



FOR IMMEDIATE RELEASE

LPG TERMINAL PROJECT PROPOSED FOR WATSON ISLAND

APRIL 11th, 2017 - PRINCE RUPERT, BC – The City of Prince Rupert, through its wholly owned subsidiary Prince Rupert Legacy Inc., is happy to announce that a non-binding Letter of Intent (LOI) has now been entered into with Pembina Infrastructure & Logistics, [a wholly owned subsidiary of Pembina Pipeline Corporation] (Pembina) for the purposes of exploring a LPG export terminal on Watson Island.

“We are looking forward to a new beginning for our community as we work towards putting Watson Island back on the tax roll,” said Mayor Lee Brain. “Pembina is a Canadian company with a proven track record for supporting the communities in which they operate and has an industry-leading history of operating safely. We are happy to have the opportunity to potentially partner with them to create new local jobs and revenue that will significantly improve the quality of life for everyone in Prince Rupert.”

Pembina will be conducting initial technical assessments and evaluating the project’s feasibility, in addition to meeting with local First Nations and stakeholders. Following this process, Pembina’s Board of Directors will evaluate the project and determine a Final Investment Decision (FID).

“Watson Island has great potential as a LPG export terminal location,” says Mick Dilger, Pembina’s President & CEO. “Early impressions of the site are promising, and we’re happy to be working with the City of Prince Rupert.”

Pembina Pipeline Corporation is a Canadian company focused on the safe, reliable operation of energy infrastructure. They are a transportation, midstream and gas service provider that has been serving North America’s energy industry for over 60 years with positive relationships with various municipalities and First Nations in the areas surrounding their operations. The \$23 billion energy infrastructure company is recognized as one of Canada’s Top Employers, and recently received recognition as Aboriginal Employer of the Year in 2015, and as one of Alberta’s Top 70 Employers for the third consecutive year.

ABOUT WATSON ISLAND

If plans move ahead, this proponent would be the first tenant for the Watson Island site since plans were made to dismantle the former pulp mill. The project is anticipated to use only a portion of the 280 acres available on the old pulp mill site. In January, the City of Prince Rupert leased a portion of Watson Island to Legacy Inc. in order to help facilitate new commercial operations. Distributions from lease revenues were determined to be a more stable source of income for the municipality, and are considered a practical direction for the diversification of City revenues. Moving forward, the City and its wholly owned corporation will continue to work diligently in order to generate both lease revenues and future taxation from Watson Island, which will contribute to a more resilient local economy.

ABOUT LEGACY INC

Incorporated in 2014, Prince Rupert Legacy Inc. is a wholly owned subsidiary of the City of Prince Rupert, used to maximize the benefit of land and commercial transactions to the City and community. Company earnings are distributed to the City – and have historically been used to fund major infrastructure projects, as well as expenses related to proposed industrial growth, that would otherwise burden the Prince Rupert taxpayers.

ABOUT PEMBINA:

Calgary-based Pembina Pipeline Corporation is a leading transportation and midstream service provider that has been serving North America's energy industry for over 60 years. Pembina owns and operates an integrated system of pipelines that transport various products derived from natural gas and hydrocarbon liquids produced primarily in western Canada. The Company also owns and operates gas gathering and processing facilities and an oil and natural gas liquids infrastructure and logistics business. Pembina's integrated assets and commercial operations along the majority of the hydrocarbon value chain allow it to offer a full spectrum of midstream and marketing services to the energy sector. Pembina is committed to working with its community and aboriginal neighbours, while providing value for investors in a safe, environmentally responsible manner. This balanced approach to operating ensures the trust Pembina builds among all of its stakeholders is sustainable over the long term.

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