SYSTEMS MAP

- Operator of 3 Oil Pipelines
- Sole Pipeline from Alberta to West Coast
- Express is primary line to PADD IV
- Platte serves large PADD II market
TRANS MOUNTAIN PIPELINE

- **System** – Open Access, Crude and Refined Products
- **Markets** – Lower B.C. Mainland, Washington State, California (Dock at Vancouver)
- **Capacity** – Currently 225,000 bpd Ex-Edmonton (10% heavy)
- **Shippers** – Major Canadian Producers and North-West Refiners
- **Regulation** – NEB regulated, tolls and tariffs through Incentive Toll Settlement renewed through to 2010
CORRIDOR PIPELINE

- **System** – 285 mile 24” x 12” line between Muskeg River Mine and Scotford Upgrader
  - 27 mile crude and supplemental line
- **Capacity** – 155,000 bpd of dry bitumen from mine to upgrader
  - 71,000 bpd diluent back to mine
- **Shippers** – 100% contracted to Athabasca Oil Sands
- **Regulation** – Full cost recovery over 25 year contract term
- **Expansion** – C$1.0 Bil, new 42” line, up to 1.0 Mil bpd
EXPRESS PIPELINE

- **Ownership** – KMC operates, 1/3 ownership with Borealis and Ontario Teacher’s Pension Plan
- **System** – 785 miles from Hardisty, Alberta to Casper, Wyoming; Platte 932 miles mainline from Casper to Wood River, Illinois
- **Capacity** – Express recently expanded to 280,000 bpd, Platte at 165,000 bpd
  - **Shippers** – “AA” rated list, 85% contracted through to 2012 and 2015
  - **Markets** – Dominant PADD IV pipeline and serves PADD II market with Canadian and Domestic barrels
**CANADIAN OIL SANDS OPPORTUNITY**

Western Canadian Production*

Export Pipeline Capacity

New capacity Required

Western Canada Demand

- **Enbridge**
- Trans Mountain
- Express
- Others

* Based on CAPP July 2005 report – moderate Production

**Includes Ex-Edmonton portion of Spearhead Expansion plans
TRANS MOUNTAIN THROUGHPUT

Capacity @ 0% Heavy
Capacity @ 15% Heavy

Monthly Deliveries

Jan 2000
Mar
May
Jul
Sep
Nov
Jan 2001
Mar
May
Jul
Sep
Nov
Jan 2002
Mar
May
Jul
Sep
Nov
Jan 2003
Mar
May
Jul
Sep
Nov
Jan 2004
Mar
May
Jul
Sep
Nov
Jan 2005
Mar
May
Jul
Sep
Nov

b/d
**TMX EXPANSION**

- **TMX1** – C$595 Mil, additional 75,000 bpd
  - Pump Station Expansion, C$230 Mil, 35,000 bpd, in service by April 2007
  - Anchor Loop, C$365 Mil, 40,000 bpd, in service at end of 2008

- **TMX2** – Loop between Valemont & Kamloops and back to Edmonton, C$900 Mil, 100,000 bpd by 2010

- **TMX3** – Loop between Kamloops & Lower Mainland, C$900 Mil, 300,000 bpd by 2011

- **TMX North** – Line between Valemont & Kitimat, C$2.0 Bil, 400,000 bpd

- **Next Steps** – Binding open season Q1 2006
  - Scope definition to follow
SPIRIT PIPELINE

- Capital Cost of C$995 Mil in service by end of 2008
- 100,000 bpd condensate import line from Kitimat to Edmonton
- KMC / Pembina joint venture
- Anticipate 100% contracted under long term agreements
- Commercial deal by mid 2006
TRANS MOUNTAIN ITS RENEWAL

- MOU with CAPP signed, new ITS 2006 – 2010
- Pump Station and Anchor Loop expansion included
- Toll trending to stabilize earnings
- No change to Capital Structure
- Capacity and Operating Efficiency incentive provided
- Transportation revenue variance provides certainty
- Final financial terms by February 28, 2006
- Final rules and regulations by June 30, 2006