

Imperial's Sarnia Products Pipeline

Waterdown to Finch Project
Community Information Session



Imperial's Waterdown to Finch Project

Important infrastructure to the Greater Toronto and Hamilton Area (GTHA).

Imperial's Sarnia Products Pipeline is important to people, businesses and community organizations in the GTHA. It carries a variety of fuels, including:

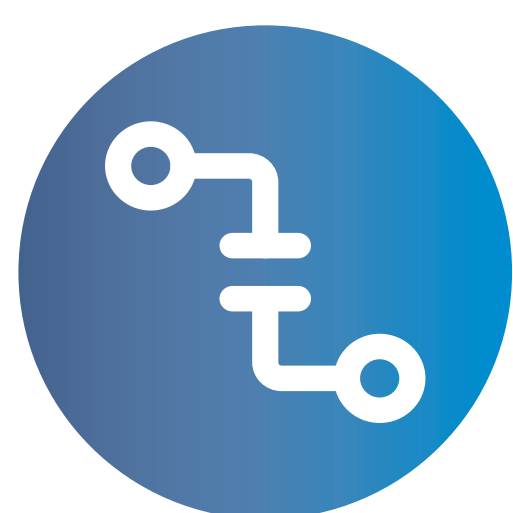


Jet fuel used at Toronto Pearson International Airport

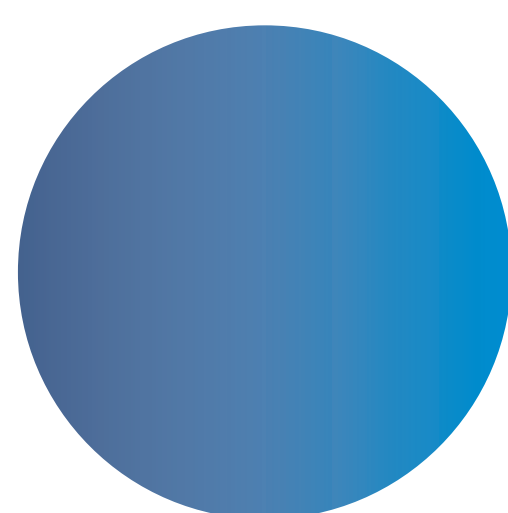


Gasoline and diesel fuel that keeps people, goods and services moving throughout the region

Safety and reliability: pipeline replacement from Waterdown to Finch



Replacement of approximately 63 kilometres of the line with new pipe



Supports continued safe and reliable pipeline operations



Proactive engagement with landowners, communities and Indigenous groups



Collaboration with governments and regulators to ensure the highest standards of environmental safety

