements:
  - a. the criteria used to classify acid rock drainage/metal leaching potential;
  - b. the process used to delineate PAG rock including desktop and field/laboratory assessments;
  - c. results of engineering evaluation of expected PAG rock locations and associated construction-related quantities;

- d. additional planned characterization to complement initial assessment results;
- e. protocols to be followed during construction to verify results of PAG characterization and engineering assessments;
- f. a flowchart outlining material handling steps for confirmed PAG rock;
- g. associated mitigation and monitoring programs for exposed in situ and disposed PAG rock;
- h. mitigation selection criteria;
- i. typical drawings and typical specifications for mitigation such as soil covers and rock slope face barriers (e.g., shotcrete and synthetic spray cover); and
- j. gradational specifications for cover layer barriers composed of glacial till and/or other materials.

The above information must be prepared by a qualified professional and any protocols, mitigation or monitoring associated with e through j must be implemented by permit holder.

### **Stream, Wetland and Lake Crossings**

- 29. Subject to sections 11 and 12 of the EPMR, crossings of non-fish bearing streams and wetlands must be constructed in accordance with the methods and any mitigations that specified in a supplemental stream and wetland crossing submission that has been submitted to the satisfaction of the Commission.
- 30. Subject to sections 11 and 12 of the EPMR, crossings of fish bearing streams and wetlands must be constructed in accordance with the timing, methods and any mitigations that are specified in a supplemental stream and wetland crossing submission that has been submitted to the satisfaction of the Commission. Any contingency method specified in a supplemental stream and wetland crossing submission may only be utilized with leave of the Commission.
- 31. Except with leave of the Commission, the permit holder must only carry out construction activities within a wetland with a riparian class of W2 in accordance with the timing, methods and any mitigations for such works that are specified in a supplemental W2 workspace submission that has been submitted to the satisfaction of the Commission.
- 32. Open cut crossings of watercourses must be planned and conducted in accordance with the relevant detail in a supplemental stream crossing submission that has been submitted to the satisfaction of the Commission, and the following requirements:
  - a. An open cut of a stream classified as S1, S2, S3, S4, S5 or S6 may only occur with leave of the Commission, unless the stream is frozen to its bed or is completely dry with no evidence of subsurface flow;
  - b. where the streambed consists of rocks, pebbles or coarse gravel overlaying finer material, this material must be removed and stockpiled separately above the high water mark of the stream for replacement during restoration,
  - c. excavated materials must be contained using appropriate techniques, so that that sediment-laden water and spoil do not re-enter the waterbody,

- d. any sediment-laden trench water must be pumped onto stable surfaces in a manner that does not cause erosion of soils or release of suspended sediments to watercourses;
  - e. where feasible, aquatic vegetation and organic debris removed from the construction area must be salvaged and returned following trench backfilling; and
  - f. channels, banks and beds of streams or wetlands, including any disturbed stable natural material must be restored, to the extent practicable, to the structure and conditions that existed before the crossing construction was initiated. Fish streams must be restored based on pre-construction surveys, including restoration of areas containing rearing potential with adequate stream depth and in-stream structures and restoration of spawning areas with gravel placement.
33. Open cut crossings of wetlands must be planned and conducted in accordance with the relevant detail in a supplemental wetland crossing submission that has been submitted to the satisfaction of the Commission, and the following requirements:
- a. where the wetland substrate consists of rocks, pebbles or coarse gravel overlaying finer material, this material must be removed and stockpiled separately above the high water mark of the stream for replacement during restoration;
  - b. excavated materials must be contained using appropriate techniques, so that that sediment-laden water and spoil do not re-enter the wetland; and
  - c. any sediment-laden trench water must be pumped onto stable surfaces in a manner that does not cause erosion of soils or release of suspended sediments to watercourses.
34. Flow isolation crossings must be planned and conducted in accordance with the relevant detail in a supplemental stream crossing submission that has been submitted to the satisfaction of the Commission, and in accordance with b to f of condition 32 and the following additional requirements:
- a. crossings of fish-bearing streams may commence only after confirming that sufficient equipment and supplies are available to complete the crossing in an efficient and timely manner;
  - b. crossing construction within the stream channel, including the location and operation of any equipment, must be isolated from water flowing in the stream;
  - c. spawning gravels must not be disturbed when redds that contain eggs or alevins are present;
  - d. activities must be suspended if high stream flows present an increased risk to effectively completing the intended crossing installation technique;
  - e. welding, coating, weighting and, where applicable testing, of the pipe must be completed prior to commencement of trenching within fish-bearing water bodies;
  - f. water from flumes, pump-arounds, diversions, or other methods must be released to downstream areas using dissipation structures to avoid causing erosion or sediment release;

