

Chaleur Terminals Inc. - Belledune Tank Farm and Railway System

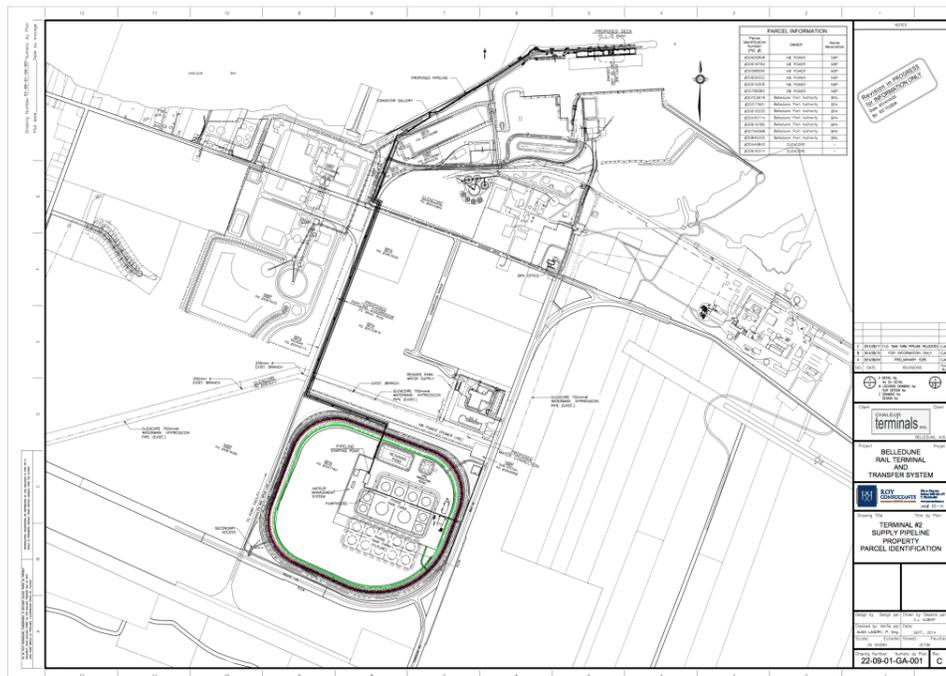
(Current Design May 2016)

What does the Chaleur Terminals Inc. project consist of?

The Chaleur Terminals Inc. (CTI) project is the *Belledune Tank Farm and Railway System*. The *Belledune Tank Farm and Railway System* is located on 250 acres of land that is owned by CTI within the Port of Belledune industrial park. On this land, the project will consist of the buildings and infrastructure required to receive petroleum products by rail, to store these products on site and then gather the product for loading onto marine vessels docked at the Port for shipment to international waters.

CTI's project on this land parcel initially is design to have:

- 9 kilometers of looped rail track used to receive incoming trains and to unload petroleum products
- Two 20" diameter insulated parallel gathering lines travelling 3.7 km
- Tank farm consisting of several tanks with capacity around 1 million bbls
- An administration building housing the control room and testing equipment
- Buildings for electrical equipment, pumps and other equipment
- Maintenance garage
- Shipping pump house
- Steam plant building
- Fire protection building



What is not included as part of the CTI project;

CTI works closely with its service providers in order to align best practices and provide information and respond to questions about our project. The following two entities support aspects of the project's success, but are not directly part of the CTI project application. CTI does not have any control or accountability in the direct business of the following strategic partners.

1. Rail Transportation-CN Rail

The *Belledune Tank Farm and Railway System* does not include the existing railway that would be used to transport materials from Western Canada to the Belledune Tank Farm. The railway transportation of this project is the responsibility of CN Rail and is federally regulated by Transport Canada. Together they will ensure that all infrastructure and specifications meet Transport Canada's regulations. CN Rail has comprehensive policies and initiatives in place to prevent incidents. Products transported by rail from Western Canada are the responsibility of CN Rail and agreements with the shipper. Once the rail cars enter the *Belledune Tank Farm and Railway System*, those railcars become CTI's responsibility.

In the event of an emergency during transport on the rail route, CN Rail can be contacted at:

- CN Communications Centre (CN Police): 1-800-465-9239

Questions or concerns on any aspect of CN's business and operations can be made on their Public Inquiry Line:

- Public Inquiry Line: 1-888-888-5909
- Public Inquiry email: contact@cn.ca

2. Port of Belledune & Marine Transportation

The *Belledune Tank Farm and Railway System* is not a marine transportation project. The Port of Belledune is a separate entity from the project and as such operates independently from the project. As a separate entity, the Port of Belledune has the responsibility to have environmental management systems in place that use the International Standards Organization (ISO) as a model. It is also responsible for all marine vessels entering the port and regulated federally by Transport Canada.

The Port partners with security and enforcement agencies to ensure safety:

- Provincial departments associated with safety and security
- RCMP
- Transport Canada Security & Emergency Preparedness (TCSEP)
- Citizenship & Immigration Canada
- Canadian Coast Guard
- Emergency Management branch of Public Safety Canada and others

The Port also adheres to international rules and guidelines such as the International Ship & Port Security Code (ISPS). The safety of ships coming and going from Canada's ports is regulated by Transport Canada

Marine emergencies are covered by Eastern Canada Response Corporation (ECRC). Every ship entering Canadian waters is required to have an agreement with ECRC and insurance to cover any spill clean-up costs.