Waterdown to Finch Project location

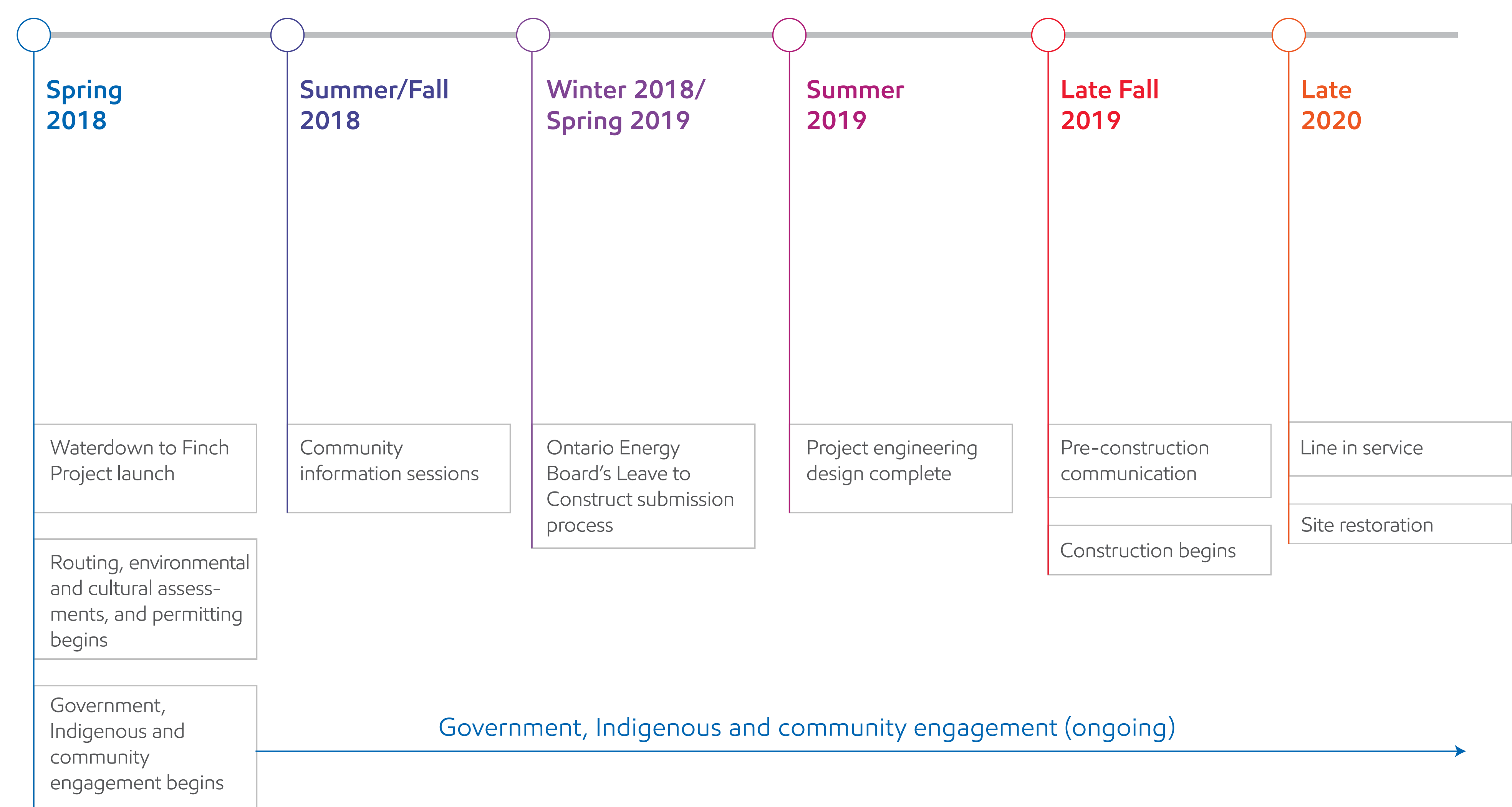
Most replacement work will take place in the existing corridor. Imperial respects all landowners' property and will seek to minimize disruptions at all project phases



— Imperial's Proposed Pipeline — Imperial's Existing Pipeline

Project timeline

Environmental and cultural assessments commenced in the spring of 2018. Subject to provincial regulatory reviews and receiving all permits, Imperial expects to start construction in 2019.



*Timeline is subject to regulatory and permitting approvals.

Land, regulatory and permitting approvals

Imperial will require regulatory approvals, permits or project information sharing from the following entities:

○ Federal

- Environment and Climate Change Canada
- Fisheries and Oceans Canada
- Transport Canada

○ Provincial

- Infrastructure Ontario
- Niagara Escarpment Commission
- Ontario Energy Board, and the Ontario Pipeline Coordinating Committee
- Ontario Ministry of Agriculture, Food and Rural Affairs
- Ontario Ministry of the Environment, Conservation and Parks
- Ontario Ministry of Indigenous Affairs
- Ontario Ministry of Natural Resources and Forestry
- Ontario Ministry of Tourism, Culture and Sport
- Ontario Ministry of Transportation

○ Conservation Authorities

- Conservation Halton
- Credit Valley Conservation Authority
- Hamilton Conservation Authority
- Toronto and Region Conservation Authority

