



energy pathways

KINDER MORGAN

Vancouver Wharves Facility Improvements

Vancouver Wharves is the prominent blue-roofed bulk marine terminal located east of the Lions Gate Bridge on the North Vancouver waterfront. In operation since 1959, the 129-acre facility handles dry bulk and liquid petroleum products for distribution by truck, rail, and barge or ship. The terminal houses five vessel berths, rail infrastructure, dry bulk and liquid storage, and material handling systems.

Since becoming part of Kinder Morgan in May 2007, Vancouver Wharves has invested \$150 million in facility improvements, which include:

- relocation of assets, primarily railcar handling facilities, from the Pacific Environmental Centre lands, which were subleased from the Squamish Nation;
- retrofitting of former methanol tanks to meet current regulations to handle jet fuel and diesel, and bio-diesel addition completed in 2010;
- modifications to Berth Five to handle wood pellets, a new product to Vancouver Wharves;
- addition of a rail receiving and storage facility to handle ferrous granule (or 'slag'), a product used in cement, concrete and roofing materials;

- construction of mineral concentrate railcar handling and vessel loading systems;
- installation of a new ship-loader and dock enhancements at Berth One;
- development of a 10-year remediation plan to address historic site contamination. The plan includes installation of ground water containment, pump and treat facilities to



handle ground water, improved site drainage, and ongoing monitoring and maintenance.

Some of these modifications, such as the new shiploader system, benefit both the facility's operating efficiency and environmental performance. Standing 21 metres high and weighing 475 tons, the new shiploader is

impressive not only due to its size, but also due to the advantages it provides. The loader's arm is able to travel the entire length of Berth One, increasing the loading rate, and enclosed conveyors and dust collection system help minimize dust and improve air quality.

To mark the shiploader commissioning and other site improvements, Vancouver Wharves hosted a reception for its customers, elected officials and First Nation leaders on July 27. With nearly 60 attendees, the reception was an opportunity for stakeholders to see the enhancements made since Kinder Morgan acquired the terminal in 2007.

As part of its commitment to operating efficiency and environmental sustainability, Vancouver Wharves is planning more improvements. They may include expanded concentrate handling facilities, facilities to handle imported fertilizers and export of vegetable oil, and further expansion of storage for wood pellets and agricultural products.

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Trans Mountain Pipeline Expansion Update

As the only direct link between Alberta's oil-producing regions and the west coast of North America, Trans Mountain Pipeline (TMPL) is well positioned for future expansion. Proposed plans include a staged incremental expansion along the existing TMPL corridor. Kinder Morgan will proceed with the expansion only if market demand supports such a line. If and when commercial support has been secured, the project will be subject to a comprehensive public and First Nations consultation, as well as approval by the National Energy Board. If fully built, it would increase the throughput on the Trans Mountain system from the current 300,000 barrels per day (bpd) to 700,000 bpd.



Anchor Loop construction

Recent expansion of TMPL included adding new pump stations to the existing system, followed by the Anchor Loop Project, which twinned (or looped) a 159-kilometre section of the existing TMPL system between Hinton, Alberta, and Hargreaves, British Columbia. Together the new pump stations and Anchor Loop increased the TMPL capacity up to 300,000 bpd.

We strongly believe that an expansion of our existing system, when markets demand, would allow a flexible staged approach along an existing pipeline corridor where staff have existing relationships, with operational excellence and well developed emergency response capability.

Kinder Morgan Foundation: Investing in Our Future

At Kinder Morgan, we believe it is our responsibility to provide youth in the communities where we operate with opportunities to learn and grow. We do this through the Kinder Morgan Foundation, which focuses on supporting nonprofit youth programs in the areas of education, arts and the environment. Every year, our grants support thousands of youth in communities large and small across North America.

Eligibility

To qualify for a grant, a program must meet the following requirements:

- Serving communities where Kinder Morgan operates
- Nonprofit organizations and schools
- K-12 youth programs that focus on education, arts or the environment

The Kinder Morgan Foundation does not support:

- advertising, sponsorships, travel for individuals or groups, conventions, conferences, seminars, or other special events
- operating expenses or capital projects (except libraries)
- for-profit organizations, projects of religious denominations, political causes, individuals, service clubs or fraternal organizations

Application process

The Kinder Morgan Foundation provides support on a year-to-year basis rather than making multi-year commitments. An organization can apply for funding once per calendar year for grants from \$1,000 to \$5,000. Application deadlines are the 10th of every other month beginning in January. The Foundation's board of directors reviews and approves grant applications. The review typically takes from 60 to 90 days. For more information, visit www.kindermorgan.com/community.

