

**Minister of
Growth, Enterprise and Trade**

Legislative Building
WINNIPEG, MANITOBA, CANADA
R3C 0V8

**THE OIL AND GAS ACT
PIPELINE OPERATING LICENCE No. 2016-01**

**VIRDEN INTERCONNECTING PIPELINES
BETWEEN 12-16-09-28 WPM AND 13-16-09-28 WPM
TUNDRA ENERGY MARKETING LIMITED**

WHEREAS, Tundra Energy Marketing Limited, (TEML) made application under Section 152 of The Oil and Gas Act ("the Act") for authorization to operate the following pipeline segments:

- a) One 168.3 mm OD (NPS 6) steel pipeline from the Cromer Truck Terminal (CTT) at 12-16-09-28 WPM to the Virden Truck Terminal (VTT) at 13-16-09-28 WPM; (associated with the Waskada Pipeline).
- b) One 168.3 mm OD (NPS 6) steel pipeline from the VTT at 13-16-09-28 WPM to the CTT at 12-16-09-28 WPM; (associated with the Virden Pipeline System-Line DY-03).
- c) One 219.1 mm OD (NPS 8) steel pipeline from the CTT at 12-16-09-28 WPM to the VTT at 13-16-09-28 WPM; (associated with the Virden Pipeline System-Line ENG-02A).
- d) One 219.1 mm OD (NPS 8) steel pipeline from the CTT at 12-16-09-28 WPM to the VTT at 13-16-09-28 WPM; intended for future use.
- e) One 219.1 mm OD (NPS 8) steel pipeline from the VTT at 13-16-09-28 WPM to the CTT at 12-16-09-28 WPM; intended for future use.

AND WHEREAS, Subsection 152(3) of the Act provides as follows:

152(3) Where the minister is satisfied that an applicant for a pipeline operating permit has complied with this Act and the terms and conditions of the pipeline construction permit, the minister may, in accordance with the regulations, issue a pipeline operating licence to the applicant.

AND WHEREAS, the Minister is satisfied that the Licensee has complied with the Act, the terms and conditions of Pipeline Construction Permit No. 2014-04, dated October 6, 2014.


THEREFORE, the Minister approves operation of the pipelines in accordance with the following terms and conditions:

1. The Licensee shall operate and maintain the pipelines in accordance with the Act, this license, *CSA Standard Z662-Oil and Gas Pipeline Systems*, *CSA Standards Z245.1- Steel Line Pipe* and the procedures contained in the TEML's Pipeline Operating and Maintenance Manual and TEML's Emergency Response Plan Manual, all as amended from time to time.
2. The maximum operating pressure ("MOP") of the pipeline for segment A, B, C, D and E is 9,930 kPa. The MOP of each pipeline segment may be varied by the Director.
3. The Licensee shall provide the Director with a copy of the pipeline tariff schedules and shall advise the Director in writing of any changes in the tariff schedules.
4. The Licensee shall not make modifications to the pipelines without the approval of the Minister obtained in accordance with Section 150 of the Act. The Minister's authority under Section 150 of the Act is delegated to the Director pursuant to Order in Council 384/2001.
5. Segment D and E are presently capped and are not in service at this time. A modification application shall be submitted to the Branch prior to their use. Additional testing may be required as deemed necessary.
6. The Licensee shall maintain membership in the Manitoba Producers Oil Spill Cooperative.
7. The Licensee shall provide the Director with an annual report on pipeline operations pursuant to Subsection 152(4) of the Act. The annual pipeline report shall include details of:
 - a. volumes of oil transported each month;
 - b. any leaks, breaks or contact damage;
 - c. any major modifications, maintenance or repairs;
 - d. any changes to the tariff schedule;
 - e. a copy of the Certificate of Insurance covering the current and next year's operation; and
 - f. any other information requested by the Director.

Each annual report shall be filed with the Director of the Petroleum Branch no later than sixty (60) days after the end of each calendar year.

8. The Licensee shall notify the Director in writing when clean-up and rehabilitation of the pipeline right of way has been completed.
9. The Licensee shall register a plan of the pipelines in the appropriate Land Titles Office.
10. The Minister may amend the terms and conditions of this licence, as the Minister considers necessary or advisable to meeting changing conditions.
11. This licence shall continue until revoked by the Minister.

Dated the 6 day of May, 2016



Honourable Cliff Cullen
Minister of Growth, Enterprise and Trade