**BE SAFE, DON’T STOP**

Individuals who stop on the Highway to take photos of construction or wildlife—where construction activities are occurring—are adding to the danger of higher risk work activities, especially while construction is being completed on sensitive river crossings.

For construction (and wildlife) photos, don’t stop to take a photo but rather visit the Anchor Loop homepage on our project website at www.tmxproject.com for your photos. Thank you for your cooperation.

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**Pipeline Construction of Jasper Spread Well Underway!**

In August 2007, crews from the Aseniwuche Winewak First Nation and Métis Zone IV began clearing trees along the Trans Mountain pipeline right-of-way in Jasper National Park. This activity is the culmination of three and half years of intense planning with Parks Canada, the National Energy Board, and a number of other key stakeholders.

The Anchor Loop pipeline project has been broken into two construction spreads, the Jasper and the Mount Robson spreads. The Jasper spread began in August 2007 and will run until spring break-up in April 2008. From there, the Mount Robson spread will commence in May 2008 with the loop anticipated to be in-service by the end of 2008.

Construction of the Jasper spread has brought 560 workers and technical specialists to the Municipality of Jasper resulting in a positive economic benefit to the community. These benefits include money spent for accommodations, meals and personal spending, use of local tourist attractions, and spinoffs from municipal and federal taxation.
Unique Environment

Kinder Morgan Canada (“Kinder Morgan”) and its subcontractors recognize that it is a privilege to work and operate in Jasper National Park. In order to minimize impacts on the environment, the route was selected to parallel existing linear disturbances in the Park many of which require smaller workspaces. The distinctiveness of the Park presents many challenges to the pipeline construction crews. These challenges include executing the pipeline construction within a tight environmental framework that is commensurate with the Park setting, staying within a significantly smaller right-of-way than normally available for pipeline construction, and working with the many pinch points along the way. Some of the pinch points include working beside the existing active Trans Mountain pipeline, a major highway, and the CN railroad tracks where inbound trains run on the hour and outbound trains run on the half hour. And then there’s the daily challenge of interacting with wildlife! While the workers are focused on the pipeline construction, they have the added responsibility of being the face of Kinder Morgan to the residents and visitors in the resort town of Jasper.

What is the TMX - Anchor Loop Project?

The Trans Mountain Expansion (TMX) Anchor Loop Project traverses federal, provincial and private lands, and involves looping—installing a second pipeline adjacent to the existing pipeline—a 158-kilometre section of the existing Trans Mountain system between Hinton, Alberta and Jackman Hill, British Columbia (B.C.). The project also includes the installment of two new pump stations along the pipeline, the Wolf Pump Station near Niton Junction, Alberta, and Chappel Pump Station near Pyramid, B.C. The Anchor Loop will increase the Trans Mountain system’s capacity from 260,000 barrels per day (bpd) to 300,000 bpd and will be completed by the end of 2008.

Interesting Facts about the Project

• Requires 158 km of 30”/36” pipe,
• Requires 100 watercourse crossings,
• 46 inspectors and monitors are on the project,
• Approximately 75,000 cubic metres of rock will be moved during construction,
• Approximately 45,000 tonnes of pipe will be used for the pipeline loop,
• Approximately 7,000 welds will be required to form the continuous pipe segment,
• 83 Columbian ground squirrels were relocated off the construction footprint in Jasper National Park,
• Required development of protection plans for 19 (133 populations) species of rare vascular plants (e.g., mosses and lichens),
• Required detailed project scheduling (e.g., continual construction mobilization and demobilization in order to avoid sensitive seasons for fish and wildlife),
• Required detailed mitigation related to crossing areas of cultural and archaeological sensitivity,
• Over 3,000 historical and archaeological artifacts were recovered along the TMX-Anchor Loop right-of-way prior to construction.
Keep Safety at the Forefront

Kinder Morgan and its subcontractors have many procedures in place to keep their workers, the public, and wildlife SAFE during the construction of the pipeline loop. Please be mindful when you are around construction areas and remember:

**Where construction is in close proximity to Highway 16, reduced speed limits and alternate traffic lanes have been imposed for the safety of workers, drivers and wildlife.** Please remember that this is a critical time for many wildlife species and it is common for wildlife to be near the highway and the construction zones. In these areas, unpredictable animals may be quicker to jump into the road and are at risk. Please obey all speed limits on the highway.