**Applications are accepted by mail to:
Kinder Morgan Foundation
370 Van Gordon Street
Lakewood, CO 80228**

Award for Environmental Stewardship



*Ian Anderson, President of
Kinder Morgan Canada*

Kinder Morgan Canada was honoured with an Emerald Award at the 19th Emerald Award ceremony, which took place on June 10, 2010, in Calgary, Alberta. Ian Anderson, president of Kinder Morgan Canada, attended the event and accepted one of the three Alberta Emerald Awards in the business category.

The Alberta Emerald Foundation, a nonpartisan organization supported by government and business, distributes the awards annually to organizations and individuals who demonstrate leading and tangible benefits to environmental

stewardship and sustainability. This year there were over 100 nominated companies and projects with six finalists in the business category. Kinder Morgan Canada received its award for the Anchor Loop project. In his acceptance speech, Ian acknowledged the Anchor Loop team's efforts in accomplishing this serious undertaking. "...we built a new pipe in a pristine, rugged environment in a way and with a passion and commitment that stood up to and exceeded the toughest environmental standards and regulation," Ian said.

The Anchor Loop project involved twinning a 159-kilometre section of the existing Trans Mountain pipeline system through Jasper National Park and Mount Robson Provincial Park. Parks Canada acknowledged the diligence and stewardship shown by Kinder Morgan during construction and restoration, and recognized Kinder Morgan's contribution to help protect one of Canada's national treasures for future generations.

The project was successfully completed in October 2008 increasing the pipeline capacity by 15 percent

to 300,000 bpd. For more information about the project, visit our website at www.kindermorgan.com/business/canada under *Projects*.



Right-of-way restoration



Hydroseeding on right-of-way

Westridge Dock Remediation

Westridge Dock remediation that began in 2009 is now complete. All six mooring dolphins have been rebuilt to ensure safe and reliable operations. Here are some photos of the project's progress.



Keeping Pipelines Safe: Public Awareness Program

Around your neighbourhood, you may notice yellow markers about five feet tall that read 'oil pipeline crossing'. These important signs indicate that there is a buried pipeline nearby.

Pipelines are the safest and most efficient way of transporting crude oil and petroleum products, and we work hard to keep our pipelines safe. However, unauthorized activity on or near the pipeline right-of-way is a leading cause of serious pipeline damage.

With a focus on public safety and protection of the environment, Kinder Morgan has implemented a program to raise awareness about pipelines in the communities where we operate. Kinder Morgan's public awareness program is a key tool in informing our stakeholders about the presence of our pipelines and the steps to prevent pipeline damage. Kinder Morgan and industry regulators review and evaluate the program regularly to ensure its effectiveness.

Recently, Kinder Morgan changed the administration of the public awareness program to broaden its outreach and strengthen its integration with pipeline protection.

Managing the program is the responsibility of Rob Hadden, Manager, Pipeline Protection and Public Awareness, who oversees 18 staff dedicated to pipeline protection. In addition, Kristjana Hawthorne has recently joined Rob's team as Public Awareness Coordinator to advance Kinder Morgan's public awareness efforts.

As part of the public awareness program, Kinder Morgan regularly provides information to first responders, public officials, excavators and everyone who lives and works near our pipelines. You can find our publications online by visiting www.kindermorgan.com/business/canada under *Canadian Publications*.

Because Kinder Morgan believes that pipeline safety is a responsibility shared by pipeline operators, excavators and landowners whose land these pipelines traverse, Kinder Morgan is part of the BC Common Ground Alliance (BCCGA). BCCGA is a nonprofit association dedicated to ensuring public safety, environmental protection, and the integrity of services by developing and promoting effective damage prevention practices. Bruce Jamer,



Kristjana Hawthorne



Rob Hadden

Director, Operations at our Burnaby facility, serves as a board member with BCCGA.

Kinder Morgan is also a member of BC One Call, another province-wide nonprofit organization that provides the communication link between the pipeline operators and excavating community. Every time you plan to disturb the ground, call BC One Call at (800) 474-6886 at least three days before starting work. The One Call centre will connect you with the owners of buried facilities on your property or worksite free of charge.