- g. pump intakes must not disturb beds of streams or wetlands and must be screened with a maximum mesh size of 2.54 mm and approach velocity of 0.038 m/s;
  - h. water flows downstream of in-stream construction sites must be maintained at volume and discharge consistent with upstream flows; and
  - i. hard ditch plugs must be installed at or near the banks of the crossing and left in place until the crossing has been initiated.
- 35. Equipment to be used in or adjacent to a stream, lake or wetland must be clean or otherwise free of external grease, oil or other fluids, excessive muds, soil and vegetation, prior to entering the waterbody.
- 36. Within the riparian management area, generators and other stationary equipment that requires refueling, must be situated in secondary containment capable of containing the fuel capacity of the generators.
- 37. Unless otherwise authorized by the Commission, prior to construction activities in a stream classified as S1, S2, S3 or S4; or the Riparian Reserve Zone of a stream classified as S1, S2, S3, or a S4 stream, the permit holder must develop a Water Quality Monitoring Program to the satisfaction of the Commission. The Water Quality Monitoring Program must:
  - a. be developed, implemented and supervised by a qualified professional;
  - b. be consistent with the Ministry of Environment's approved water quality guidelines;
  - c. include environmental water quality monitoring, including field monitoring of turbidity, pH and total suspended solids for potential exceedance of BC Water Quality Guidelines for the protection of aquatic life, as they may be amended from time to time;
  - d. require pre and post construction monitoring upstream (baseline) and downstream of the location of potential disturbance from construction activities;
  - e. require sampling that is representative of water quality variation across the stream; and
  - f. require documentation of pre and post construction monitoring completed under e.
- 38. Unless otherwise authorized by the Commission, prior to construction activities in a wetland, the permit holder must develop a Wetland Water Quality Monitoring Program to the satisfaction of the Commission. The Water Quality Monitoring Program must:
  - a. be developed, implemented and supervised by a qualified professional;
  - b. be consistent with the Ministry of Environment's approved water quality guidelines;
  - c. include environmental water quality monitoring for potential exceedance of the BC Water Quality Guidelines for the protection of aquatic life, as they may be amended from time to time;

- d. where appropriate, require pre and post construction monitoring proximal to the location of potential disturbance from construction activities; and
  - e. require documentation of pre and post construction monitoring completed under d.
39. The permit holder must implement the Water Quality Monitoring Programs developed as per conditions 37 and 38 and do each of the following:
- a. provide records of documentation of all pre and post construction monitoring to the Commission;
  - b. immediately report to the Commission any exceedance of the BC Water Quality Guidelines for aquatic life that persist for a period of 24 hours or greater, relative to the baseline; and
  - c. immediately take steps to address the factors producing any exceedance of the BC Water Quality Guidelines for aquatic life, relative to the baseline, should any exceedance persist for a period of 24 hours or greater, and where such steps do not result in addressing the turbidity exceedance, promptly suspend construction operations at the site of activities causing the exceedance until effective solutions, satisfactory to the Commission, have been developed and implemented.
40. As part of post construction monitoring, the permit holder must, for all watercourse and wetland crossings:
- a. inspect and provide a report to the Commission that includes assessment of:
    - i. RMA stability;
    - ii. erosion risk to the watercourse;
    - iii. vegetation re-establishment within the RMA, including species composition, percent establishment, and presence of invasive plant species; and
    - iv. identify where contingency measures may be required to address the items in i, ii or iii.
  - b. Where contingency measures are required, the permit holder must develop and implement an appropriate plan to the satisfaction of the Commission.

