

June 6, 2018

Prince Rupert Gas Transmission Ltd.
450 – 1st Street S.W.
Calgary AB T2P 5H1

Attention: Prince Rupert Gas Transmission Ltd.

RE: Permit Extension for Application Determination Number 100082421, OGC Legacy 9708511

Permit Holder: Prince Rupert Gas Transmission Ltd.
Permit Date of Issuance: June 29, 2015
Extension Date of Issuance: June 6, 2018
Extended Expiration Date: June 29, 2019
Application Determination No.: 100082421
Facility ID No.: 18278
Facility Name: PRGTL MIDDLE RIVER C-065-H/096-K-14 001

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 facility.
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 **June 29, 2019** if the permit holder has not begun the activity by this date.

Petroleum and Natural Gas Act

4. 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 authorized under this permit.

CONDITIONS

5. 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.
6. 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.
7. 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.
8. The Permit Holder must ensure that the area is free of garbage, debris and unused equipment.

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.
2. 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.



James O'Hanley
Vice President, Applications

June 6, 2017

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

Attention: Prince Rupert Gas Transmission Ltd.

RE: Permit Extension for Application Determination Number 100082421, OGC Legacy # 9708511

Permit Holder: Prince Rupert Gas Transmission Ltd.
Permit Date of Issuance: June 29, 2015
Extension Date of Issuance: June 6, 2017
Extended Expiration Date: June 17, 2018
Application Determination No.: 100082421
Facility ID No.: 00018242
Facility Name: PRGTL MIDDLE RIVER C-065-H/096-K-14 001

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 facility.

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.



James O'Hanley
Vice President, Permitting & Authorizations

June 29, 2015

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

Attention: Robert MacLeod

RE: Facility Permit – Middle River Compressor Station

Date of Issuance: June 29, 2015
Commission File No.: 9708511
Job No.: 015725786-001
Site Number: 000041135
Location NTS: C 065-H/096-K-14
Facility Code: 00018242

PERMISSIONS

1. The BC Oil and Gas Commission (the “Commission”), under the section 25(1) of the Oil and Gas Activities Act, hereby permits Prince Rupert Gas Transmission Ltd. (the “permit holder”) to construct, maintain and operate the Middle River Compressor Station, including associated equipment and piping (the “facility”) which will compress and transmit natural gas at a maximum operating pressure of 9930 kPa, under a maximum concentration of H₂S of 0.002 mol%¹.
2. The permissions and authorizations granted under this permit are limited to the area described in construction plan FOCUS: 130509SK13R0, REVISION No. 0, dated June 3, 2014 by WPS Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated August 21, 2014.

CONDITIONS

1. At least 30 days prior to commencing any construction activities² under this permit, the permit holder must provide the Carrier Sekani Tribal Council, Tl'azt'en Nation, and Yekooche First Nation with the proposed construction schedule.
2. Within 60 days of the completion of the clearing phase of the activity permitted, the permit holder must submit to the Commission a Post-Construction Plan as an ePASS shape file identifying the location of the total area actually cleared under this permit.
3. An Archaeological Impact Assessment (AIA) must be completed for the operating area authorized under this permit prior to any activities taking place.
4. The permit holder must, as soon as practicable, submit an AIA report to the Commission.
5. 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 the Archaeology Branch of the Ministry of Forests, Lands and Natural Resource Operations; and

¹ Note: 0.002 %mol means 0.0016 %mol, rounded.

² For the purposes of this permit, construction activities include: clearing, site preparation, and equipment and facility assembly.

- 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.
6. Prior to commencing construction activities on any construction phase³, the permit holder must ensure that sufficient equipment and supplies are available to complete that phase in an efficient and timely manner.
7. Prior to notice of construction start, the permit holder must survey for active bear dens within 200 metres of the boundary of the operating area. If any active bear dens are identified within 200 metres of the boundary of the operating area, the permit holder must not begin construction during the active denning period between December 1 and April 30.
8. 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.
9. 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.
10. During construction, the permit holder must store garbage in a manner that does not attract bears.
11. Prior to commencing operations, the permit holder must conduct a facility start-up meeting to review the Emergency Response Plan with all potential emergency responders and must submit to the Commission a "Thirty days notification" using the OGC Notification of Facility/Producing Well Start-up Modification Meeting form, found at <http://www.bcogc.ca/industry-zone/documentation/Emergency-Response-and-Safety>.
12. At least 14 days in advance of commissioning and start-up, the permit holder must contact the Commission (at OGCPipelines.Facilities@bcogc.ca) to coordinate and complete an inspection.
13. If requested by the Commission, the permit holder must carry out additional noise surveys or assessments of the facility.
14. At least 14 days prior to the commencement of any field construction of process equipment and piping, the permit holder must submit (at OGCPipelines.Facilities@bcogc.ca), to the Commission's satisfaction, post HAZOP Issued For Construction (IFC) Piping & Instrumentation Drawings (P&IDs) and a list documenting any design differences between the IFC P&IDs and the P&IDs submitted to the Commission as at the date of issuance of this permit.