○ Municipalities/Regions

- City of Burlington
- City of Hamilton
- City of Mississauga
- City of Toronto
- Region of Halton
- Region of Peel
- Town of Milton
- Town of Oakville

○ Other

- Technical Standards and Safety Authority



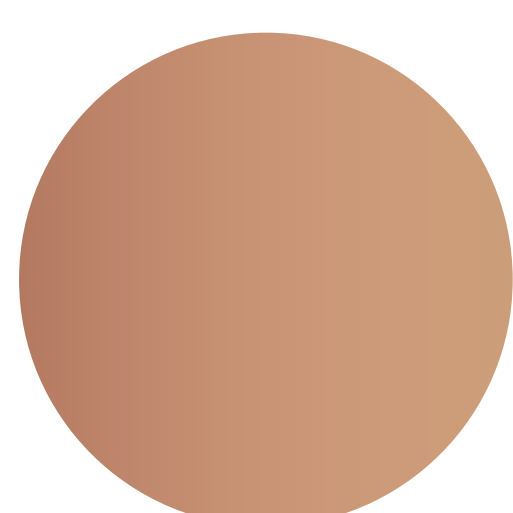
Committed to community engagement and transparency

We appreciate the patience of our neighbours, Indigenous groups and other community members as we work to enhance the long-term safety and reliability of our existing operations.

We are committed to meaningful engagement throughout the Project with:

- Residents and project neighbours
- Indigenous groups
- Local governments and elected officials
- Permitting authorities

Community members have several ways to receive information and ask questions:



imperialoil.ca/waterdowntofinch



416.586.1915



questions@imperialon.ca



Community information sessions
in the summer and fall of 2018



Construction notices to
landowners and adjacent
landowners will be delivered a
minimum of two weeks before
activity begins