Questions about the operation or safety of the Port of Belledune can be answered at:

- Phone line: 1-506-522-1200
- Email: info@portofbelledune.ca

Emergency Management and Response – Understanding areas of accountability:

CTI are responsible for all safety, security and emergency situations within the 250 acres of land that have been acquired for the *Belledune Tank Farm and Railway System*.

CTI are responsible to have these plans in place prior to construction:

- Emergency Management Program
- Security Management Program
- Environmental Management Plan

All of these plans follow generally accepted best practices and CSA standards. They will also go through an approval process at both the provincial and federal level.

CTI will also implement physical barriers and protocols to protect against environmental, security and public safety hazards:

- Environmental controls – construction
- Environmental controls – operation
- Protocols and procedures will also be put in place, including proper storage of fuels and waste.

Environmental Impact Assessment conditions and requirements for CTI:

The Environmental Impact Assessment (EIA) was given a Certificate of Determination on July 17, 2014. The EIA was reviewed at both the provincial and federal level and was given approval by the Director, Sustainable Development and Impact Evaluation and the Minister of Environment and Local Government.

Conditions of the Certificate of Determination include:

- The proponent shall adhere to all obligations, commitments, monitoring and mitigation measures presented in the document entitled, "Environmental Assessment Registration Belledune Rail Terminal and Transfer System, Chaleur Terminals Inc. (CTI), March 2014, as well as all those identified in subsequent correspondence during the registration review.

Additionally, the proponent shall submit a summary table detailing the status of each Condition listed in this Determination to the Manager of the Environmental Assessment Section of the Department of Environment and Local Government (DELG) every 6 months from the date of this Determination until such a time as all the Conditions have been met.

- If it is suspected that remains of archaeological significance are found during construction, operation or maintenance of the proposed development, as per the Heritage Conservation Act (2010), all activity shall be stopped near the find and the Resource Manager of the Archaeological Services unit shall be contacted.
- The proponent is required to submit an ambient air quality monitoring plan for review and approval by the Manager of the Industrial Processes Section, DELG.
- The proponent shall ensure that all vapor recovery units associated with the project include a hydrogen sulfide mitigation system.
- The proponent must obtain a *Site Approval*, and an *Environmental Approval*, for the installation of a petroleum storage system, under Regulation 87-97, *Petroleum Product Storage and Handling Regulation* – Clean Environment Act.
- The proponent will be required to file an application with the New Brunswick Energy and Utilities Board for a *Permit to Construct* any pipelines.
- The proponent shall submit to Transport Canada Marine Safety and Security (TCMSS), the Oil Pollution Emergency Plan (OPEP) & Oil Pollution Prevention Plan (OPPP), six months prior to commencing operations for review by TCMSS, along with confirmation that the requirements of Section 168 of the Canada Shipping Act 2001 have been fulfilled.
- The proponent shall ensure that an Emergency Response Plan (ERP) is prepared for the construction, operation, and maintenance phases of the project. The ERP will include an Emergency Management Program, Environmental Management Plan and a Marine Spill Response Plan. The ERP shall be submitted to the Manager of the Environmental Assessment Section of DELG for review and approval prior to the commencement of construction activities.
- The proponent shall provide construction and operational updates to Pabineau First Nation, Eel River Bar First Nation, and their authorized representative the Assembly of First Nations Chiefs in New Brunswick, and Listuguj First Nation.
- The proponent shall ensure that a rare plant survey is submitted to the Manager of the Environmental Assessment Section of DELG for review and approval prior to commencement of construction activities.
- The Proponent shall submit a breeding bird survey including identification of any rare bird species, to the Manager of the Environmental Assessment Section of DELG for review and approval prior to the commencement of construction activities.
- The proponent shall ensure that periodic updates/meeting will be coordinated with DELG Bathurst Regional Staff, including the Approvals Engineer, regarding any public complaints, environmental concerns and overall project progress.
- The proponent shall ensure that all developers, contractors and operators associated with the development project comply with the above requirements.

For a full list of the required conditions please see: <http://www.chaleurterminals.com/wp-content/uploads/2015/02/COD-1379-CTI.pdf>

CTI's Commitment to the First Nation Communities in the region:

CTI is committed to fulfill the conditions set out in the Certificate of Determination (COD), to being a good neighbour over the long term by building strong relationships within our community and to foster an environment of open, transparent and responsive communication and engagement. Even though a Federal Environmental Impact Assessment was not triggered for this project, CTI is committed to an open engagement process with all communities to provide information, project updates, answer questions and address all issues and concerns about the project.

CTI recognizes its role to promote social and economic benefits for area communities as a result of its project through job creation, use of local businesses, generation of tax revenue and the support of local initiatives.

CTI is committed to a high standard of corporate responsibility and take a proactive approach to environmental stewardship – incorporating best practices to identify and mitigate the environmental impact resulting from its operations.