

Utopia East Pipeline Project

FREQUENTLY ASKED QUESTIONS

General Info

What is the Utopia East Pipeline Project?

Kinder Morgan proposes to develop, construct, own and operate a new pipeline system through its Utopia East project, subject to receipt of applicable permits and approvals. The new pipeline system will transport previously refined or fractionated products across Ohio to Kinder Morgan's existing pipeline and facilities and into Michigan, ending at Windsor, Ontario.

Why do we need this pipeline?

As previously announced by NOVA Chemical Corporation (NOVA), NOVA has executed a long-term transportation agreement with Kinder Morgan to support the approximately \$500 million Utopia East system, which will include a new approximately 215-mile, 12-inch diameter pipeline constructed entirely within the State of Ohio from Harrison County to Fulton County. The new pipeline facilities will then connect with and utilize existing Kinder Morgan pipeline and facilities to move ethane and ethane-propane mixtures eastward to Windsor, Ontario. These ethane and ethane-propane mixtures are initially planned to be used primarily as a feedstock for producing plastics.

How much product will be transported?

The Utopia East pipeline system will have an initial capacity of 50,000 barrels per day (bpd). The pipeline capacity can be expanded to more than 75,000 bpd with the construction of additional pump stations.

What is the schedule for constructing the pipeline and placing it in service?

Estimated project schedule:

Outreach Meetings – Ongoing

Survey Activities– Ongoing

Pipeline Construction Start Date – November 2016

Proposed Full In-Service Date – January 2018

How is the route of the pipeline chosen?

The selection process was designed to minimize the project's impact on the environment, landowners and communities, and was conducted in a deliberate and thoughtful manner. As we refine the route during the planning and permitting process, we consider a number of factors including landowner concerns, environmental issues, cultural resources and constructability. We will work closely with interested parties, including impacted landowners and local, state and federal agencies, in selecting the preferred routing.

Which counties will the pipeline traverse?

The new build portion of the Utopia East project in Ohio will originate in Harrison County and travel west through the counties of: Carroll, Tuscarawas, Stark, Wayne, Ashland, Richland,

Huron, Seneca, Sandusky, Wood, Lucas, Henry and Fulton where it will connect with Kinder Morgan's existing pipeline and facilities traveling eastward to Windsor, Ontario.

Benefits

How will the pipeline benefit communities through which it passes?

The new build portion of the Utopia East project will generate approximately 900 local union construction jobs and an estimated five full-time permanent positions in Ohio. The economic impact of construction will be significant as workers will reside locally and rely upon local businesses, contractors and support services during the construction period.

How many workers are anticipated during construction?

The project will generate approximately 900 local construction jobs at its peak.

Will this project be utilizing union labor?

Yes, the Utopia East project will employ the skilled, local union labor force in that area.

Safety

What is the safety record of pipelines?

According to the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA), the organization responsible for ensuring the safety of our nation's pipelines, pipelines are "one of the safest and most cost-effective means to transport the extraordinary volumes of natural gas and hazardous liquid products that fuel our economy." According to PHMSA, there are 2.6 million miles of pipeline safely in service in the United States delivering natural gas, petroleum and refined petroleum products. There are 160,868 miles of liquids pipelines, such as the proposed Utopia East pipeline, in service in the United States. Incidents are extremely rare on these pipelines despite the massive amount of products they transport.

What steps are taken to ensure the safety of the pipeline?

The Utopia East project is committed to safely operating and maintaining the new pipeline system and associated facilities. Along with our regular visual inspections, we will monitor the pipeline continuously using state-of-the-art equipment. We mark the pipeline at road crossings, fence lines and other areas and the right-of-way is maintained so that it is clearly identifiable. Neighbors who live along the right-of-way also are encouraged to contact us if they have any questions or see or hear anything that concerns them.

Who oversees the project?

A number of federal and state agencies will be involved in the approval and oversight of the project, including the Pipeline and Hazardous Materials Safety Administration, U.S. Army Corp of Engineers, U.S. Fish and Wildlife Service, Ohio Department of Natural Resources and Ohio Environmental Protection Agency. The rates, terms and conditions for transportation of the products by pipeline will be governed by the Federal Energy Regulatory Commission tariffs for product movements in the United States and by the National Energy Board tariffs for product movements in Canada.

Environment

What measures does the pipeline company take to protect the environment during and after construction?

As part of the evaluation of the routing/location of the Utopia East project, Kinder Morgan has considered and will continue to consider a number of factors, including impacts on the environment and existing land uses. Kinder Morgan's design criteria for new facilities includes avoiding and minimizing impacts to critical and sensitive habitats and lands, such as wetlands, threatened and endangered species, culturally sensitive areas and public lands, to the extent practicable and feasible. To evaluate a proposed route, Kinder Morgan will conduct civil, cultural and environmental surveys to gather information that will allow it to refine the pipeline design and, in consultation with regulatory agencies, determine the most appropriate route to avoid and minimize impacts on critical habitats and lands.

How would the Utopia East project protect wetlands and culturally important sites?