Ongoing information sharing with
community leaders

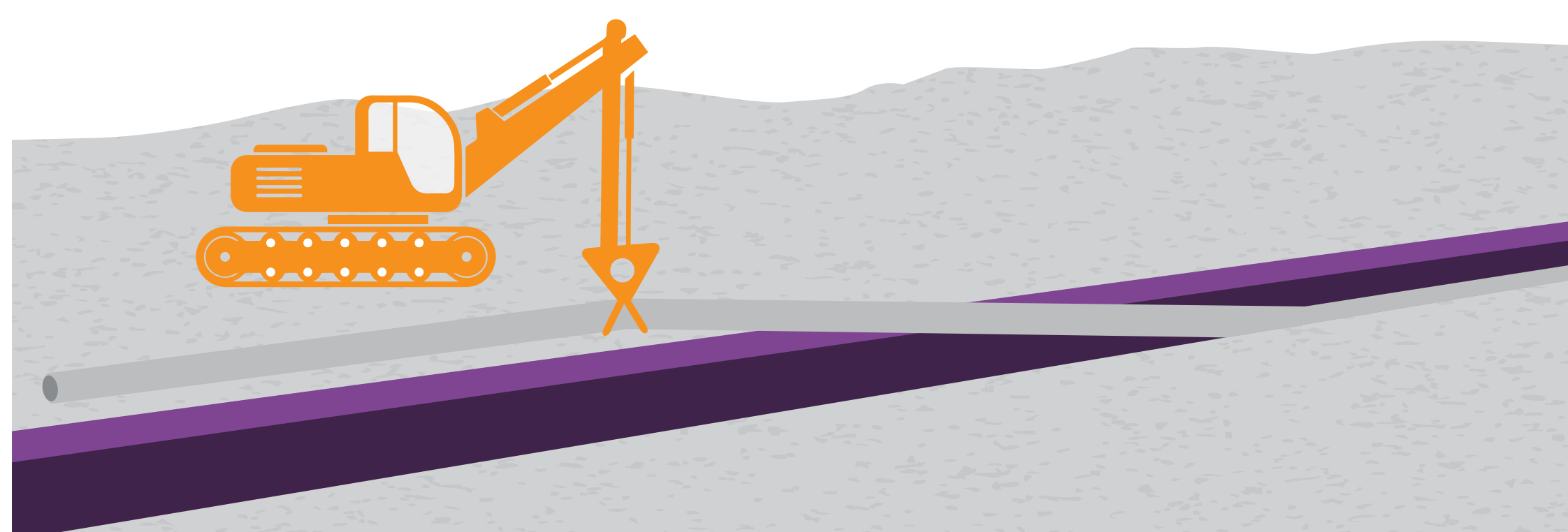
Minimizing construction impacts

Based on the engineering and environmental surveys, Imperial will perform one of two construction techniques:

1. Open cut construction

The fastest method of pipeline installation.

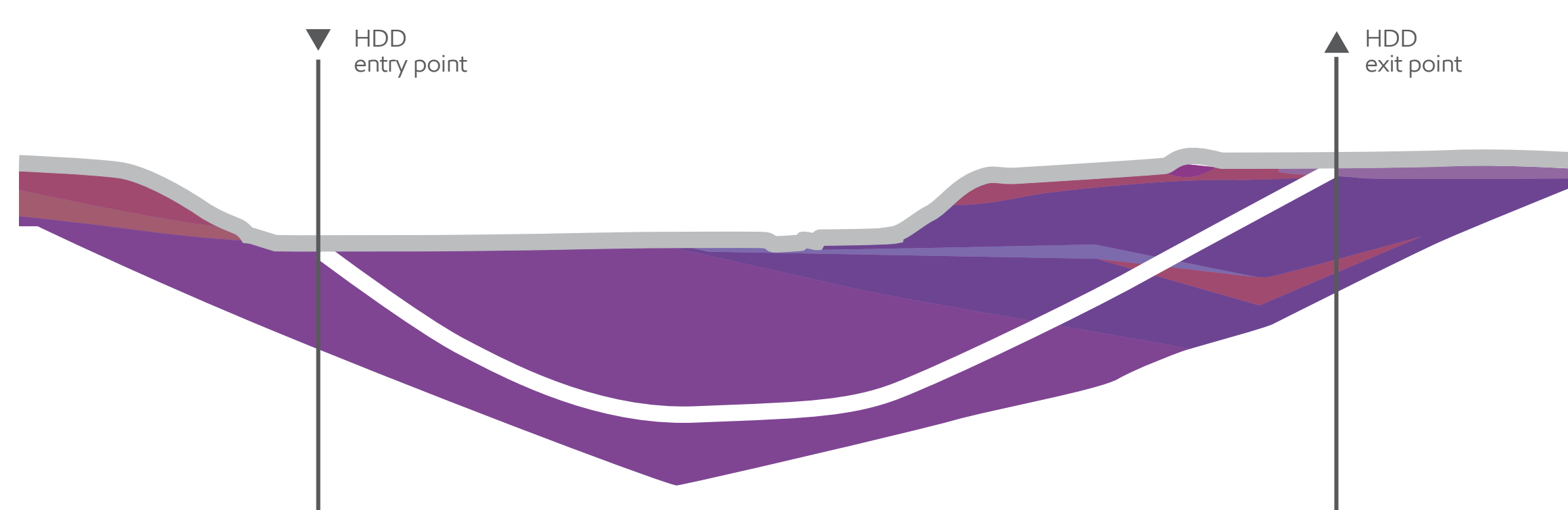
- Lay and bend the pipe to match contours of the land
- Weld, test and inspect the pipe
- Lower pipe into the trench and cover it for protection



