

Conservation and Water Stewardship

Climate Change and Environmental Protection Division
Environmental Approvals Branch
123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5
T 204 945-8321 F 204 945-5229
www.gov.mb.ca/conservation/eal

CLIENT FILE: 5526.00

December 13, 2012

Laura Lunt
Pembina Pipeline Corporation
3800, 525 – 8 Avenue SW
Calgary, AB T2P 1G1

Dear Ms. Lunt:

Enclosed is **revised Environment Act Licence No. 2976 R** dated December 13, 2012 issued in accordance with *The Environment Act* to **Pembina NGL Corporation** for the continued operation and maintenance of the Development being approximately 9.8 km of 219.1 mm diameter Natural Gas Liquid (NGL) pipeline beginning at an NGL truck offloading and storage facility in LSD 13-17-10-28 WPM and terminating in LSD 06-20-09-28 WPM, in accordance with the Proposal dated May 16, 2011.


The licence has been revised to change the name of the Licencee from Provident Energy Ltd. to Pembina NGL Corporation.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Elise Dagdick, Environment Officer @ 204-619-0709.

Pursuant to Section 27 of *The Environment Act*, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation and Water Stewardship within 30 days of the date of the Licence.

Yours truly,


Tracey Braun, M.Sc.
Director
Environment Act

Enc.

c: Don Labossiere, Director, Environmental Compliance and Enforcement
Public Registry

NOTE: Confirmation of Receipt of this Licence No. 2976 R (by the Licencee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by December 28, 2012.

On behalf of Pembina NGL Corporation

Date

Licence No. / Licence n° 2976 R

Issue Date / Date de délivrance August 12, 2011

Revised December 13, 2012

In accordance with The Environment Act (C.C.S.M. c. E125) /
Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section/ Conformément au Paragraphe

THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À:

PEMBINA NGL CORPORATION

"the Licencee"

for the operation and maintenance of the Development being approximately 9.8 km of 219.1 mm diameter Natural Gas Liquid (NGL) pipeline beginning at an NGL truck offloading and storage facility in LSD 13-17-10-28 WPM and terminating in LSD 06-20-09-28 WPM, in accordance with the Proposal filed under The Environment Act dated May 16, 2011, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

"native habitat" means grasses, wildflowers, shrubs, trees, and other vegetation that occur naturally and support fauna indigenous to the area;

"record drawings" means engineering drawings complete with all dimensions which indicate all features of the pipeline as it has actually been built; and

"waterbody" means any body of flowing or standing water, whether naturally or artificially created, and whether the flow or presence of water is continuous, intermittent or occurs only during a flood, including but not limited to a lake, river, creek, stream, slough, marsh, swamp and wetland, including ice on any of them.

****A COPY OF THIS LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES****

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. In addition to any of the limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:
 - a) sample, monitor, analyze or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants, ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, and for such duration and at such frequencies as may be specified;
 - b) determine the environmental impact associated with the release of any pollutant from the Development; or
 - c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.
2. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director, and each submission shall be clearly labelled with the Licence Number and Client File Number associated with this Licence.
3. The Licencee shall establish any fuel storage areas required for the construction and operation of the Development, and refuel and service vehicles, a minimum distance of 100 metres from any waterbody.
4. The Licencee shall, at all times during construction and maintenance of the Development, have available at the construction sites, materials to contain and recover spills of fuel and other fluids associated with construction machinery.
5. The Licensee shall, in the event of a release, spill, leak, or discharge of a pollutant or contaminant in an amount or concentration, or at a level or rate of release, that exceeds the limit that is expressly provided under this Act, another Act of the Legislature, or an Act of Parliament, or in a regulation, licence, permit, order, instruction, directive or other approval or authorization issued or made under one of those Acts, immediately report the release, spill, leak, or discharge by calling 204-944-4888. The report shall indicate the nature of the release, leak, or discharge, the time and estimated duration of the event and the reason for the release, spill, leak, or discharge.
6. The Licencee shall, during construction, maintenance, and restoration of the Development, implement all necessary measures to prevent the erosion of soil into any waterbodies. Construction adjacent to waterbodies shall not occur during heavy precipitation events.
7. The Licencee, during construction and maintenance of the Development, shall not disturb vegetation in riparian zones adjacent to waterways.

