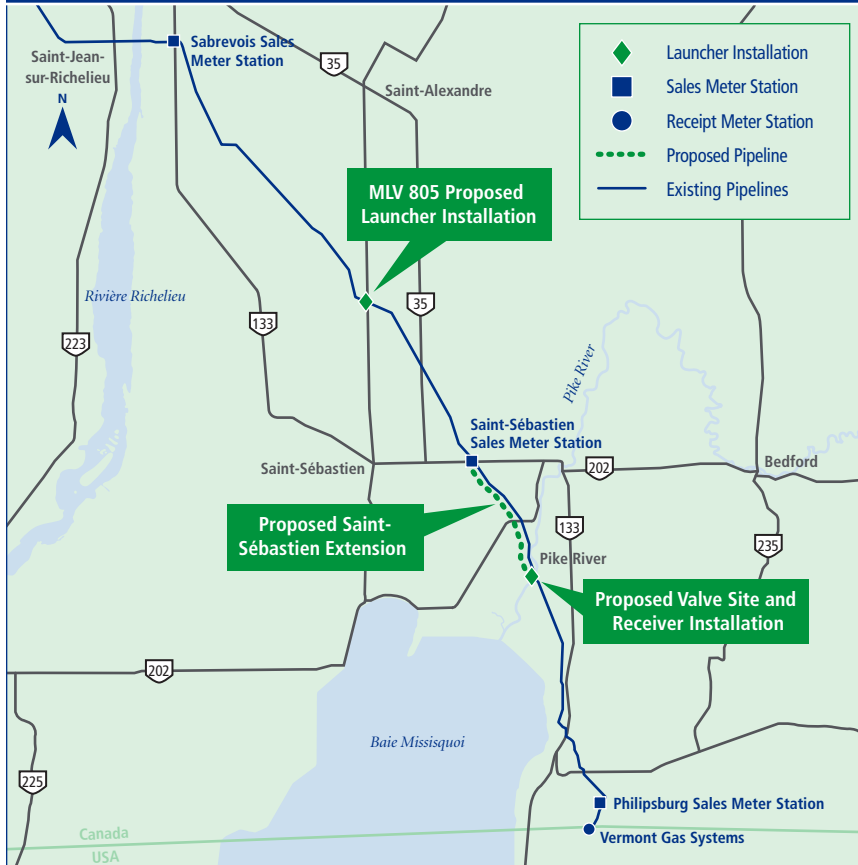


Proposed Project: Saint-Sébastien Extension



The Proposed Project

TransCanada is proposing to construct, own and operate the Saint-Sébastien Extension Project, a new natural gas transmission pipeline in the municipalities of Saint-Sébastien and Pike River. This Project is an extension of the previously constructed Saint-Sébastien Pipeline and will become part of our Canadian Mainline System once completed. This pipeline is needed to increase capacity on the system in order to continue to provide homes, businesses, schools and hospitals with a safe and reliable source of natural gas.

The Project will include the construction of approximately 4 kilometres (km) of pipe 324 millimeters in diameter for the purpose of transporting natural gas. It will parallel the existing Canadian Mainline, and will start at the Saint-Sébastien Meter Station near route 133 and end at a new proposed valve and receiver site in the municipality of Pike River, near Chemin Molleur. The Project also includes the addition of a new launching facility located at an existing valve site near Rang des Dussaults, on the existing Canadian Mainline. Wherever possible, TransCanada will make use of previously disturbed areas to reduce the amount of new areas required for construction.

Project Schedule:

- Q3 2015 Begin Aboriginal and stakeholder engagement
- Q3 2015 Begin provincial and federal environmental and technical analysis
- Q3 2015 Begin survey and field studies
- Q2 2016 Submitted a section 58 Application to the NEB
- Q3 2017 Subject to regulatory approval, begin pipeline construction
- Q4 2017 Expect construction to be completed and pipeline in-service



Proposed Project: Saint-Sébastien Extension



Stakeholder and Indigenous Community Engagement

TransCanada's stakeholder engagement process involves identifying potentially affected parties and engaging with them to promote information exchange in a transparent, consistent and timely manner to gather feedback to develop a more successful and responsible Project. TransCanada will continue to work with stakeholders throughout the permitting and construction phases and on an ongoing basis during the operation of the pipeline.

TransCanada is sharing information in a number of ways throughout the life cycle of the Project including face-to-face meetings, mail-outs of Project materials, Project advertising and a Project webpage. We seek input through open houses, individual meetings and presentations and provide additional communication channels through email and a toll-free phone number.

We believe that ongoing engagement with municipal officials, landowners, Indigenous communities and organizations results in better projects – for TransCanada and for the community.

Community Benefits

The proposed Project will create positive economic benefits for the municipalities of Saint-Sébastien and Pike River and the surrounding area through construction spending, including the purchase of local goods and services. Once in operation, the Project will result in an increase in annual municipal property taxes to the municipalities of Saint-Sébastien and Pike River. TransCanada is also proud to contribute to community organizations which play a role in improving the quality of life in the communities where we live and work. We look forward to continuing to develop community partnerships in the municipalities of Saint-Sébastien and Pike River.

What to Expect During Construction and Beyond

TransCanada will develop a construction plan and will consider feedback from stakeholders in addition to working with the municipalities of Saint-Sébastien and Pike River to minimize disruption as much as possible. For example, while an increase in traffic flow is expected in the Project area, construction workers will be bussed to work sites to minimize this impact. In addition, when road crossings are drilled or bored, no road closures are anticipated, however intermittent slowdowns can be expected during shipment of materials and equipment.