2. Trenchless technology

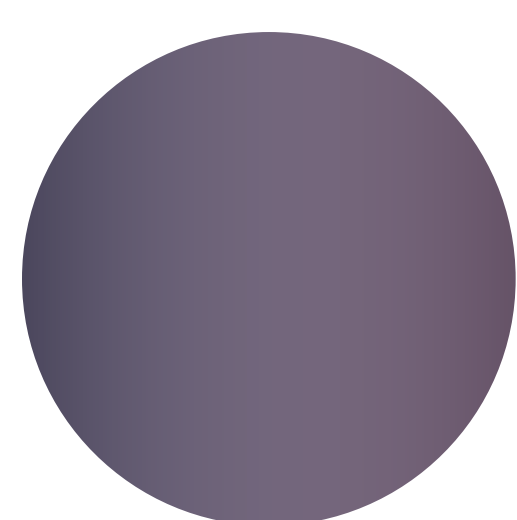
A horizontal directional drill (HDD) is a method of installing underground pipe using a drilling rig at the surface level. It is best used at sensitive areas, or in dense residential or commercial areas.

- Drill a hole along a designed directional path
- Enlarge the pilot hole to a diameter suitable for installation of the pipeline
- Pull the pipeline back into the enlarged hole



Imperial's contributions to Ontario

As an integrated energy company, we explore for, produce, refine and market products essential to society. Some highlights of Imperial's economic footprint in Ontario include:



Founded in Ontario



130 years of providing Ontarians with reliable and affordable products



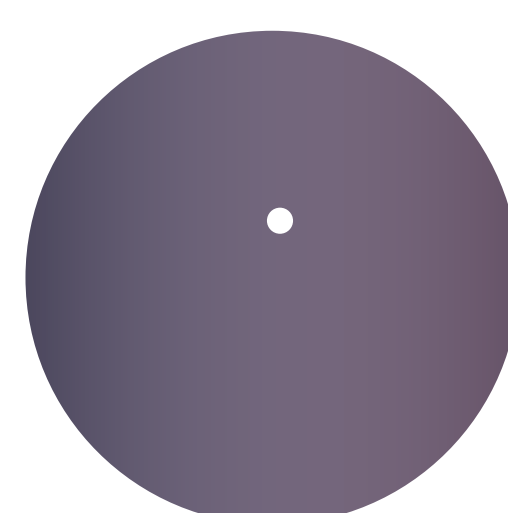
1,200 employees and 3,500 contractors employed daily in Ontario



\$750 million in capital investments at two refineries in Sarnia and Nanticoke for environmental improvements, energy conservation programs, clean fuel facilities and infrastructure improvements



Supporting education and training programs that develop our skilled workforce of the future



\$300 million in research and development invested in Ontario over the past decade

Imperial's ongoing contributions to Ontario:



Source: Business Council of Canada 2016 Total Tax Contribution Survey.

Indigenous collaboration

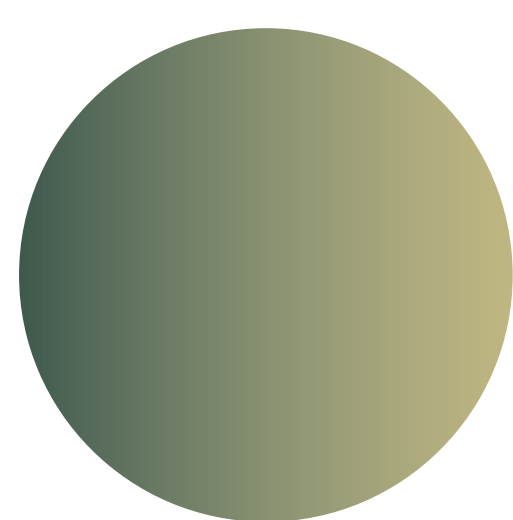
Imperial maintains an ongoing dialogue with Indigenous leaders, community members and their representatives by:

- Ensuring timely discussions when activities have the potential to impact communities
- Respecting traditional and treaty rights, practices, decision-making processes, cultural activities and language
- Supporting the identification of specific impacts on traditional uses and rights in order to mitigate effects
- Treating all parties fairly
- Respecting the Crown's duty to consult



Our proactive protection and preventative maintenance program

Imperial's safety performance is among the best in the Canadian energy industry. We attribute our record of safe and reliable operations to our preventative maintenance and proactive pipeline inspection programs.