AUTHORIZATIONS ASSOCIATED WITH THE PERMIT

Temporary Permit under section 14 of the *Land Act*

15. The Oil and Gas Commission, under section 14 of the *Land Act*, hereby authorizes the permit holder to occupy and use Crown land limited to the area established in construction plan; FOCUS: 130509SK13R0, REVISION No. 0, dated June 3, 2014 by WPS Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated August 21, 2014 for the purposes of constructing the facility, under Authorization Number 947151, subject to the following:
 - a. This permit authorizes a maximum area of 14.40 ha;
 - b. The permit holder will 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 the amount of such losses, damages and costs shall be payable to the Province or the Commission immediately;
 - b. The permit holder will 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;

³ For the purposes of this permit, construction phases are broken into the following discrete categories: clearing; site preparation; and equipment and facility assembly.

- c. 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 *Land Act* disposition;
- d. The rights granted by this 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*;
- e. The permit holder will acknowledge and agree that any interference with rights granted under this permit by virtue of the exercise or operation of the rights or interests set out in sections (c) or (d) 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 (c) or (d) 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 (c) or (d);
- f. The permit holder must pay, when due, the Fees to the address set out in the attached covering letter;
- g. The permit holder must not assign, sublicense or transfer this Permit or permit any person to use or occupy the Land, without the Commission's written consent; and
- h. This permit expires two years from the date of issuance.

Cutting Permit under Master License to Cut under Section 47.4 of the *Forest Act*

16. The Commission hereby issues the permit holder Cutting Permit No. 7 under Master Licence to Cut number M02371, subject to the following conditions:
- a. This Cutting Permit is subject to the terms and conditions in the Master Licence to Cut;
 - b. This Cutting Permit applies to only the Crown Land portion shown on the construction plan associated with this facility permit (construction plan number FOCUS: 130509SK13R0, REVISION No. 0, dated June 3, 2014 by WPS Surveys (BC) Limited Partnership as submitted to the Commission in the permit application dated August 21, 2014);
 - c. All harvested Crown timber must be marked with Timber Mark Number MTB 182;
 - d. This Cutting Permit is deemed spent upon the submission of the "Post-Construction Plan" or upon either the cancellation or the expiry of the permitted oil and gas activity;
 - e. This Cutting Permit does not grant the permit holder the exclusive right to harvest timber from the License area and the Commission reserves the right to grant rights to other persons to harvest timber from the License area;
 - f. The felling, bucking and utilization specifications in the Master License to Cut apply to this Cutting Permit;
 - g. 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;
 - 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. In accordance with the Master Licence 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; and
 - k. This permit authorizes a maximum total new cut area of 14.40 ha within the permitted facility area.

ADVISORY GUIDANCE

1. This permit expires two years from the date of issuance as required by section 8 of the Oil and Gas Activities Act General Regulation if the permit holder has not begun the construction of the facility.
2. As required by section 76(a) of the Drilling and Production Regulation, the permit holder must notify the Commission at least two days before beginning construction.
3. As required by section 76(b) of the Drilling and Production Regulation, the permit holder must notify the Commission at least two days before conducting a pressure test on process piping at the facility.
4. As required by section 76(c) of the Drilling and Production Regulation, the permit holder must notify the Commission at least one day before beginning production operations at the facility.
5. As required by section 78(4) of the Drilling and Production Regulation, the permit holder must submit to the Commission all as-built drawings, piping and instrumentation diagrams, metering schematics and plot plans, signed and sealed by a professional engineer licensed or registered under the *Engineers and Geoscientists Act*, for the facility within three months of beginning production at the facility.
6. The permit holder must adhere to the requirements outlined in the latest version of the "Measurement Guideline for Upstream Oil and Gas Operations" at the facility.
7. The permit holder must adhere to the requirements outlined in the latest version of the "Flaring and Venting Reduction Guideline for British Columbia" at the facility.
8. The permit holder must ensure the facility noise emissions meet the standard defined in the BC Noise Control Best Practices Guideline.
9. As required by section 6, 7(2), 10 and 11 of the Emergency Management Regulation, the permit holder must prepare, submit, and maintain an adequate emergency response plan (ERP), both in paper and electronic format, before commencing operations at the facility.
10. A waste discharge permit must be in place prior to the commencement of operations at the subject facility. The permit holder should contact Environmental Management at (250) 794-5220 to discuss this process and the associated requirements.
11. 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.
12. 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*.
13. As required by section 12 of the Environmental Protection and Management Regulation, the permit holder must ensure that the permitted activity does not result in any deleterious materials being deposited into any stream, wetland or lake.
14. This permit does not authorize any changes in and about a stream under the *Water Act*.



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

pc: Prince Rupert Gas Transmission Ltd
 pc: OGC File: 9708511
 pc: MoFLNRO, Fort St. James
 pc: Carrier Sekani Tribal Council, Tl'azt'en Nation, and Yekooche First Nation
 pc: OGC, Engineering Division - Facilities
 pc: WorkSafe BC