



VILLAGE OF BELCARRA

"Between Forest and Sea"

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November 26, 2012

Kinder Morgan Canada
2844 Bainbridge Avenue
P.O. Box 84028
Burnaby, BC, V5A 4T9

Attention: Ian Anderson, President

Dear Mr. Anderson,

Re: Kinder Morgan Emergency Response Plans — Oil Spills Into Burrard Inlet

This is in follow-up to my letter of September 17th, 2012, to which I have yet to receive a response from Kinder Morgan. The lack of response by your company to specific questions regarding emergency response plans for oil spills into Burrard Inlet is very disturbing.

Kinder Morgan's proposal for a five-fold increase in the number of oil tankers being loaded at its Westridge Terminal on Burrard Inlet requires both an updated risk assessment and enhanced emergency response plans that are proportionate to the planned increase in oil tanker shipments.

I recently reminded Kinder Morgan personnel that the Westridge loading facility is located directly on top of the same geological fault that caused the north side of Burnaby Mountain to collapse about 15,000 years ago. Has Kinder Morgan ever conducted a comprehensive technical assessment of the risks related to the geology of the area?

Metro Vancouver is a seismically active region, and I believe that rupture of the pipeline along the section leading to the loading facility could be a likely scenario in the event of an earthquake. Such a scenario was demonstrated by the pipeline rupture in 2007 where Kinder Morgan personnel were not prepared for that scenario and initially reacted by closing the wrong valves which exacerbated the size of that oil spill. How is Kinder Morgan enhancing its emergency response plans and training of personnel for handling such emergencies?

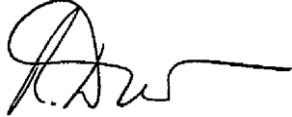
November 26th, 2012.

Given the environmental sensitivity of Burrard Inlet, response to any oil spill must be immediate and effective. As the operator of the Westridge loading facility, I believe the public expects Kinder Morgan's personnel to be both trained and equipped to be the first responder to a spill, with outside organizations acting only as back-up responders to Kinder Morgan. Has Kinder Morgan trained and fully equipped its loading terminal personnel to be first responders to any oil spill at the Westridge loading facility?

Containment of any oil spill is a key consideration, and for environmentally sensitive areas such as Burrard Inlet it is an even higher priority. As was demonstrated by the 2007 oil spill, single oil containment booms are only effective in calm waters, with even modest wave action resulting in oil "slopping" over the top of a single containment boom. Kinder Morgan could significantly enhance its oil spill containment strategy for the Westridge Terminal by surrounding the loading facility with a double containment boom designed to catch oil that slops over the inner boom due to wave action. Has Kinder Morgan given consideration to enhancing its oil spill containment strategy for the Westridge loading facility?

Your response to both the foregoing questions and previous correspondence would be appreciated by all of the communities located around Burrard Inlet.

Sincerely,



Ralph Drew, Mayor
Village of Belcarra

RED/

cc: Robin Silvester, President and CEO, Port Metro Vancouver
Port Cities Committee, Metro Vancouver
Burrard Inlet Mayors and Councils