

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE PIPELINE ACT

- and -

IN THE MATTER OF AN APPLICATION by **HERITAGE GAS LIMITED** (“Heritage”) for a **PERMIT TO CONSTRUCT A HIGH PRESSURE REDUCING STATION TO DELIVER NATURAL GAS IN AREAS OF** Pictou County, Nova Scotia

WHEREAS Heritage, on July 16, 2013, applied to the Nova Scotia Utility and Review Board (“Board”) for a Permit to Construct;

AND WHEREAS the application seeks approval for the construction and installation of facilities to deliver natural gas in areas of Pictou County, Nova Scotia which are identified on the drawings listed in Schedule “A” attached hereto, hereinafter referred to as the “proposed works”;

AND WHEREAS the Board has the authority to issue a Permit to Construct pursuant to s. 9 of the *Pipeline Act*, R.S.N.S. 1989, c. 345 as amended;

NOW THEREFORE, the Board grants to Heritage a Permit to Construct the proposed works, subject to the following terms and conditions:

1. Heritage shall ensure that the proposed works are carried out and completed in accordance with:
 - (a) all federal, provincial and municipal laws, and in particular the *Pipeline Act* and *Pipeline Regulations (Nova Scotia)*, as amended from time to time;
 - (b) all applicable codes and standards, as amended from time to time;
 - (c) this Permit to Construct, as may be amended; and
 - (d) the drawings provided in the application and identified in the “List of Drawings” (Schedule “A”) attached hereto;
2. Heritage shall provide reasonable notice to Energy Consultants International Inc. (“ECI”), the Certifying Authority for the Board, pursuant to s. 63 of the *Pipeline Regulations (Nova Scotia)*, of its intended schedule

for the installation and shall permit a representative from them to be onsite to conduct spot inspections of fabrication and construction during the installation process, including the observation of any welding processes performed in the course of the fabrication and installation;

3. Heritage shall provide to ECI the Issued for Construction drawing set prior to the start of construction;
4. Heritage shall provide to ECI pipe purchase, manufacturing schedules and material test reports;
5. Heritage will provide to ECI the general contractor and who will perform the NDT (nondestructive testing) inspection services including supervisory, welding and technician personnel;
6. ECI will verify and certify, in advance of the installation of the proposed works, that the specific materials to be used in fabrication will comply with all applicable codes and standards and are suitable for their intended purpose;
7. ECI will confirm the qualifications of the general contractor and personnel before commencement of the proposed works;
8. ECI shall verify, before installation, that the NDT inspection services and personnel are qualified to perform the proposed work;
9. ECI shall witness, if required, the welder qualification testing before commencement of installation;
10. Heritage shall maintain a file of all required permits and approvals, including, but not limited, to those from municipal authorities, Federal and Provincial Departments, Boards and Agencies, available for review by the Board and ECI;
11. Heritage shall ensure that a representative from ECI is onsite during the final strength and leak testing procedure to witness the completion of successful stand-up pressure tests;
12. The Revenue Deficiency Account will not be increased by completing the proposed works;
13. Heritage or its contractor(s) shall carry insurance coverage which is satisfactory to the Board;
14. This Permit to Construct may not be transferred or assigned;
15. This Permit to Construct may be suspended or terminated by the Board if, in the opinion of the Board, Heritage or its contractor(s) breach any of its terms or conditions.

Dated at Halifax, Nova Scotia, this 18th day of September, 2013.

Clerk of the Board

Schedule "A"

List of Drawings

111303-07 Rev. 1 issued for permit July 11,'13
111303-12 Rev. 1 issued for permit July 11,'13
111303-13 Rev. 1 issued for permit July 11,'13
111303-14 Rev. 1 issued for permit July 11,'13
111303-15 Rev. 1 issued for permit July 11,'13
111303-16 Rev. 1 issued for permit July 11,'13