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**SECTION 5**  
**LAND MATTERS**

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## LAND MATTERS

The following describes the land requirements for the Project and the process for acquiring these lands. The land requirements consist of permanent right-of-way (ROW) for the pipeline, temporary workspace (TWS) for construction of the pipeline and either a fee simple purchase or a permanent lease for the pigging facility and the access road to such pigging facility. There are no new land requirements associated with the modification work at Compressor Station 2 (CS 2). Westcoast confirms that the land acquisition process for the Project will comply with the applicable sections of the NEB Act, including sections 86 and 87.

### General Land Information

The Project entails the construction of one 28 km loop segment of 914.4 mm (NPS 36) pipe, which is primarily contiguous to the existing NPS 30 Fort St. John Mainline and other third party pipelines. The route will start at 'That Part of Block B Lying North of Plan H306 District Lot 355 Peace River District, Except Plan 17053' and extend to CS 2 located at 'Block C of District Lot 373 and That Part of Block A SE 1/4 of District Lot 373, Peace River District'.

Approximately 40% of the Project pipeline is located on privately-owned land and 60% is located on provincial Crown land.

The pigging facility and related access road is proposed for private fee simple land located at 'That Part of Block B Lying North of Plan H306 District Lot 355 Peace River District, Except Plan 17053 as outlined in red on Plan H306'. Negotiations with the landowner are ongoing either to purchase or lease the fee simple parcel.

The CS 2 site is on fee simple land owned by Westcoast and all work will be within the boundaries of the existing property.

### Land Requirements

The Project will consist of a corridor made up of predominately 20 m of permanent ROW and 20 m to 40 m of TWS. There are additional varying widths of ROW and variable widths of TWS to accommodate side slopes, side bends, soil storage, crossings (i.e. road, pipeline and water course) which allow for safe and efficient construction. In addition there are log deck areas and laydown/staging areas of varying size due to construction constraints. Additional TWS will also be required at any trenchless drilling entry and exit sites, and where grading is necessary. See the Environmental Alignment Sheets in Section 4 of this application for the ROW width (including the locations where the width varies) as well as TWS and new land requirements.

Tables 5-1 and 5-2 outline the land requirements for private and provincial Crown lands, respectively.

**Table 5-1 – Land Requirements for Private Lands**

	Hectares	Acres
Pipeline ROW	20.55	50.78
Workspace	35.79	88.44
Log Deck	2.39	5.91
<b>Total</b>	<b>58.73</b>	<b>145.13</b>

**Table 5-2 – Land Requirements for Crown Lands**

	<b>Hectares</b>	<b>Acres</b>
Pipeline ROW	39.76	98.25
Workspace	57.69	142.56
Log Deck	4.3	10.63
<b>Total</b>	<b>101.74</b>	<b>251.44</b>

**Access**

Access to the Project will be by way of existing roads, pipeline ROW and private property. Westcoast will obtain all required permits and road use agreements necessary for construction and operation of the Project.

**Land Rights**

On Crown lands, an application for tenure for the new ROW will be submitted to the BC Oil and Gas Commission (BC OGC).

On privately-owned lands, individual ROWs are being negotiated with landowners in accordance with the *National Energy Board Act*. Agreements for use of TWS and log decking sites will also be obtained from landowners, where required.

Finally, as mentioned above, in respect of the proposed pigging facility and related access road, negotiations with the landowner are ongoing for either a fee simple purchase or lease.

**Lands Acquisition Process Agreements**

The land acquisition process began in September 2015 and is expected to be completed by the end of December 2016. Table 5-3 provides a schedule of the land acquisition process.

**Table 5-3 – Land Acquisition Process**

<b>Dates</b>	<b>Activities</b>
September 2015	Title searches, line lists and survey permissions
April 2016 – September 2016	Service of section 87(1) notices to landowners and interested parties
April 2016 - December 2016	Acquisition of statutory ROW, workspace agreements, pigging facility lease or purchase and land permits from landowners

Westcoast is negotiating agreements with twelve private landowners representing twenty two parcels of land. As of the date of application, Westcoast has entered into ROW agreements with 3 landowners, representing 4 parcels of land.

The application for obtaining the new ROW from the Crown is planned for submission to the BC OGC in November 2016.

