



February 1, 2024 VIA XPRESSPOST / E-MAIL

Dear Mayor Joan Atkinson,

District of Mackenzie P.O Bag 340 1 Mackenzie Blvd Mackenzie. BC V0J 2C0



DISTRICT OF MACKENZIE

Re: Westcoast Energy Inc. - Sunrise Expansion Program - Project Update

INTRODUCTION

Westcoast Energy Inc. (Westcoast), an Enbridge company, owns and operates British Columbia's (BC) major natural gas transmission infrastructure system, referred to as the Westcoast or BC Pipeline system, which transports processed natural gas to consumers throughout the province and to Alberta and the Pacific Northwest of the United States (U.S.). The Westcoast system is an interprovincial pipeline system with over 2,900 kilometers (km) of pipeline from near Fort Nelson in northeast BC and from Gordondale near the Alberta-BC border, south to the Canada-U.S. border at Huntingdon/Sumas.

Westcoast plans to apply to the Canada Energy Regulator (CER) in Q2 2024 for approval of the Sunrise Expansion Program (Project), a proposed expansion of the southern portion of the Westcoast system, starting from near Compressor Station (CS) 2B (Azouzetta) south to the Canada-U.S. border at the Huntingdon Meter Station (MS-16). The development of the application involves a robust environmental assessment process and engagement program, ensuring Indigenous, stakeholder and public involvement in identifying and addressing potential effects of the Project.

You are receiving this letter because you (or your organization) have been (or were previously) identified as potentially having an interest in the Project. This letter provides an update about the Project and a description of upcoming activities related to preparing the regulatory application.

PROJECT OVERVIEW

The Project includes the addition of pipeline looping, additional compression at select existing compressor station sites, and facility enhancements along the system, summarized below. The Project would provide approximately 300 million cubic feet per day (MMcf/d) of natural gas transportation capacity to meet natural gas demand in BC and the U.S. Pacific Northwest.

Project design is under development, and configuration of pipeline loops, compressor station modifications and additional compression requirements are subject to change. Westcoast is committed to providing additional details about the Project as they become available.

Pipeline looping

In order to increase transportation capacity, pipeline loops would be added along Westcoast's existing right-of-way. The Project design is expected to include a total of approximately 137 km of 42-inch pipeline looping in various



segments along the existing system (see enclosed map), that will run parallel and largely be contiguous with the existing right-of-way to minimize environmental disturbance.

Compression facilities

The Project scope also includes additional compression and associated facilities at four existing compressor station sites: CS-2B (Azouzetta), CS-6B (93 Mile), CS-8A (Kingsvale) and CS-8B (Othello). Electric-driven compression is being considered for three of the compressor units to reduce greenhouse gas emissions. Three overhead powerlines, totalling approximately 34 km in length and largely following existing linear infrastructure such as roads or rights-of-way, would be required to provide power to these electric motor driven compressor units.

To support additional flow capacity, the Project will also include modifications at all existing compressor stations from CS-2B south to MS-16 at Huntingdon, such as additional cooling system capacity, back up generation and changes to piping.

ENVIRONMENTAL, ENGINEERING AND SOCIO-ECONOMIC STUDIES

To support Project design and routing decisions, Westcoast is conducting an environmental and socio-economic assessment (ESA) of the Project. Environmental field studies began in Q2 2023 and will continue this year to understand the Project's potential effects on the environment, and to develop and evaluate options for mitigation, as needed. Environmental studies have included surveys of fish and fish habitats, vegetation, soils, wetlands, wildlife and wildlife habitat and archaeology.

Geotechnical investigative studies began in Q4 2023 and will continue in 2024. These studies include surface and subsurface exploration to better understand geological conditions for routing design purposes (watercourse crossings, potential geohazards, etc.) and construction feasibility.

Westcoast is also assessing potential socio-economic effects of the Project as part of the ESA, including potential effects to community infrastructure and services, human health and safety, local employment and economy. This baseline information has been collected throughout 2023 and engagement with local communities and Indigenous groups to inform this assessment is ongoing.

Westcoast will develop comprehensive safety and environmental protection measures to mitigate effects of the Project (e.g., effects on soil and soil productivity, wildlife and fish and their habitats, water quality and quantity, vegetation, wetlands, air quality and greenhouse gas emissions, traditional land and resource use, social and cultural wellbeing, infrastructure and services, and employment and economy) and to ensure public and worker safety.

ENGAGEMENT PROGRAM

In early 2023, Westcoast began engaging potentially affected Indigenous groups and rightsholders, landowners and land users, government authorities and representatives, and other interested parties to collaborate and seek input on the Project design and address issues or concerns. Over the last year, several refinements to the Project scope have been made as a direct result of this engagement and through analysis of data collected in environmental studies.

Westcoast will continue to engage through various means including regularly scheduled in-person and virtual meetings; facilitating training, employment and contracting opportunities in environmental and geotechnical studies;

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and hosting community open houses and presentations. Westcoast will also continue to share information and seek public input through existing platforms such as the Project's virtual open house and Enbridge's website.