**The pipeline right-of-way is a construction zone.** As a result, it is not safe to be on the right-of-way unless you are a trained pipeline worker, a trained park worker, or you are being escorted onto the site by pipeline personnel. Personal Protective Equipment such as hard hats, safety boots and high visibility vests as well as safety training are only a FEW of the required elements to be on the right-of-way. If you don’t have the right safety tools, you are at risk!

Various paths and trails have been closed due to construction. Remember—pipeline crews are not keeping an eye out for people that are not supposed to be there. **Be safe, obey path closures, and stay off the pipeline right-of-way.**
Environmental Measures

Kinder Morgan is currently managing wildlife movement with the use of a qualified wildlife resource monitor at critical areas, and with the installation of soft plugs (i.e., placing soil back in the trench so animals can walk across it), matting over trenches, and leaving breaks in topsoil piles and pipe every 500 metres. Use of the soft plugs by wildlife has been documented by field observations and evaluation of wildlife tracks over the soft plug.

Currently, we have five highly qualified and experienced Environmental Inspectors on the project working closely with three full-time Parks Canada Surveillance Officers and a full-time Archaeologist to guide construction for environmental compliance. In addition, Kinder Morgan has a team of environmental resource specialists available and on-call to address any environmental issues that may arise during construction activities.

Recently, there have been water quality monitors assessing work at water crossings, wildlife specialists monitoring wildlife activity near construction sites, and forestry specialists dealing with issues related to forest health (e.g., mountain pine beetle). In addition, the clearing contractors are using burning sloops to contain the burning of cut materials and to control smoke in the valley.

As is expected for a high profile project, Kinder Morgan is under tight regulatory scrutiny. Aside from the continuous presence of Parks Canada's Surveillance Officers, the National Energy Board (NEB) has conducted, to date, three environmental and safety inspections, and representatives from Fisheries and Oceans Canada, Transport Canada, the Department of Justice, and Canadian Environmental Assessment Agency have all completed site visits in the month of November. This regulatory oversight will continue throughout the course of the project.

River Crossings

The TMX - Anchor Loop Project crosses approximately 100 waterbodies, of which over 39 of these waterbodies are fish bearing.

Numerous watercourse crossings are planned to start in November and December, including the Snaring River, Pretty Creek, and Fiddle River. The crossing of Cottonwood Creek was successfully completed including preliminary bank restoration.
In general terms, there are three ways to install a pipeline across a waterbody. These methods are referred to as: (i) trenchless (i.e., horizontal directional drill or bore); (ii) isolation (i.e., dam and pump or flume); or (iii) open cut. Depending on the waterbody characteristics, fish and fish habitat sensitivity, substrate beneath the waterbody, and water discharge rates, a pipeline crossing method is selected based on environmental and engineering considerations. Several of the pipeline crossings (e.g., Cottonwood Creek, Fiddle River, Miette River) for the Anchor Loop will be isolated crossings. Isolated pipeline crossing technique is used to minimize the effects of instream construction during pipeline water crossing installation. In other words, this technique is intended to minimize the release of sediments by diverting flow around the construction site.

Pipeline Construction Progress

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<td><strong>West spread: B.C. lands and Mount Robson Provincial Park</strong></td>
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If you would like more information on pipeline construction steps, please see the Storyboards link (pg 11-16) on the Anchor Loop homepage on our project website at www.tmxproject.com.
Preventative Medicine for Columbian Ground Squirrels

In July 2007, a total of 83 Columbian ground squirrels were relocated from the seven colonies crossed by the TMX - Anchor Loop Project in Jasper National Park. Columbian ground squirrels, sometimes incorrectly called gophers, are colony-dwelling rodents that live in underground burrows in grassland and open forested areas throughout the southern Rocky Mountains. Columbian ground squirrels hibernate in their burrows for most of the year, and are generally only seen above ground between mid-April and early-September. Project and Parks Canada biologists were concerned that the pipeline construction planned for the winter months would unearth hibernating ground squirrels and potentially cause disturbance or mortality. To minimize any potential impact, project biologists used live traps baited with peanut butter, oats and apples to capture the ground squirrels, and relocated them to suitable habitats several kilometres away from the construction zone. The relocation efforts focused on seven different colonies, most of which occur east of the Jasper townsite. The ground squirrels were taken to three different release sites in the Jasper area, where they have been documented excavating new burrows and beginning to establish new colonies.