**Section 87 Notices**

Subsection 87(1) notices will be served on the provincial Crown and others with an interest in the Crown land, including Aboriginal communities, trappers, guide outfitters and grazing lease holders.

Subsection 87(1) notices have also been served on all private landowners whose lands are required for the purpose of the pipeline. See sample notices used for the Crown and private lands in Appendix 5-1 and 5-2.

**APPENDIX 5-1**

**NOTICE PURSUANT TO SECTION 87(1) OF THE  
NATIONAL ENERGY BOARD ACT  
FOR CROWN LAND RIGHTS**

**APPENDIX 5-2**

**NOTICE PURSUANT TO SECTION 87(1) OF THE  
NATIONAL ENERGY BOARD ACT  
FOR PRIVATE LAND RIGHTS**

FILE: \_\_\_\_\_  
PIPELINE: \_\_\_\_\_  
DATE: \_\_\_\_\_  
IOP Revision #: \_\_\_\_\_

**WESTCOAST ENERGY INC.  
doing business as  
SPECTRA ENERGY TRANSMISSION**

**NOTICE PURSUANT TO SECTION 87(1) OF THE  
NATIONAL ENERGY BOARD ACT**

**TO: <ENTER LANDOWNER(S) NAME(S)>**

being the registered owner(s) (the "Owner") of the following lands (the "Land"):

**<ENTER DESCRIPTION OF LAND>**

**(For further details on land description, see Schedule "A" attached to and forming part of this Notice.)**

**AND TO:**

**<LIST STAKEHOLDERS>  
<LIST STAKEHOLDERS>**

being other persons, as far as can be ascertained, as having a potentially relevant interest in the Land:

**WESTCOAST ENERGY INC.** ("Westcoast") doing business as Spectra Energy Transmission hereby gives notice of the following:

**1. Description of Lands Required for Pipeline (see Property Sketch attached)**

To accommodate the construction, installation, operation, maintenance, inspection (including aerial), alteration, removal, replacement, reconstruction and repair of the pipeline through the Land, Westcoast requires a Statutory Right of Way for pipeline purposes. The location of the Statutory Right of Way is shown on the attached Property Sketch (**Schedule B**).

**2. Details of Compensation Offered**

In consideration of granting the aforesaid Statutory Right of Way to Westcoast, Westcoast shall offer to pay to the Owner a lump sum of --- **[enter dollar amount as text]** --- **[enter cents as text](\$0.00)**, which sum is calculated in accordance with the provisions of Paragraph 3 hereof. Westcoast will be responsible for all applicable taxes.

The proposed Statutory Right of Way will provide that, as an alternative to the lump sum payment, the Owner has the option of requiring the compensation to be paid by annual or periodic payment of equal or different amounts over a period of time.

***The compensation referred to in Section 2 above will be offered to the Owner. This notice does not constitute an offer of compensation to other parties, if any, listed above having a potentially relevant interest in the Land.***

If any other person interested in the pipeline location claims to have a right to receive such compensation or a portion thereof, such person should immediately notify Westcoast in writing of such claim setting forth the particulars thereof.

### **3. Detailed Statement of Value of Land Required**

The value of the portion of the lands which comprises the permanent Statutory Right of Way is **\$[0.00]** per hectare (**\$[0.00] per acre**). It has been determined in accordance with the rates prescribed in the Utility Zone Map in the Land Use Operational Policy – Utilities of the Crown Land Administrative Division of the Ministry of Agriculture and Lands in the Province of British Columbia.

### **4. Description of Procedure for Approval of Detailed Route of Pipeline**

Sections 34 through 39, inclusive, of the *National Energy Board Act* (the “Act”) establish a procedure for approval of the detailed route of a pipeline.

Those sections provide that after a company has submitted to the National Energy Board (the “Board”), a plan showing the proposed route of a pipeline, the company must serve on landowners and publish notices which describe the proposed detailed route of the pipeline, and the location of the offices of the Board. Within thirty (30) days of service or last publication of such a notice, a landowner or person who anticipates that his / her land may be adversely affected by the proposed detailed route may oppose the detailed route by filing with the Board a written statement setting forth the nature of his / her interest in the land and the grounds for his / her opposition to that detailed route.