PIPELINE PROTECTION MEASURES

Cathodic protection along protected steel pipe to safeguard against external corrosion

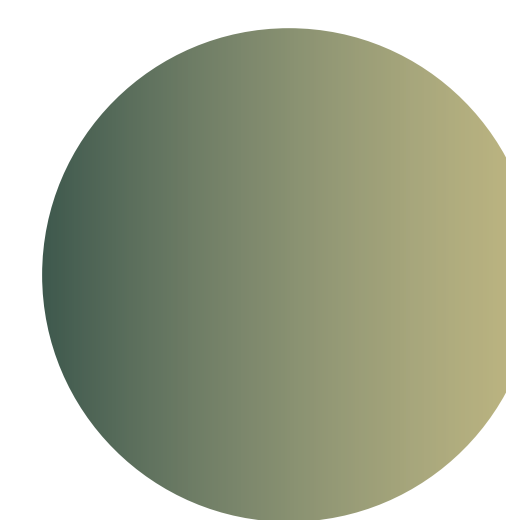
Automated valves shut off in case of unexpected pressure drop, or are controlled remotely by an operations centre



FOCUSED ON SAFETY

Monitoring 24 hours a day, 365 days a year. This includes weekly aerial patrols along the pipeline's path

Annual emergency response drills, and two highly trained and resourced emergency response teams based in southern Ontario



INNOVATIVE TECHNOLOGIES AND MAINTENANCE

Specialized tools such as SmartBalls and Smart Pigs confirm both internal and external characteristics of the pipeline to identify repairs

Ongoing maintenance work or integrity digs help to facilitate continued safe pipeline operations



Safe pipeline deactivation

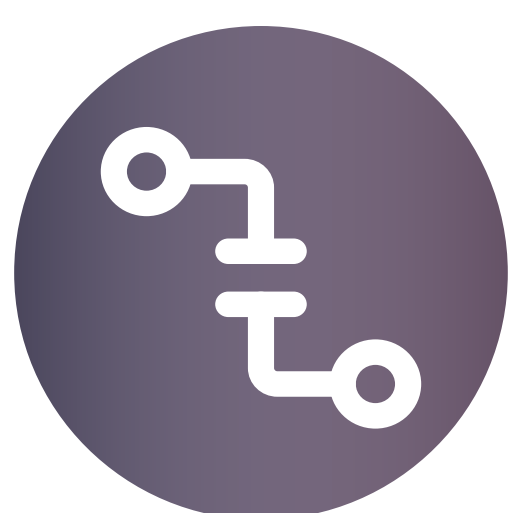
Imperial will safely deactivate the current pipeline, which will cause the least disturbance to the local environment and minimize our construction footprint.

Imperial deactivates pipeline segments in accordance with industry best practices (Canadian Standards Association's Oil and Gas Pipeline Systems Code) and provincial regulations (*Technical Standards and Safety Act*).

Pipeline deactivation process



1. Remove the product from the pipeline using specialty cleaning instruments and products



2. Disconnect the existing pipeline



3. Fill the disconnected pipeline with nitrogen (like what we put in our car tires) to maintain pipeline pressure

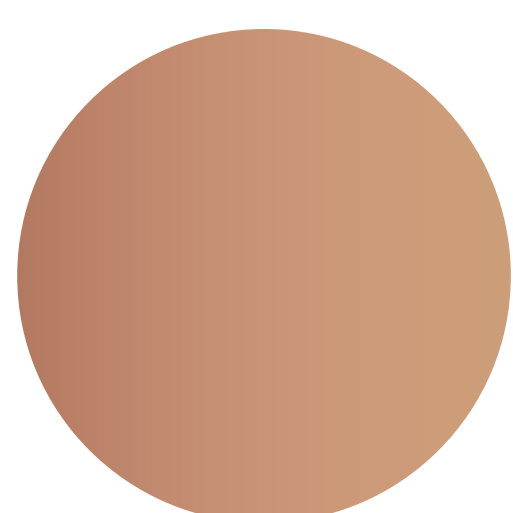


4. Visual inspections to continue monitoring the deactivated pipeline

Imperial is responsible for paying for the maintenance and monitoring of the deactivated pipeline.