## **Engineering**

41. Before beginning construction activities on any crossing of a road by the pipeline, the permit holder must submit, to the satisfaction of the Commission information, in tabular or other format, describing:
- a. the crossing location;
  - b. summary, including any outcomes, of engagement with the road tenure holder, primary road user or road owner;
  - c. whether the crossing will be constructed using trenchless methods;

- d. the approximate dates and maximum time that traffic at the crossing is expected to be restricted or obstructed;
  - e. pipeline specifications at the crossings, including pipeline diameter, wall thickness, depth of cover and grade; and
  - f. maximum vehicular weights expected at the crossing location.
42. The permit holder must construct any road crossing consistent with information accepted by the Commission under condition 41.
43. At least 45 days prior to commencement of welding, the permit holder must submit to the Commission's satisfaction, a fracture arrest and mitigation program.
44. Where the hoop stress during the pressure test exceeds 100% SMYS, the permit holder must submit to the Commission the P-V test and the pressure test results before beginning operation of a pipeline.
45. At least 90 days prior to pipe-stringing activities in areas where geohazards are present, the permit holder must submit, to the satisfaction of the Commission:
- a. a geohazard assessment that includes:
    - i. a description of the geohazard(s) identified that have reasonable probability of impacting the pipeline, with the location of each geohazard illustrated on either a map or in a table; and
    - ii. specific design measures, such as materials to be used, installation procedures, protective structures, depth of cover, and monitoring that will be implemented to mitigate the geohazard(s) identified in (i); and
  - b. a field changes manual for geohazards that includes:
    - i. criteria for measures, including those identified in a(ii) above, that will be implemented to mitigate any additional geohazards identified during construction; and
    - ii. qualification requirements for field staff who will implement the field changes manual.
46. Except with leave of the Commission, within 12 months of commencement of gas transmission to the Lelu Island Metering Station, the permit holder must submit to the Commission the results and interpretation of a high resolution in-line inspection tool run to establish an accurate position of the pipeline (GEOPIG) and to detect pipe deformation and defects.

### **Archaeology**

47. An Archaeological Impact Assessment (AIA) must be completed for all pipeline right of way and work space areas prior to commencement of construction activities.
48. The permit holder must, as soon as practicable, submit an AIA report to the Commission.
49. If artifacts, features, materials or things protected under section 13(2) of the *Heritage Conservation Act* are identified the permit holder must, unless the permit holder holds a permit under section 12 of the *Heritage Conservation Act* issued by the Commission in respect of that artifact, feature, material or thing:

- a. immediately cease all work in the vicinity of the artifacts, features, materials or things;
- b. immediately notify the Commission; and
- c. refrain from resuming work in the vicinity of the artifacts, features, materials or things except in accordance with an appropriate mitigation plan that has been prepared in accordance with the *Heritage Conservation Act* and approved by the Commission.

## Environment

50. Prior to commencing clearing or site preparation on any portion of the pipeline right of way or work space, the permit holder must conduct a survey identifying any:
  - a. bear, fisher or wolverine dens located within 200 metres of the pipeline right of way and work space, and within the construction corridor;
  - b. Western Toad breeding or migration areas located within 100 metres of the pipeline right of way or workspaces;
  - c. vascular plants, mosses or lichens listed under the *Species at Risk Act* as endangered, threatened or special concern and located within the construction corridor; and
  - d. individual plants, plant communities or residences species identified as species at risk in a subsisting order issued under the *Forest and Range Practices Act* or the *Oil and Gas Activities Act* and located within or adjacent to the construction corridor.

The permit holder must submit the survey results, along with site-specific mitigation plans for any of items identified in a to d that may be impacted by construction activities, to the satisfaction of the Commission prior to the permit holder's notice of construction start.

51. Construction activities must not result in rutting, compaction or erosion of soils that cannot be reasonably rehabilitated to similar levels of soil productivity that existed on the site prior to the construction activities taking place.
52. The permit holder must, as soon as practicable, restore recreation sites, recreation trails or recreation facilities established or authorized under the *Forest and Range Practices Act* that are adversely affected by construction activities to their pre-construction condition to the Commission's satisfaction.
53. The permit holder must, as soon as practicable, restore range developments defined under the *Forest and Range Practices Act* that are adversely affected by construction activities to their pre-construction condition to the Commission's satisfaction.
54. At the completion of construction activities the permit holder must restore any identifiable trails used by trappers that were adversely affected by pipeline construction, to the level of access that existed prior to construction, if the location of the trail is made known to the permit holder by the registered trapper for the area specific to the trail or the Commission prior to the permit holder's notice of construction start.
55. In all locations where run-off from the area of the pipeline right of way or work space may flow into a watercourse, the permit holder must contour and stabilize banks and approach

slopes and install berms, silt fences, cross ditches, or other alternative effective measures as appropriate to minimize erosion and avoid sediment deposit into the watercourse.