8. The Licencee shall, during construction and maintenance of the Development, minimize disturbance to vegetation in native habitats.
9. The Licencee shall ensure that an Environmental Inspector, on a daily basis throughout construction and restoration of the Development, monitor the work activity to ensure that all the environmental practices outlined in the Proposal are carried out.
10. The Licencee shall:
 - a) prepare "record drawings" for the Development and shall label the drawings "record drawings"; and
 - b) provide to the Director, within six months of the completion of construction of the Development, two sets of "record drawings" of the Development.
11. The Licencee shall construct and operate the Development in accordance with appropriate standards of the Canadian Standards Association.
12. The Licencee shall maintain a valid construction permit during construction of the Development and a valid operational permit during operation of the Development, issued by the Minister of Manitoba Innovation, Energy and Mines.

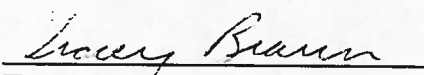
SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

13. The Licencee shall notify the assigned Environment Officer of Manitoba Conservation and Water Stewardship, not less than one week prior to beginning construction of the Development. The notification shall include the intended starting date of construction and the name and telephone number of the contractor responsible for the construction.
14. The Licencee shall, prior to construction start-up, instruct the on-site project construction supervisor to ensure that only land required for the right-of-way of the Development, including designated and landowner approved access locations to the right-of-way, will be affected by clearing, compacting, grading or filling during construction. All construction related traffic shall be restricted to the right-of-way and approved access locations.
15. The Licencee shall, prior to construction of the Development, conduct the soil, vegetation, and wildlife surveys outlined in the Proposal and submit a report(s) on these studies for approval of the Director. The report(s) shall include an assessment of the results of the studies and specify the appropriate mitigation measures to be applied.
16. The Licencee shall construct waterway crossings on waterways by augering, tunneling, or boring and in accordance with the Department of Fisheries and Oceans Canada Operational Statement on Directional Drilling.
17. The Licencee shall not undertake construction of the Development in native habitats between April 15 and July 31 in any year.

18. The Licencee shall, during construction and maintenance of the Development, separate and replace topsoil and subsoil from backhoe and trenching operations in accordance with the methodology described in Appendix 6A of the Proposal.
19. The Licencee shall contact Manitoba Conservation and Water Stewardship to obtain criteria for the withdrawal of water for hydrostatic testing and for the discharge of hydrostatic test water. Hydrostatic test water shall be withdrawn and discharged according to these criteria.
20. The Licencee shall, during construction and maintenance of the Development, compact all excavated areas and re-establish the pre-existing profile. Follow-up grading shall be conducted in areas affected by settling after construction.
21. The Licencee shall, immediately upon completion of construction and maintenance of the Development, where native habitat existed prior to the disturbance, re-vegetate areas exposed during the construction to pre-existing conditions with locally produced native seed mixes. Follow-up monitoring, re-seeding, maintenance, and weed control shall be conducted until disturbed areas are re-vegetated to the satisfaction of Manitoba Conservation and Water Stewardship.
22. The Licencee shall, in accordance with Clause 21 of this Licence, file a copy of a post construction environmental monitoring report with the Director, prior to January 31st of each year following construction of the Development, until the Director deems the reclamation is satisfactory. The report shall outline the results of the reclamation of native plant species along the right-of-way.

REVIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- B. If construction of the development has not commenced within three years of the date of this Licence, the Licence is revoked.
- C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 11 of *The Environment Act*.


Tracey Braun
Director
Environment Act