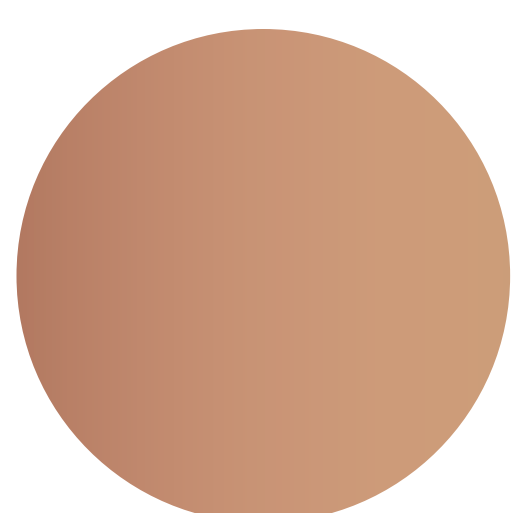
Environmental planning process

Imperial is conducting a comprehensive planning process to evaluate pipeline routing, describe the existing natural and social environment, assess potential environmental effects, and outline safety and proposed mitigation measures.



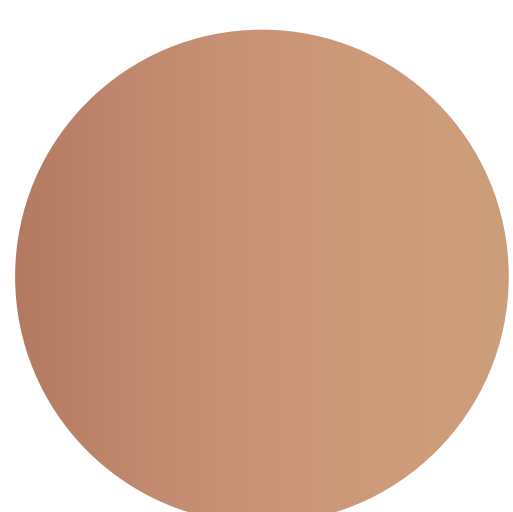
Wildlife and Fisheries

Conduct bird, bat, reptile and amphibian surveys along pipeline route. Perform habitat assessments at fish bearing watercourses



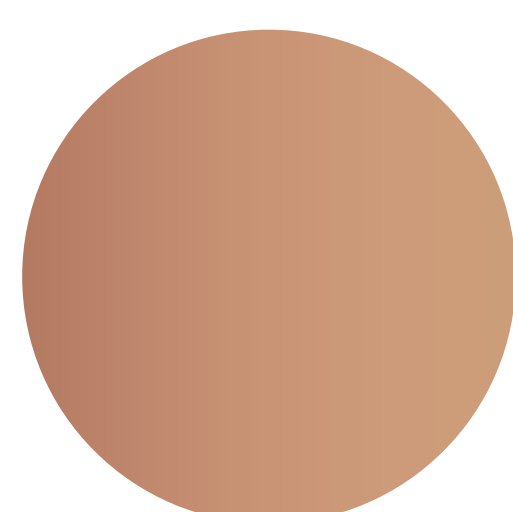
Archaeology

Determine potential for archaeological and cultural heritage resources within the study area



Vegetation and Wetlands

Complete a botanical inventory, to identify potential at-risk species. Prepare constraint mapping to delineate natural areas and wetlands



Geotechnical Investigation

Prior to geotechnical drilling, identify utility lines to prevent risk of excavation damage to underground infrastructure



Results from this process will be filed with the Ontario Energy Board as part of Imperial's leave to construction application in 2019.