EFFECTS DURING CONSTRUCTION

The overall construction, restoration and commissioning process is expected to take approximately two-and-a-half years. Westcoast is still evaluating the specific additional permanent and temporary land requirements needed to accommodate construction and operation of the Project.

The pipeline loops will generally require an 18-metre-wide permanent ROW, with another 27-metre strip for temporary and extra workspace at specific locations to accommodate construction equipment, set up and laydown areas, and excavation. Temporary workspace would be fully restored after construction. The compressor station work is expected to be confined to existing station sites except for CS-2B and CS-8A, which will need expanded footprints to accommodate the expansion facilities. The right-of-way for the three powerlines is expected to be up to 70 metres wide, with some variation of width at select locations depending on localized circumstances.

It is anticipated that existing roads or trails, or newly constructed access where required, will be used to access the work locations.

During the construction phase, temporary effects such as an increase in dust, noise, and traffic within the immediate Project areas are expected. These effects would result from passenger vehicles, construction vehicles, and equipment (cranes, dozers, side booms, backhoes, semis) entering and exiting worksites. Westcoast will work closely with local communities to develop mitigation plans to limit the temporary effects.

OPERATIONAL EFFECTS

Once construction activities are complete, the temporary effects described above are expected to end. Along with the environmental protection measures, the Project will be subject to Westcoast's comprehensive pipeline integrity and maintenance program including vegetation management, regular valve maintenance, cathodic protection, inline inspection, and pigging to detect corrosion and pipeline anomalies. The Project will be operated by Westcoast personnel and monitored 24 hours per day by Westcoast's Gas Control operations.

TIMELINE OF PROJECT ACTIVITIES

- Environmental studies began: Q2 2023
- Geotechnical studies began: Q4 2023
- Regulatory application submission (CER): Q2 2024¹⁴

Subject to the receipt of regulatory approvals, construction activities would begin as early as Q2 2026 with planned in-service in Q4 2028. These timelines are subject to change.

¹⁴ A Project notification was filed with the CER on January 30, 2024 in accordance with the CER's pre-application early engagement requirements. That notification can be found on the CER's website at https://apps.cer-rec.gc.ca/REGDOCS/Item/View/4433079.



MAP, FACTSHEET AND SOCIO-ECONOMIC QUESTIONNAIRE

The potential locations for additional pipeline looping and compression are depicted in the Project map provided with this letter. The Project design is still under development and is subject to change, including as a result of ongoing engagement.

As noted above, Westcoast continues to seek information regarding local socio-economic conditions and suggestions for how to maximize positive benefit to local communities. We invite you to fill out the questionnaire on the Project's virtual open house (www.sunrise-program.com) or directly at this link: https://tinyurl.com/48mwcyyx.

RESOURCES AND CONTACT INFORMATION

- For more information on the CER's regulatory oversight and review process for the Project, please refer to
 the enclosed CER brochure "The CER, Energy Projects and You" which can also be found at:
 https://www.cer-rec.gc.ca/en/consultation-engagement/land-matters-guide/brochures/cer-energy-projects-you/index.html.
- For more information on the CER's regulatory oversight and review process for the Project specific to Indigenous Peoples, please refer to the CER brochure "The CER, Energy Projects, and Indigenous Peoples," which can be found at: https://www.cer-rec.gc.ca/en/consultation-engagement/land-matters-guide/brochures/cer-energy-projects-indigenous-peoples/index.html.
- For more information on the Project, please visit our website at https://www.enbridge.com/projects-and-infrastructure/projects/sunrise-expansion-program or visit our virtual open house at www.sunrise-program.

Westcoast welcomes comments, questions or concerns so that they may be addressed and considered in the development of this Project. Please advise if you have a preferred method for receiving information about the Project moving forward (e.g., digital, hard copy, mail, e-mail, community referral portal, etc.).

For more information, questions or concerns please contact us directly:

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Community and Indigenous

Engagement

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General Inquiries

Phone (toll-free): 1-833-267-2220 Email: <u>BCprojects@enbridge.com</u> Media: media@enbridge.com

Enclosures:

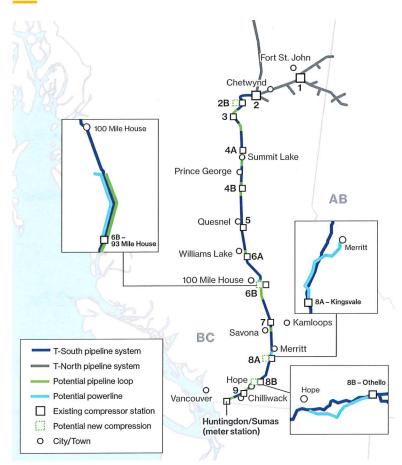
- Sunrise Expansion Program Factsheet (January 2024)
- Project Map
- Pamphlet: "The CER, Energy Projects and You, for non-Indigenous"

In case of an emergency, please contact Enbridge's 24-hour emergency number: 1-800-663-9931



Image above: existing compressor station 5 – "Australian" – near Quesnel, BC

Westcoast Energy Inc. (Westcoast), an Enbridge company, owns and operates a natural gas transmission system in British Columbia (BC) that transports processed natural gas for markets throughout BC, Alberta and the Pacific Northwest. This gas is ultimately used to heat homes, businesses, hospitals and schools. It is also used as a fuel for electric power generation and is a staple in a number of industrial and manufacturing processes that produce hundreds of products that improve our lives.



