

SASKATCHEWAN CHAMBER OF COMMERCE

Trans Mountain Pipeline Fact Sheet



Who are Kinder Morgan?

Kinder Morgan Canada Limited owns and operates a number of pipeline systems and terminal facilities including the Trans Mountain pipeline, the Cochin pipeline, the Puget Sound and the Trans Mountain Jet Fuel pipelines, the Westridge marine, the Vancouver Wharves terminals in BC, and various terminal and crude oil loading facilities in Edmonton.

Kinder Morgan Canada's US-based parent company, Kinder Morgan Energy Partners (KMP) is one of the largest energy infrastructure companies in North America. KMP pipelines transport natural gas, gasoline, crude oil, carbon dioxide and their terminals store and handle petroleum products, chemicals and other products.

What is the Trans Mountain Expansion Project?

The Trans Mountain Expansion Project is a \$7.4 billion capital project with about 980 km of new pipeline. Expansion will parallel the 1,147 km route of the existing pipeline, which was built in 1953 and is the only West Coast link for Western Canadian oil.

Pipeline capacity will increase from 300,000 to 890,000 barrels of oil per day. 89% of new pipeline will parallel existing pipeline systems and linear infrastructure. The project will result in 12 new pump stations, 19 new tanks added to existing storage terminals, and three new berths at the Westridge Marine Terminal.

NRCan estimates 15,000 new jobs during the construction phase, 440 permanent jobs during pipeline operation, \$4.5 billion in provincial and federal government revenues, as well as more than \$300 million committed to Indigenous groups by the proponent for capacity-building and partnerships.

Why is Kinder Morgan Expanding the Trans Mountain Pipeline?

The project was proposed in response to requests from oil companies to help them reach new markets by expanding the capacity of North America's only pipeline with access to the West Coast. Pipeline expansion will ensure that Canada gets full value for its oil. Oil producers will no longer have to sell into the US at a discounted rate relative to the world price and earn more revenue for their product, while the government will collect more tax revenues as a result.

Project Timelines

The Trans Mountain Expansion Project is subject to federal regulation by the National Energy Board (NEB) and Transport Canada. On December 16, 2013, Trans Mountain filed a Facilities Application for the Project with the NEB. Following a 29-month review, the NEB concluded the project was in the Canadian public interest and recommended the Federal Governor in Council approve the expansion. On November 29, 2016, the Government of Canada granted approval for the project.

Kinder Morgan consulted with thousands of individuals through 159 open houses along the pipeline route and marine corridors, as well as organized more than 1,700 meetings between project team members and stakeholder groups. Kinder Morgan originally intended to start construction in September 2017 in select work areas. Kinder Morgan has given the Government of Canada a deadline of May 31, 2018 to ensure there is a plan in place for the project to move ahead without legal complications.

Local Impacts

EVRAZ Regina is the vendor of choice to produce over 75% of the pipe intended for the Trans Mountain Expansion Project. This equates to over 275,000 tons of pipe or 800 km of pipeline. From a raw material perspective, this is hundreds of millions of dollars of product. Evraz employs over 1,200 people in Regina, including both Steel and Pipe operations, which would support this project. The pipe would be produced here in Canada by Canadian workers using Canadian raw materials. If the project is halted, this could mean layoffs for workers at the Regina facility.

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