We start by selecting a route that avoids sensitive areas whenever possible. This route is based on detailed professional surveys and studies. We also identify and mark wetlands and culturally important sites that need to be avoided during construction. During the permitting process for the project, state and federal agencies will review and approve proposed construction plans at sensitive areas like wetlands and culturally important sites to further ensure the protection of these areas. Next, we take all the necessary precautions and adhere to the best environmental practices when constructing in the vicinity of these areas. We choose only qualified and experienced professionals to construct the pipeline. By doing this, we minimize the impact of construction activities within these areas. In addition, we will employ specially trained environmental and archaeological inspectors to monitor environmentally sensitive areas, culturally sensitive areas and endangered species during the construction process. Finally, after construction we ensure that the site is thoroughly cleaned up. Then we restore the land, as close as possible, to its original condition.

Construction

How will the pipeline be constructed?

Once all appropriate approvals and permits are received, the new build portion of the pipeline will occur in phases. We begin by clearing and grading the land. Then crews will string, weld and install the pipe, laying it into a trench and then covering it with soil. Before operations begin, the pipe is carefully inspected and hydrostatically tested by filling it with water and running it at high pressures, as required by the U.S. Department of Transportation regulations. The entire construction and installation process will be monitored by inspectors, and will proceed as quickly and with as little impact as possible to the environment, landowners and the community.

How deep will the pipeline be buried?

The federal and state requirements for this pipeline require the infrastructure to be covered by at least 36 inches of soil. This depth can vary based on geographical conditions, landowner agreements and the presence of agricultural areas, among other factors.

What is the life expectancy of this pipeline?

The general life expectancy of a pipeline is typically greater than 75 to 100 years, and with proper coating and cathodic protection, and the chemistry of the soils, pipelines can operate safely for much longer with proper maintenance and inspection.

What type of equipment/machinery is used in pipeline construction?

In addition to normal construction equipment such as bulldozers and backhoes, pipeline construction involves the use of specialty equipment such as sidebooms and pipe bending machines. The equipment needed for construction can be found on the U.S. Department of Transportation “Pipeline Safety Stakeholder Communication” website, which you can find [here](#).

What kind of structural stress/impact do you predict your construction vehicles will have on our local roads/highways?

Some of our construction vehicles are designed to be driven on regular roads when moving between various construction sites along the pipeline route and should not cause damage. Equipment that is not drivable or road-worthy will be transported on trailers from site to site. Such activities will be temporary as construction progresses along the route.

Will construction require any detours/disruptions on our local roads/highways? Will the Utopia East project use public or private roads for moving construction equipment?

Most residents rarely notice construction vehicles unless they are moving between construction sites along the pipeline route. When they are, there may be temporary traffic delays similar to those experienced when large farm machinery travels on public roads.

The Utopia East project will typically use existing public roads, per all restrictions, for access to and from its construction and operation of the right-of-way. Any private roads that may be used during construction or operation of the pipeline system will be negotiated with the landowner during the easement acquisition process.

How will roads be crossed by the pipeline?

Roads will typically be crossed with either an open cut, which is digging a trench from the surface; or boring, which involves drilling underneath the surface. The technique used will depend on a variety of factors, including the road's size and location, as well as local permitting requirements. Either way, any damages to roadways during construction will be repaired and the road restored. Public roads must be permitted by the appropriate local authorities. Likewise, the Utopia East project will work with landowners to determine the best way to cross privately owned roads.

Landowners

I am a landowner, and I would like to be notified prior to the site surveys on my property so I can be there to discuss general routing, structure and utility issues with the survey crew. Can this be arranged?

Yes. When Utopia East right-of-way (ROW) agents contact you to request survey permission, let them know that you would like to meet the survey crews on your property, and this will be arranged.

What is a right-of-way?

A right-of-way, or ROW, is the actual strip of land granted to a company as result of the easement agreement allowing the company to cross your property to install, inspect, operate, and maintain the pipeline and equipment. The company's right-of-way extends along, across, below and above the easement.

What is involved with a pipeline survey, and does my giving permission to survey mean I am giving permission to build the pipeline on my property?

Survey crews will be identifying property boundaries, distances to surface features, other underground utilities, and construction workspace requirements, and fine-tuning the route. Additionally, environmental and cultural survey crews will be reviewing the route for any environmental or culturally sensitive resources. These crews will be digging holes during their survey efforts as required by the various regulatory agencies to help identify sensitive environmental resources. All holes will be backfilled immediately upon completion of the survey. Granting of survey permission does NOT grant permission to build the pipeline on your property. If the project moves forward and receives regulatory approval, separate negotiations will occur with Utopia East project ROW staff in order to grant an easement to a landowner's property for the pipeline.

What is an easement?

An easement provides the Utopia East project with a limited use of property for defined, specific purposes. The acquisition of an easement does not transfer ownership of the land to the Utopia East project; it does, however, give us the right of access for construction and maintenance and the safe operations of the pipeline.

How wide will the easement be?

The permanent easement for this project will be 50 feet in width, with an additional 100 to 125 feet of temporary construction workspace required to safely build the pipeline. At the end of construction, the land will be restored, as closely as possible, to pre-construction conditions.