The Trans Mountain Legacy Fund

The concept of a Legacy Fund was first identified in 2004 when Kinder Morgan began its consultation activities with Environmental organizations on the Anchor Loop Project. The strong consensus of Environmental organizations and key stakeholders was that they wanted to see Kinder Morgan support projects that would improve (provide a net benefit to) the ecological integrity of Mount Robson Provincial Park and Jasper National Park. These net benefits were defined to be over and above mitigation and special measures needed for regulatory approval of the Anchor Loop Project.

Keeping with the original concept, The Trans Mountain Legacy Fund will support a variety of projects in both Mount Robson Provincial Park and Jasper National Park, with the majority of the fund dedicated to ecological integrity. All projects will be developed in accordance with both parks’ mandates and management plans.

Renowned Wildlife Biologist, Dr. Clevenger is currently undertaking a research project that will determine and assess ecology-based projects for Mount Robson Provincial Park and Jasper National Park. Results of Dr. Clevenger’s study are expected in early 2008. Specific projects supported by The Trans Mountain Legacy Fund will be announced later on that year.

Happy Centennial Jasper!

We continue to enjoy being part of the Jasper community – first as Trans Mountain, then as Terasen Pipelines, and finally as Kinder Morgan Canada – and want to congratulate Jasper on their 100th Birthday!
Hundreds of Commitments Tracked

Kinder Morgan, since receiving NEB approval for the Trans Mountain Anchor Loop Project has developed an electronic regulatory tracking tool that identifies the several hundreds of commitments and conditions that Kinder Morgan will need to comply with as it builds the pipeline loop. The tool is divided into six areas including Environmental Protection Plan (EPP) commitments, Non-EPP commitments, Permit approval conditions (including NEB OC-49 Certificate conditions), Infrastructure commitments, Restoration commitments, and Completed commitments. As one can appreciate the complexities and intricacies of this project, this type of tool is invaluable in ensuring that all commitments and conditions are satisfactorily met. Commitments are being tracked, and information and reports that address the compliance and commitment requirements for this project are being communicated to the various government and regulatory agencies involved, including but not limited to the NEB, Parks Canada, B.C. Parks, Fisheries and Oceans Canada, and Transport Canada. In addition to this process, project staff are in regular contact with federal and provincial agencies to ensure performance and expectations are being met by Kinder Morgan and its Contractors.

Facilities Construction

The Anchor Loop Project also includes the installation of two new pump stations along the pipeline, the Wolf Pump Station near Niton Junction, Alberta, and Chappel Pump Station near Pyramid, B.C. Construction progress of both Wolf and Chappel Pump Stations includes:

» Clearing – 100% Complete
» Piling – 100% Complete
» Earthworks – 80% Complete
» Pumphouse Concrete Foundations – 100% Complete
» Electrical Substation Foundations – 100% Complete
» Pipe Fabrication – 60% Complete
» Structural Steel (Pipe Supports) – 50% Complete
» Electrical – 15% Complete
» Operator Buildings – On-site

Facilities construction also includes the construction of the Hinton Scraper Site, completing the Jasper Station Tie-In, and constructing the Mainline Block Valve (MLBV) sites. A contractor has been selected for these activities, and to date, piping fabrication is underway but no site work has been completed.

All facilities are on-schedule for an April 30, 2008 start up.

If you would like more information on facilities’ construction steps, please see the Storyboards link (pg 17-18) on the Anchor Loop homepage on our project website at www.tmxproject.com.
Community Investment

Funding requests can be made through the Kinder Morgan Foundation. Please visit our website at www.kindermorgan.com/community/ for more information on Kinder Morgan’s community investment program.

Employment Inquiries

North American, Kinder Morgan’s subcontractor, is currently fully staffed for the TMX – Anchor Loop Project construction, and anticipates the number of workers now decreasing as construction moves forward.

A Greener Solution

Continuing our commitment to environmental responsibility, we are pleased to offer this newsletter and other relevant information about the TMX - Anchor Loop Project in an electronic format. To receive our next update electronically, please send us your email address to info_tmx@kindermorgan.com.

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Data presented in this document are approximate in nature and are based on current public information regarding the Project.

Call Before You Dig (800) 242-3447