Trans Mountain Expansion Project

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VIA ELECTRONIC SUBMISSION

16 FEBRUARY 2017

National Energy Board Suite 210, 517 Tenth Avenue S.W. Calgary, Alberta T2R 0A8

To: Ms. Sheri Young, Secretary, National Energy Board

Dear Ms. Young:

Trans Mountain Pipeline ULC ("Trans Mountain") - Trans Mountain Expansion Re:

Project ("Project")

Condition 11(a): Aboriginal, local and regional skills and business capacity

inventory

NEB File: OF-Fac-Oil-T260-2013-03 02

Please find enclosed Trans Mountain's compliance filing in fulifilment of Project Condition 11(a). This condition compliance filing relates to the following legal instrument:

OC-064 (CPCN)

Phased Filings

On January 16, 2017, Trans Mountain filed a Phased Condition Matrix (A4I1J9) with the Board wherein it established 39 Project phases. The appended filing relates to the following phases:

- 1: Westridge Marine Terminal
- 26: Spread 1
- 27: Spread 2
- 28: Spread 3
- 29: Spread 4
- 30: Spread 5
- 31: Spread 5, C39 Coldwater Hydrological
- 32: Spread 5, C7 Ohamil
- 33: Spread 6
- 34: Spread 6, C7 Tzeachten
- 35: Spread 6, C77 Lightning Rock
- 36: Spread 7
- 37: Spread 7, C7 Surrey Bend



- 38: Westridge Delivery Lines
- 39: Burnaby Tunnel

Condition 11: Aboriginal, Local and Regional Skills and Business Capacity Inventory

The text of Condition 11(a), as established by the Board, is as follows:

- (a) Trans Mountain must file with the NEB, at least 6 months prior to commencing construction, an Aboriginal, local, and regional skills and business capacity inventory for the Project. The skills and capacity inventory must include:
 - (i) a description of the information and data sources;
 - (ii) a summary of Aboriginal, local, and regional skills and business capacity;
 - (iii) an analysis of the Aboriginal, local and regional capacity for employment and business opportunities for the Project;
 - (iv) plans for communicating employment and business opportunities to Aboriginal, local, and regional communities;
 - a description of identified or potential skills and business capacity gaps, and any proposed measures to address them or to support or increase skills or capacity; and
 - (vi) plans for communicating identified gaps regarding skills and business capacitywith Aboriginal, local, and regional communities and businesses, and any proposed measures to support or increase skills or capacity.

Appendix A to this letter includes a concordance table that shows where each aspect of the Condition is addressed in the attached material.

Summary of Material Filed

Appendix A to this letter includes the following document:

- Trans Mountain Expansion Project Aboriginal, Local and Regional Skills and Business Capacity Inventory (January 2017), hereinafter the "Report"

Trans Mountain's goal is to maximize Project-related employment and business opportunities for Aboriginal, local and regional groups along the Project route. The overall purpose of the Report is to present a summary of the Inventory collected to date which reflects Trans Mountain's current and evolving understanding of the labour force and business capacity to participate in the Project.

The Report outlines information and processes that will be used by Trans Mountain and its contractors to enhance employment and contracting/bid opportunities available to Aboriginal, local and regional workers and businesses with interests and capability in participating in Project construction. The Inventory will be used as the underpinning of the Aboriginal, Local and Regional Employment and Business Opportunities Monitoring Reports which will be developed and submitted in compliance with Condition 107 and will be used to inform Trans Mountain's approach to training and education and the development of the Training and Education Monitoring Plan in compliance with Condition 12.

The Report is structured to address the five elements of Condition 11(a), as outlined above. It is one of several documents that outline and inform Trans Mountain's overall approach to addressing, monitoring and reporting on socio-economic effects and opportunities associated with the Project. The Report should be read in conjunction with other Condition compliance filings, as further detailed in the Report (see Figure 1).

Should you have any questions or wish to discuss this matter further, please contact the undersigned at regulatory@transmountain.com or (403) 514-6400.

Yours truly,

Original signed by

Scott Stoness Vice President, Regulatory and Finance Kinder Morgan Canada Inc.

Enclosure:

Appendix A: Condition 11(a) Compliance Filing