Will landowners be paid for use of their land?

Landowners will be compensated for the construction and operation of the pipeline on their property. The Utopia East project will compensate landowners for the right-of-way as agreed upon during easement negotiations with the ROW staff. The Utopia East project will compensate landowners for all areas of direct construction impact, as well as for crop damages realized as a result of the construction activities.

What happens if an existing building is close to the pipeline route?

The Utopia East project field personnel, in consultation with engineering, environmental and ROW personnel (where necessary), will route the pipeline to minimize disturbances to existing structures and facilities. Substantial structures and facilities, especially homes, will be avoided during the centerline and workspace survey. If possible, and as necessary, certain mobile or small structures may be moved then restored to as close to their original location as possible.

How close can I build to the new pipeline?

When construction is complete, landowner surface restrictions are relatively minimal for petroleum products pipeline system easements. Typically, they involve the restriction of the construction of new permanent structures, ponds and pools, as well as the planting of deep-rooted vegetation such as large trees on the permanent right-of-way. Beyond this, landowners are usually permitted to use the surface of the land much as they had prior to the installation of the pipeline facilities.

What are the inconveniences associated with construction? How big of a disruption will it cause?

The Utopia East project will use best management practices such as topsoil segregation, erosion control, irrigation restoration and other protective measures to give landowners active use of their land for farming and recreation activities after construction is completed. In addition, the Utopia East project will work with landowners to see that restoration and other follow-up actions are completed satisfactorily. After pipeline installation, landowner surface restrictions are relatively minimal, typically prohibiting installation of any new permanent structures. Beyond this, landowners may use the surface of the land much as they did before.

Will this pipeline contaminate/damage my water well?

The pipeline should not contaminate or damage water wells. Nevertheless, as a precaution, the Utopia East project will conduct and document pre- and post-construction well water quality and flow testing of wells within 150 feet of the edge of the construction work area at the landowner's request. The project will repair any water supplies that are damaged by construction and restore or replace any water wells damaged by construction as near to their original condition as possible, or provide other remedies as agreed upon in writing with the user of the affected well.

Will the Utopia East project fence off revegetation areas to protect them from grazing animals?

The Utopia East project will work with landowners with livestock on their property prior to construction to avoid conflict with construction equipment, trenches and/or personnel. These measures may involve temporary fencing or grazing deferments. In addition, the project will install temporary fencing during construction as required by easement conditions and return all fences to pre-construction locations, unless otherwise instructed by the landowners. Where gates do not currently exist along the existing pipeline right-of-way, the Utopia East project will attempt to negotiate a mutually agreed upon easement that will allow for the installation of gates for project personnel to access the right-of-way following construction.

The Utopia East project will also work with landowners where grazing animals pose a threat to re-vegetation efforts so that successful ground cover can be established as soon as possible

following right-of-way restoration. If fencing is necessary, the Utopia East project will remove any unwanted fence when re-vegetation is deemed successful per permit requirements.

Will the Utopia East project pick up all trash and debris from my field?

Yes. The Utopia East project requires its contractors to maintain a clean right-of-way during construction. Typically, each piece of equipment, as well as all vehicles, will have trash and/or debris collection bags on them. Additionally, all construction material, trash and other project-related debris will be removed from the right-of-way during final clean-up activities.

How will the ground be restored following construction?

The Utopia East project will use best management practices such as erosion control, irrigation restoration and other protective measures to give landowners active use of their land for farming and recreation activities after construction is completed. In addition, the project will work with landowners to see that restoration and other follow-up actions are completed satisfactorily.

Will soil be segregated?

Yes, in various locations. The Utopia East project will install the pipeline facilities per all applicable permit conditions. These guidelines usually require a minimum of 12 inches of topsoil segregation over the ditch and subsoil storage areas in areas of active agriculture, residential and non-saturated wetlands.

What will the Utopia East project do to prevent or minimize settling (subsidence) of the ground once the trench is backfilled with dirt?

When no objection is raised by the landowner, the backfill will have a slight crown to allow for subsidence so that when it subsides it will be near natural grade. If subsidence is excessive or creates problems for the landowner, company personnel will return and reestablish natural grade in the low area to the extent possible. Additionally, company personnel will perform necessary compaction over the trench in certain agricultural areas and/or as indicated in landowner easement agreements.

Will the pipeline be covered adequately so that landowners and farmers can move heavy equipment over it without any problems?

The Utopia East project will be buried with cover sufficient to allow for movement of heavy, tracked equipment over the pipeline without padding. If heavy, narrow-wheeled equipment, such as large trucks moving equipment or other heavy materials (e.g. logs) need to cross the pipeline, then adequate depth of cover will need to be present at these crossing locations. The Utopia East project will respond to all inquiries made to the appropriate One-Call system in a timely manner to minimize unnecessary delays in a landowner's plans.

What activity will be seen after the pipeline is placed in service?

Future activities along the pipeline route will consist of visual inspections by personnel flying and walking the pipeline right-of-way, watching for any natural or manmade conditions that could impact the pipe or affect its safe operation. When pipeline maintenance work is needed, we will contact landowners in advance so that they are aware of the activity.