If a written statement is filed with the Board within the time limited for doing so, the Board, subject to certain exceptions provided in the Act, will immediately order that a public hearing be conducted. It is conducted within the area in which the lands, to which the written statement relates, are situated with respect to any grounds of opposition set out in such statement. At the hearing each person who has filed a written statement with the Board pursuant to subsection 34(3) shall be permitted to make representations before the Board.

The Board will fix a suitable time and place for the public hearing. The Board will cause notice of such time and place to be given by publishing it in at least one issue of a publication, if any, in general circulation within the area in which the lands proposed to be acquired are located and also by sending such notice to each person who filed a written statement with the Board pursuant to subsection 34(3) of the Act.

Following such hearing the Board may either approve or refuse to approve the plan showing the proposed route of the pipeline as filed by the company and in granting any approval the Board may impose such terms and conditions as it considers proper. The Board may not give its approval to a plan unless it has taken into account all written statements properly filed with it and all representations made to it at a public hearing in order to determine the best possible detailed route of the pipeline and the most appropriate methods and timing of constructing the pipeline.

In certain circumstances the procedure outlined above will not be applicable. Section 58 and subsection 45(3) of the Act empower the Board to exempt a pipeline company from certain of the provisions of the Act, including those provisions requiring the filing with the Board of a plan showing the proposed route of a pipeline. Exemption from this requirement would result in the above-described procedure for approval of the detailed route of a pipeline no longer



being applicable. The situations in which such exemptions are available generally involve repairs and replacements of, and additions to, existing pipelines or circumstances where the pipeline expansion does not exceed 40 km in length.

Reference should be made to the sections of the Act referred to above in this Notice for the complete text of the provisions relating to the procedure for determination and approval of a pipeline route and the provisions which result in exemption from such procedures. The description of sections of the Act referenced in this Notice is subject to the express provisions of the Act.

## **5. Description of Procedure Available for Negotiation and Arbitration of Compensation Payable**

Sections 88 through 103, inclusive, of the Act establish a procedure for negotiation and arbitration in the event that an owner of lands and a pipeline company are unable to agree on any matter respecting the amount of compensation payable under the Act for the acquisition of lands, or for damages suffered as a result of the operations of the pipeline company or on any issue related to such compensation.

Those sections provide, in effect, that if a company and an owner of lands have not agreed on any such issue either of them may serve notice of negotiation on the other of them and on the Minister (being the member of the Federal Cabinet designated to act as the Minister for the purposes of the Act) requesting that the matter be negotiated. Following service of such notice, the Minister must appoint a negotiator who must meet with the parties and, without prejudice to any subsequent proceedings, endeavour to negotiate a settlement of the matter. Within sixty days after commencing the negotiation proceedings, the negotiator must report to the Minister his / her success or failure and submit a copy of his / her report to both parties.

If either the owner of the lands or Westcoast wishes to dispense with the negotiation proceedings or if the negotiation proceedings have not resulted in settlement of any compensation matter, either Westcoast or the owner may serve notice of arbitration on the other of them and on the Minister requesting that the matter be determined by arbitration. Immediately thereafter the Minister must, subject to certain exceptions, refer the matter to an Arbitration Committee consisting of not less than three members appointed by the Minister, none of whom will be a member, officer or employee of the Board. The Arbitration Committee must then fix a suitable time and place for a hearing in order to determine all compensation matters referred to in the notice and serve notice of the hearing on the parties. Following such hearing the Arbitration Committee will determine all compensation matters referred to it and in doing so must consider a number of factors as set out in Section 97 of the Act, where applicable.

For the complete text of the provisions relating to the procedure for negotiation and arbitration of compensation, reference should be made to those sections of the Act referenced in this Notice. The description of sections of the Act referenced in this Notice is subject to the express provisions of the Act.

Following a hearing and after consideration of all representations made, the Board may either approve or refuse to approve the plan showing the proposed detailed route of the pipeline as filed by Westcoast.

## **6. Further Communications**

This Notice is not an offer and does not obligate either the Owner or Westcoast to enter into an Agreement.

A representative of Westcoast will be contacting you in due course to discuss in greater detail the proposed pipeline. At that time, formal agreements will be provided to you for your consideration.