56. The permit holder must undertake dust control measures to ensure that dust resulting from construction activities does not affect safe travel on a road or significantly impair the use and enjoyment of lawfully occupied permanent dwellings, significant public use areas or other similar areas.
57. The permit holder must undertake reasonable measures to mitigate noise from construction activity that has the potential to affect public safety or significantly impair the use and enjoyment of lawfully occupied permanent dwellings, significant public use areas during periods of use or other similar areas.
58. Upon completion of construction activities authorized under this permit, the permit holder must:
  - a. Re-vegetate, using seed or vegetative propagules of an ecologically suitable species or implement other measures, to the satisfaction of the Commission, that promote the restoration of the wildlife habitat that existed on the area before the oil and gas activity was begun and stabilize the soil if it is highly susceptible to erosion; and
  - b. take reasonably practicable measures to limit or prevent vehicular access to and along, and to reduce sightlines along the pipeline right of way.
59. The permit holder must determine timber hauling restrictions pertaining to the management of beetle infested timber recommended by the BC Ministry of Forests, Land, and Natural Resource Operations and adhere to all such restrictions unless otherwise specified by the Commission.

### **Potential Pinch Points**

60. Except with leave of the Commission, the permit holder must provide the Commission with at least 7 days written notice of any proposed change to the pipeline centreline identified in the Construction Plans referenced in Permissions, that:
  - a. would result in a change to the horizontal alignment of the pipeline centreline of more than 100 metres; or
  - b. might reasonably limit the construction of any additional pipeline(s) at the location of the proposed change.
61. The permit holder must provide the Commission with a report summarizing its engagement with third parties regarding routing, pipeline alignment and the mitigation of pinch point locations within the construction corridor, at least 60 days prior to construction at such pinch point locations.

## **AUTHORIZATIONS ASSOCIATED WITH THE PERMIT**

### **Temporary Permit under Section 14 of the *Land Act***

62. Subject to 63 through 69 below, the Commission, under section 14 of the *Land Act* and pursuant to Authorization Number 947918, hereby authorizes the permit holder to occupy and use Crown land limited to the areas described in the following construction plans WSP



Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated March 3, 2015:

WSP File: 130275CP04R1, sheet 1-27, revision 1, dated January 15, 2015, excluding those areas within *Land Act* section 17 reserve 6408342, within Agricultural Land Reserve lands, and within Indian Reserve 4 (Clotalairquot), Indian Reserve 16 (Babine) and Indian Reserve 8 (Caseded).

63. The permit holder will:
- a. indemnify the Province of British Columbia (the "Province") and the Commission against all losses, damages, costs, and liabilities arising out of any breach or non-performance of any condition or agreement set out in this permit, and any personal injury, death or property damage occurring on the site or happening by virtue of the permit holder's occupation of the site, and this obligation to indemnify will include all of the foregoing from the first day that such losses, damages, costs and liabilities arose; and
  - b. immediately effect, and keep in force while occupying the site, insurance of an amount not less than \$1,000,000 protecting the Province, the Commission and the permit holder (without any rights of cross-claim or subrogation) against claims for personal injury, death, property damage, or third party or public liability claims arising from any accident or occurrence on the site.
64. The authorization to occupy and use Crown land does not entitle the permit holder to exclusive possession of the area. The permit holder will not interfere with the activities of another person entering on and using the area under a prior or subsequent authorization issued under the *Land Act*.
65. The rights granted by this section 14 permit are subject to all subsisting grants to or rights of any person made or acquired under the *Coal Act*, *Forest Act*, *Mineral Tenure Act*, *Petroleum and Natural Gas Act*, *Range Act*, *Water Act* or *Wildlife Act*, or any extension or renewal of the same, any prior dispositions made under the *Land Act*, and the exceptions and reservations of rights and interests under section 50 of the *Land Act*.
66. The permit holder will acknowledge and agree that any interference with rights granted under this section 14 permit by virtue of the exercise or operation of the rights or interests set out in 64 or 65 above shall not constitute a breach of the Province's or the Commission's obligations under this permit and the permit holder will release and discharge the Province and/or the Commission from any claim for loss or damage arising directly or indirectly out of any such interference. The permit holder will also agree to pay all costs and expenses that arise out of the permit holder's interference with the rights or interests set out in sections 64 or 65 and that the permit holder will not commence or maintain proceedings under section 65 of the *Land Act* with respect to interference with the permit holder's rights arising out of exercise or operation of the rights set out in sections 64 or 65.
67. The permit holder must pay, when due, the Fees to the address set out in the attached covering letter.