Map is for illustrative purposes only and not to scale. Project design is under development and configuration of pipeline loops, compressor units, additional compressor station modifications, and powerlines are subject to change

Project overview

Westcoast is proposing the Sunrise Expansion Program (Project), an expansion of the southern portion of its BC Pipeline system known as T-South. The Project is being proposed based on demand for additional natural gas transportation capacity. It will provide up to 300 million cubic feet per day (MMcf/d) of natural gas on the T-South system. The targeted in-service date is late 2028.

The proposed Project currently includes the installation of pipeline loops and additional compression at select existing compressor station sites. Westcoast is planning to use electric-driven compressors, which would require new powerline infrastructure as well.

Pipeline loops

In order to increase transportation capacity, pipeline loops would be added, along Westcoast's existing right-of-way (ROW). The additional loop segments will run parallel and connect to the existing pipeline system.

A total of approximately 137 km of 42-inch pipeline looping in various segments along the system is currently anticipated.

Preliminary Project timelines

- Environmental studies began: Q2 2023
- Geotechnical studies began: Q4 2023
- Regulatory application submission (CER): Q2 2024
- Construction: Q2 2026 Q4 2028
- In-service: Q4 2028

Project timelines are subject to change.



Compressors and infrastructure upgrades

In addition to pipeline looping, additional compression and upgrades would be required. Over extended distances, friction and elevation differences reduce the pressure within the pipelines and slow the flow of gas – compressor stations give the gas a needed "boost", helping it get from one point to the next.

Westcoast plans to install new compressors at existing compressor stations located at Azouzetta Lake (CS-2B), 93 Mile (CS-6B), Kingsvale (CS-8A), and Othello (CS-8B).

To reduce environmental impacts, Westcoast is considering the use of electric-driven compressor units for some of the compression required for the Project. If electric-driven compressor units are used, the Project could avoid about 376,000 tonnes of carbon dioxide equivalent (CO2e) emissions per year. That is equivalent to removing 104,000 cars off the road in a year. The electric-driven compressor unit would substantially cut greenhouse gas (GHG) emissions that would be produced with a natural gas drive. Electric drives are also known for their quieter operation compared to natural gas drives.

To power the new electric-driven compressor units and ensure reliable operations, up to approximately 34 km of new electric transmission powerlines may be required. These overhead powerlines would largely follow existing linear infrastructure such as roads or ROWs to minimize environmental and local community impacts.

Regulatory

Westcoast plans to file a regulatory application with the Canada Energy Regulator (CER) in Q2 2024. To support its application, environmental, geotechnical and socio-economic studies are underway. We are engaging with Indigenous groups, landowners, and other stakeholders to help shape the design of the Project.

Indigenous and community engagement

Westcoast is committed to engaging with Indigenous groups, landowners, and other stakeholders with an interest in the Project. By gaining a deep understanding of these interests at an early stage, we can better integrate them into the Project planning.

Westcoast is dedicated to creating economic opportunities for Indigenous groups and local communities. This ranges from training and employment opportunities to procuring goods and services from Indigenous businesses through a proactive supply chain process. These opportunities are provided from the early investigative studies through construction and into long-term operations.



Investigative field studies

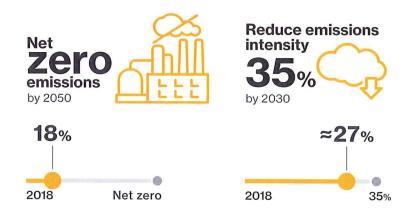
To support Project routing and design, Westcoast is conducting investigative geotechnical and environmental studies. These studies will help identify any environmental or geotechnical factors that should be considered in designing the Project and in developing mitigation.

Environmental studies include surveys of fish and fish habitats, wildlife, vegetation, soil, watercourses, wetlands, air quality and archaeology assessments. Geotechnical studies aim to understand geological conditions beneath the surface for optimal pipeline routing design.

Environmental performance commitment

Enbridge's environmental, social and governance (ESG) goals represent the next stage of our evolution as an ESG leader to ensure we're positioned to grow sustainably for decades to come. Specifically on the environment, our goal is to achieve net-zero GHG emissions from our business by 2050 and a 35% reduction in the intensity of GHG emissions from our operations by 2030. Our emissions reduction targets include future projects we might develop, and anything we do will be assessed against our emissions reduction commitments. The installation of electric-driven compressors in this Project help Enbridge meet these goals.

To find out more about how we plan to meet these goals, please visit **enbridge.com/esggoals**.



Contact us

Virtual Open House sunrise-program.com



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