During construction, there will be heavy equipment on site for use in moving soil, excavating, material handling/hauling, welding and testing. After facilities have been built, there

will be minimal traffic or other impacts associated with ongoing operations and maintenance. Strict adherence to construction plans and mitigation measures in the Environmental Protection Plan (EPP) will reduce the effects of construction activities on the local community.

Construction activities typically generate a certain amount of noise. Work hours are typically Monday to Saturday 7 am to 7 pm. TransCanada will work with the municipalities of Saint-Sébastien and Pike River to adhere to noise by-laws. Neighbours will be notified of any significant changes to work hours in cases where construction hours need to be extended.

Once construction has been completed, the land will be restored to an equivalent state to the period prior to construction.

Environmental Protection

Environmental protection starts with Project design and planning and continues throughout the life of the Project. As part of our regulatory application, TransCanada has undertaken an Environmental and Socio-Economic Assessment (ESA) which involves the collection and analysis of site-specific environmental information in order to understand potential effects and to develop a Project specific EPP. Specifically, the assessment considers impacts to soil, vegetation, wildlife, historical resources, land use, local communities, water crossings and aquatic resources. The EPP identifies specific measures to mitigate effects during and following construction activities. In addition, TransCanada has voluntarily committed to a Provincial Environmental Impact Assessment under the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques.



Environmental planning is important to us because it minimizes our environmental footprint to help conserve natural resources for future generations and helps us to understand local issues and concerns, and then develop appropriate solutions. TransCanada is committed to identifying and preserving important natural and cultural landscapes near the proposed Project area. Stakeholder and Indigenous community review and input will continue to be an integral part of the environmental review process.

Once the Project is operating, post-construction monitoring such as ongoing vegetation control and land management will occur to ensure land reclamation is functioning properly.

Pipeline Safety & Integrity

Safety is a core value at TransCanada. The safety of employees, contractors and members of the community is an integral part of the way we design, construct and operate our pipeline facilities.

- Pipelines are the safest mode of transportation for energy products.
- TransCanada has extensive programs to monitor, inspect and maintain our pipeline facilities.
- We constantly improve our practices using new technology and developments.
- All aspects of TransCanada's design, construction and operations are regulated by the NEB.

TransCanada uses top quality steel and welding techniques throughout our 91,500 km natural gas pipeline network. We take additional safety precautions such as thicker pipe and greater depths where pipelines cross roads, railway tracks, waterways and in areas with high population densities.

Emergency Planning and Response

At TransCanada, safety of the public, our employees, and the environment is our top priority. We have developed a comprehensive Emergency Management System (EMS) to ensure a quick and appropriate response to any pipeline emergency.

In the unlikely event of any emergency, our goal is to ensure an effective, coordinated response to prevent harm to our employees, the public, property, and the environment. Our system is documented and tested regularly through annual training exercises involving both our employees and the community.

By working with communities, TransCanada builds relationships with local first responders and community officials, informing each other of emergency response strategies and gaining an understanding of each other's roles and responsibilities. We continuously improve our

emergency response program by developing complex exercises to test emergency management procedures and by training staff in effective emergency response.

Operations

The entire system is monitored 24 hours a day by highly trained TransCanada employees from a computerized control centre. From here, we are able to detect changes in pressure along our pipelines and confirm that all facilities are operating properly. We have regular maintenance programs to maintain pipeline integrity and system reliability as well as aerial surveillance to monitor encroachment and unauthorized activity on pipeline corridors. We have qualified technicians to ensure the safe and efficient operation of our facilities.

Dispute Resolution

TransCanada's approach to consultation and engagement with stakeholders, landowners and Indigenous communities, is designed to inform and to address issues or disputes to reach a mutual resolution or mitigate effects. We work hard to address questions and resolve issues raised by those who are potentially impacted by TransCanada's projects. We consult early and often, invite feedback, and continue to provide updates and mitigate concerns throughout the regulatory process and the life-cycle of the project. TransCanada's preferred method for addressing the concerns of stakeholders, landowners and Indigenous communities is direct and respectful discussion. Issues received or identified during these discussions are systematically tracked and followed up on to promote mutual resolution and positive interest based outcomes. In the event that mutual resolution through this approach is not achievable, the parties may consider use of the National Energy Board's collaborative Appropriate (or alternative) Dispute Resolution (ADR) Process.

TransCanada Asset Map



Contact Us

We invite you to contact TransCanada with any questions or comments you have with regards to the proposed Project:

Caroline Beaudry, Community Relations
Saint-Sébastien Extension

Phone: 1.844.933.0910

Email: prolongement_saint_sebastien@transcanada.com

www.saintsebastienextension.com

Or write to:

TransCanada

Attn: **Saint-Sébastien Extension**,
Community Relations

1000, Rue Sherbrooke Ouest, bureau 1800,
Montreal, QC H3A 3G4

If you would like further information regarding the National Energy Board's approval process, we would be pleased to provide you with information or you can contact the regulator directly:

National Energy Board

517 Tenth Avenue SW

Calgary, Alberta T2R 0A8

Phone: 1.800.899.1265

Email: info@neb-one.gc.ca

www.neb-one.gc.ca

About TransCanada

- With more than 65 years of experience, TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure.
- We transport the majority of western Canada's natural gas production to market and move 23 billion cubic feet per day or more than 25% of North America's gas.
- TransCanada has constructed projects in Québec for over 50 years and operates more than 60 facilities and over 900 km of pipelines in the province.
- Owns or has interests in over 11,800 megawatts of power generation in Canada and the United States (operating, under construction, or in development),
- which is enough power to meet the demand of over 11 million homes.