If you have any questions, please contact Westcoast at:

Lands Department  
WESTCOAST ENERGY INC. doing business as  
SPECTRA ENERGY TRANSMISSION  
P.O. Box 11162  
Suite 1100, 1055 West Georgia Street  
Vancouver, BC, V6E 3R5.

The address of the National Energy Board is:  
National Energy Board  
444 Seventh Avenue S.W.  
Calgary, Alberta, T2P 0X8

**WESTCOAST ENERGY INC. doing business as  
SPECTRA ENERGY TRANSMISSION**  
By its authorized Agent

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FILE: \_\_\_\_\_  
PIPELINE: \_\_\_\_\_  
DATE: \_\_\_\_\_  
IOP Revision #: \_\_\_\_\_

**WESTCOAST ENERGY INC.  
doing business as  
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**NOTICE PURSUANT TO SECTION 87(1) OF THE  
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**TO: <ENTER LANDOWNER(S) NAME(S)>**

being the registered owner(s) (the "Owner") of the following lands (the "Land"):

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**(For further details on land description, see Schedule "A" attached to and forming part of this Notice.)**

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**WESTCOAST ENERGY INC.** ("Westcoast") doing business as Spectra Energy Transmission hereby gives notice of the following:

**1. Description of Lands Required for Pipeline (see Property Sketch attached)**

To accommodate the construction, installation, operation, maintenance, inspection (including aerial), alteration, removal, replacement, reconstruction and repair of one or more pipelines through the Land, Westcoast requires a Statutory Right of Way and Temporary Work Space for pipeline purposes. The location of the Statutory Right of Way and Temporary Work Space is shown on the attached Property Sketch (**Schedule B**).

**2. Details of Compensation Offered**

In consideration of granting the aforesaid Statutory Right of Way to Westcoast, Westcoast shall offer to pay to the Owner a lump sum of --- **[enter dollar amount as text]** --- **[enter cents as text](\$0.00)**, which sum is calculated in accordance with the provisions of Paragraph 3 hereof. Westcoast will be responsible for all applicable taxes.

In consideration of granting the aforesaid Temporary Work Space to Westcoast, Westcoast shall offer to pay to the Owner a lump sum --- **[enter dollar amount as text]** --- **[cents amount text](\$0.00)**, which sum is calculated in accordance with the provisions of Paragraph 3 hereof. Westcoast will be responsible for all applicable taxes.

The proposed Statutory Right of Way will provide that, as an alternative to the lump sum payment, the Owner has the option of requiring the compensation to be paid by annual or periodic payment of equal or different amounts over a period of time.

***The compensation referred to in Section 2 above will be offered to the Owner. This notice does not constitute an offer of compensation to other parties, if any, listed above having a potentially relevant interest in the Land.***

If any other person interested in the pipeline location claims to have a right to receive such compensation or a portion thereof, such person should immediately notify Westcoast in writing of such claim setting forth the particulars thereof.

### **3. Detailed Statement of Value of Land Required**

After having considered the current use of the Land and neighboring lands, any probable change in use of the Land and neighboring lands in light of current zoning laws and economic considerations, recent sales of similar lands in the vicinity of the Land and other relevant factors, Westcoast has determined that:

- the value of the portion of the Land which comprises the permanent Statutory Right Way is **\$[0.00] per hectare (\$[0.00] per acre)**; and
- the value of the portion of the land which comprises the Temporary Work Space is **\$[0.00] per hectare (\$[0.00] per acre)**.

Westcoast will require only the limited rights as described in the Statutory Right of Way Agreement and Temporary Work Space Agreement and the Owner will continue to be able to use the Statutory Right of Way and Temporary Work Space areas subject to the conditions set out in the Agreements.

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WESTCOAST ENERGY INC. doing business as  
SPECTRA ENERGY TRANSMISSION  
P.O. Box 11162  
Suite 1100, 1055 West Georgia Street  
Vancouver, BC, V6E 3R5.

The address of the National Energy Board is:  
National Energy Board  
444 Seventh Avenue S.W.  
Calgary, Alberta, T2P 0X8

**WESTCOAST ENERGY INC. doing business as  
SPECTRA ENERGY TRANSMISSION**  
By its authorized Agent

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