68. The permit holder must not assign, sublicense or transfer this Permit or permit any person to use or occupy the land, other than its employees, contractors, or representatives, without the Commission's written consent.
69. This authorization of a permit to occupy and use Crown land expires two years from the date of issuance.

#### **Changes in and about a Stream Authorization under section 9 of the *Water Act***

70. The Commission hereby authorizes the permit holder, under section 9 of the *Water Act*, to make changes in and about streams located in the areas described in a supplemental stream and wetland crossing submission that has been submitted to the satisfaction of the Commission.

#### **Cutting Permit Authorization**

71. Pursuant to section 47.4 of the *Forest Act*, the Commission hereby issues Cutting Permit No. 10, under Master License to Cut number M02400, Nadina Forest District, and Cutting Permit No. 32, under Master License to Cut number M02374, Skeena Stikine Forest District, to cut and remove timber from the areas of Crown land within the area within the Site subject to the following conditions:
  - a. These cutting permits are deemed spent upon submission of the post-construction plan referenced in condition 4, or upon either the cancellation or the expiry of the permitted oil and gas activity;
  - b. This Cutting Permit is subject to the terms and conditions in the Master Licences to Cut;
  - c. All harvested Crown timber within Master License to Cut number M02400, Nadina Forest District, must be marked with Timber Mark Number MTB 343;
  - d. All harvested Crown timber within Master License to Cut number M02374, Skeena Stikine Forest District, must be marked with Timber Mark Number MTB 344;
  - e. The felling, bucking and utilization specifications in the Master Licenses to Cut apply to this Cutting Permit;
  - f. Stumpage for this Cutting Permit will be calculated as per the applicable appraisal manual. Where timber felled on the cutting authority area that will not be removed from the site, volume billed will be based on an approved alternate method of scale;
  - g. In accordance with the Master Licences to Cut referenced above, "Within 60 days of completing operations on a cutting permit, the Licensee shall submit to the Commission a map showing all disturbances that have occurred pursuant to that Cutting Permit, at a scale of 1:20,000 or 1:50,000.";
  - h. Timber that is stored in decks or piles must be marked with the correct timber mark before transportation, or at the end of every shift. The marking must be applied to one end of at least 10% of the timber pieces in each deck or pile

using a hammer indentation or paint. Marking must be kept concurrent with decking;

- i. Where the Permit Holder is aware of overlapping forest tenure rights that have been granted to other persons, the Permit Holder is obligated to communicate to these persons the timing and extent of their harvest operations at least two weeks prior to commencement of harvest and take all reasonable steps to coordinate their activities with these persons;
- j. Prior to harvesting, any clearing authorized by this Cutting Permit must be clearly defined on the ground by ribboning or blazing; and
- k. This permit authorizes a maximum total new cut area of 730.32 ha within the construction corridor.

#### **ADVISORY GUIDANCE**

1. The permit holder must provide notices required by the Pipeline Regulation prior to beginning construction, maintenance or repair of the pipeline.
2. As required by section 3 of the Pipeline Regulation, the permit holder must design, construct, operate and maintain the pipeline in accordance with CSA Z662, as amended from time to time.
3. As required by section 4(2) of the Pipeline Regulation, the permit holder must submit to the Commission the pipe and component specifications and the as-built drawings for the pipeline within 3 months after completion of construction of a pipeline.
4. As required by section 24(1) of the *Oil and Gas Activities Act* General Regulation, the permit holder must complete the surveying and posting of the pipeline right of way within 16 months after completing construction of the pipeline.
5. As required by section 7 of the Pipeline Regulation, the permit holder must include the pipeline authorized by this permit in its Integrity Management Plan and Damage Prevention Program.
6. Trenchless crossings must be planned and conducted in accordance with the Directional Drilling Procedures and Drilling Mud Release Contingency Plan and the relevant detail in the Typical Drawings of the Environmental Management Plan and any plans accepted by the Commission under condition 30 and 31 above.
7. The permit holder must avoid all archaeology sites unless issued a site alteration permit by the Commission, pursuant to section 12 of the *Heritage Conservation Act*.
8. All archaeological reports submitted to the Commission must also be provided to the archaeology branch of the Ministry of Forests, Lands and Natural Resource Operations.
9. All archaeological reports submitted to the Commission must also be provided to the First Nations listed in condition 1 of this permit.
10. Prior to commencing construction on any pipeline stream crossing, the permit holder must:

- a. identify any new streams not described in a supplemental stream and wetland crossing submission that has been submitted to the satisfaction of the Commission;
  - b. for new streams or where there was outstanding fieldwork required for a stream described in a supplemental stream and wetland crossing submission that has been submitted to the satisfaction of the Commission, conduct the field work needed to complete stream classifications and identify the fish species presence for that stream, including any required confirmation of fish species presence in streams that were surveyed prior to issuance of this permit; and
  - c. submit the results of the field work required under (b) to the satisfaction of the Commission. The results must clearly describe the management and mitigation measures that will be employed in order to minimize impacts to the species present and their habitat.
11. Construction or maintenance activities within a fish bearing stream or wetland must occur:
- a. during the applicable reduced risk work windows as specified in the Skeena Region Reduced Risk In-stream Work Windows and Measures, as appropriate;
  - b. in accordance with alternative timing and associated mitigation recommended by a qualified professional and accepted by the Commission; or
  - c. in accordance with an authorization or letter of advice from Fisheries and Oceans Canada that is provided to the Commission.

## DEFINITIONS

Unless the condition or its context indicates otherwise, the terms in this permit have the same meaning as defined in the *Oil and Gas Activities Act* or the regulations under that Act.

**“additional work space”** work space, delineated in purple on construction plans, other than temporary work space, needed to facilitate pipeline construction. These include decking sites and staging areas.

**“construction activities” or “construction”** means clearing, site preparation, trench excavation, pipe installation and any other activities required to construct a pipeline.

**“construction corridor”** means, the area of land extending on either side of the centerline of the pipeline as indicated in the application for this permit, and is labelled as either “construction corridor” or “review corridor” on the construction plans.

**“environmental management plan”** means, the environmental management plan as revised, that supports the application for this permit, the relevant components of which are acceptable to the Commission.

**“pinch point”** means a specific area delineated by topographic, terrain/geohazards, existing infrastructure, watercourses, or climatic conditions requiring non-routine design detail and/or construction execution for a single (first) pipeline, and/or multiple pipelines (with potentially more

complex considerations related to project interactions), to ensure safe and commercially viable design, construction, and operations.

**“qualified professional”** means a member in good standing of a profession regulated in British Columbia and who is recognized by that profession as being qualified to work in area of practice for which an opinion or advice is required.

**“qualified specialist”** means a person who possesses an appropriate combination of formal education, knowledge, skills, and experience to conduct a technically sound and rational assessment for the area of practice, and be familiar with applicable regulations, standards, policies, protocols and guidelines.

**“residence”** means a dwelling-place, such as a den, nest or other similar area or place, that is occupied or habitually occupied by one or more individuals during all or part of their life cycles, including breeding, rearing, staging, wintering, feeding or hibernating.

**“road”** means, an existing road:

- a. that is a highway as defined in the *Transportation Act* and is currently being maintained by an agency of the provincial government or a local government, either directly or by agreement,
- b. that is a Forest Service Road,
- c. for which there is a subsisting permit under the *Forest Act*, *Land Act* or *Oil and Gas Activities Act*,
- d. that is an industrial road as defined under the *Industrial Roads Act*, or
- e. that is privately owned.

**“temporary work space”** means the work space, delineated in blue on construction plans, that runs adjacent to the pipeline right of way, which may be used to accommodate vehicle traffic as well as stringing, welding and placing pipe.

**“work space”** includes both temporary work space and additional work space.



Ken Paulson, P. Eng.  
Chief Operating Officer and Authorized Signatory  
Commission Delegated Decision Maker

CC: Roy Northern Land Services Ltd.  
MFLNRO, Skeena-Stikine Forest District, Nadina Forest District  
First Nations (Lake Babine First Nation, Wilp Gyet Galdoo, Wilp Wosimlaxha, Wilp Gutgwinuxs, Wilp Luutkudziwus, Wilp Yagosip and Wilp Delgamuukw)  
WorkSafe BC  
OGC File: 9708460  
BC Environmental Assessment Office