Please remember, public knowledge and compliance with the safety standards when working near the pipelines are essential to keeping underground utilities safe.

Westridge Dock Remediation (continued from page 3)





Meet our partners: Captain Rob Scott, Marine Technical Services

In a previous issue of this newsletter, our *Safety on Board* article talked about stringent safety measures taken by Kinder Morgan to ensure safe vessel travel and loading. One of these important measures is inspecting vessels carrying liquid petroleum products. Captain Rob Scott, Master Mariner and founder of Marine Technical Services (MTS), is responsible for these safety inspections at both Vancouver Wharves and Westridge Marine Terminal.

What are your responsibilities?

As a loading master, I monitor loading operations on the ships bound for Westridge and Vancouver Wharves. The evening before docking, I board the ships at the anchorage in English Bay or Indian Arm. My duties include supervision of safety, pollution prevention, oil-loss control and efficient cargo operations. I also do vessel pre-screening and pre-arrival inspections for safety, security and environmental issues.

How did you become a captain?

I ran away to sea when I was 16 and joined the Royal Navy as a junior

radar operator and ship's diver. Later, I transferred to the Merchant Navy in the hope of joining the Queen Elizabeth 2, but was shanghaied for seven months onto an oil ship (it was only supposed to be two weeks!). Eventually, I got to sail on the Queen Elizabeth 2 and also the Queen Mary 2, the world's largest and most famous ocean liners, as an Environmental Training Officer. However, oil ships wooed me away from cruise ships with the promise of my own cabin, better salary and the shortest route to my Masters License.

What do you enjoy most about your job?

Making a difference, changing things for the better. Before the advent of emission control technologies, one of our clients had a problem with hydrogen sulphide (H₂S) emissions from Isthmus and Maya crude oil that comes from Mexico. The surrounding community was concerned about air quality and health hazards associated with H₂S. By continuously monitoring and modifying the cargo operations plan,

we managed to significantly reduce or eliminate the emissions.

What challenges does your job entail?

Vessel crews often come from different training backgrounds and some require more supervision than others. Also, keeping pace with constantly changing rules and regulations is a challenge — in particular, becoming familiar with the most recent updates to the Port Metro Vancouver, which included Movement Restricted Area and requirements for escort tugs.

What are your interests outside of work?

Aside from being a golf enthusiast, I recently began volunteering on board the Steveston life-boat. I am one of the two relief Captains on the Steveston. This summer, we escorted deep-sea ships through the maze of fishing boats during the salmon run on the Fraser River. I enjoy doing my part to give back to the community.

(photos above left to right: Capt. Rob Scott; view of Burrard Inlet from the Westridge dock)

We would like to hear from you

Please send your comments to: externalrelations@kindermorgan.com or via mail to External Relations, 7815 Shellmont St, Burnaby, BC V5A 4S9. We appreciate your feedback. Thank you.



Community Corner

Burnaby Terminal Open House

On June 26, Kinder Morgan Canada welcomed its neighbours to the Burnaby terminal open house. It was a great opportunity for local communities and those interested

in our operations to learn more about our company. Guests viewed informational displays about our business, pipeline safety, environment protection and community involvement. Staff and executives, including Kinder Morgan Canada President Ian Anderson, were on hand to answer questions. Guests could take a narrated bus tour of the terminal and participate in kids' activities, including face painting, Science World shows, a fish tank, arts and crafts, and a visit with Salty the Seagull, Port Metro Vancouver's mascot.

Attended by more than 500 people, this family-friendly event brought plenty of enjoyment for our guests. We hold an open house at the Burnaby terminal once every few years and look forward to seeing you next time.

(photos above left to right: kids enjoying arts & crafts; Science World's presentation)



Guests viewing informational displays

Do your part to save rivers

Did you know that car washing in your driveway can harm fish by releasing soapy water directly into fish bearing streams? Many commercial car washes re-use and recycle water and prevent pollutant runoff from entering our waterways. Please consider an eco-friendly commercial facility next time your car needs a wash!

Newsletter feedback prize goes to..

Congratulations to John Yang, who won the \$100 Keg Restaurant gift certificate!

We asked for your feedback about our newsletter in April's issue of this publication. Thank you to everyone who took time to provide comments about our newsletter.