

"Sample" FACILITY CROSSING AGREEMENT

THIS AGREEMENT made this _____, 2011
Inclusive of Schedule's A, B, C & D as applicable

BETWEEN:

Sun-Canadian Pipe Line Company Limited
Hereinafter referred to as "Sun-Canadian"

-And-

Facility Owner
Hereinafter referred to as "Applicant"

WHEREAS:

- i) The Applicant proposes to construct the facilities known as the "subject crossing facilities" located in the geographic region defined.

described on attached Schedule "A"
- ii) **Sun-Canadian Pipe Line Limited is regulated under the Technical Standards and Safety Act (TSSA), which includes: No person shall dig, bore, trench, grade excavate or break ground with mechanical equipment or explosives without first ascertaining from the license holder (Sun-Canadian) the location of any pipeline that may be interfered with.**
- iii) Sun-Canadian has reviewed the drawings (Schedule "B") provided for the proposed construction and agrees that the proposed Facilities and will not Interfere unreasonably with Sun-Canadian's rights and the Applicant may construct, the Facilities in accordance with the terms and conditions of this present agreement.
- iv) This agreement is valid for a period of two (2) years from the date indicated above. If all activities are not completed within the timeline considered, then this agreement shall expire and a revised crossing agreement will be required to be issued by Sun-Canadian to continue with the proposed works.

NOW THEREFORE:

1. **DRAWINGS:** This Agreement incorporates by reference the drawings of the proposed Facilities attached hereto as Schedule "B".
2. **COMPLIANCE WITH STATUTES AND REGULATIONS:**
Applicant and Sun-Canadian shall at all times comply with any and all applicable codes, statutes, laws, regulations, permits, licenses, orders and directions of any governmental authority from time to time in force. The minimum applicable technical standards therein shall apply to the Facilities and the Applicant will ensure that the location, operation and maintenance

of the Facilities do not cause Sun-Canadian's pipeline system to be out of compliance with any authority, having jurisdiction over part, or the whole of Sun-Canadian pipeline system.

3. TERMS AND CONDITIONS

- (a) Prior to work commencing on Sun-Canadian's pipeline right-of-way or within 7.6 meters (25 ft) of the pipeline, ("Restricted Zone") the Sun-Canadian Inspector ("Inspector") must be satisfied that the Sun-Canadian pipelines are located exactly and all crossing approval conditions and planned safeguards are met.
- (b) The Applicant must contact Sun-Canadian's Maintenance Coordinator at least 72 hours prior to any operation in the restricted zone. Call **1(800)263-6641**.
- (c) The Applicant or its designated contractor and the Inspector shall complete an "Inspection Record" (Schedule "D") for each day of work in the restricted zone. The report will describe the planned work and document conditions and safeguards. The Applicant or its designated Contractor shall sign such permits and retain a copy on site as evidence of understanding and adherence.
- (d) The Applicant shall distribute this Agreement to all of its designated Contractors and sub-contractors on site. This Agreement shall be available to the Inspectors on site as requested.
- (e) The Applicant shall ensure that the design of the cover and supporting subgrade material are sufficient for the equipment loading conditions to prevent the transmission of stresses to the Sun-Canadian pipeline. Location, grading and fill design for proposed equipment crossing zones shall be provided to Sun-Canadian prior to commencement of work.
- (f) Drawings provided to contractors shall contain the following note in bold letters:

**Warning High Pressure Oil Pipeline
Contact Sun-Canadian Pipe Line for inspections
72 hours before commencement of work.
Telephone: 1-800-263-6641**

- (g) Applicant shall do all things that in Sun-Canadian's reasonable opinion are necessary to ensure that Sun-Canadian's cathodic protection of the Company's Pipeline or any part thereof is not damaged or adversely affected as a result of Applicant's operations or subsequent application of cathodic protection by Applicant to Applicant's Facility. Notwithstanding the generality of the foregoing, Applicant shall install where necessary not less than two (2) coated wire-test lead system at the nearest reasonable access, of a design acceptable to Sun-Canadian. The whole of the cost of providing installation and maintenance of any such cathodic protection and such test lead system shall be borne by Applicant. Notwithstanding the foregoing, cathodic protection shall not be required where Applicant installs a plastic or other nonmetal Facility.

- (h) Applicant shall be liable for and shall pay all taxes, rates and assessments of Every description whatsoever that may be imposed by any lawful authority by reason of the presence of Applicant's Facility in the Crossing Area, or by reason of this Agreement or of anything done by Applicant pursuant to this Agreement. In addition, Applicant shall indemnify Sun-Canadian from and against all such taxes, rates and assessments.
- (i) Applicant shall ensure that Applicant's Field Representative or the contractor installing the Facility complies with and executes the on site Pipeline Inspection Record, a Copy of which is attached as Schedule "D".
- (j) Applicant shall, except in cases of emergency, provide 72 hours notice to Sun-Canadian prior to commencement of construction or installation of the facility.

4. INSPECTION:

- (a) The Inspectors have the authority to shut down work on the right-of-way or to prohibit crossing of the Sun-Canadian pipeline if they believe that the job is detrimental to the safety of the Sun-Canadian pipeline, or that agreed upon conditions are not being observed **as required by the TSSA Oil & Gas Pipeline Regulations.**
- (b) Inspections and stake-out services involving a single site visit will be at Sun-Canadian's expense. However, an inspection service fee will commence on the 2nd and each subsequent site visit until the Pipeline Inspector is satisfied the pipeline is safe and deems the services complete. The Inspector's rate is \$200.00/hour. Overtime hours, travel time, vehicle and expenses included.

The Applicant shall complete and submit to Sun-Canadian the attached Schedule "C" noting the Contact information for the Facility Owner and Contractor as part of the subject Facility Crossing Agreement prior to commencement of fieldwork.

The pipeline inspection services will be recorded on the attached Pipeline Inspection record Schedule "D". The Pipeline Inspector's hours on site will be verified by the contractor's Field Representative on a per site visit basis.

Upon completion of the Inspection services the applicant will be invoiced in accordance with the authorized Schedule "D".

Any breach of the terms herein mentioned shall mandate Sun-Canadian to employ a full time Safety Watch/Pipeline Inspector for the duration of the work at the Applicant's expense.

- (c) The crossing party shall notify Sun-Canadian Pipe Line Company Limited prior to any proposed blasting within 300 m of the pipeline.

Sun-Canadian Pipe Line Company Limited may retain an independent blasting consultant, at the expense of the crossing party, to monitor and approve any blasting within 60 metres of the pipeline.

Representative readings shall be taken at the start of all pile driving / hoe ramming operations delivering more than 10,000 foot-pounds of energy on impact within 6 meters of pipeline.

The crossing party shall provide Sun-Canadian Pipe Line Company Limited with a written copy of their plans for blasting within 60 m, or hoe ramming within 6 m of the pipeline at least 2 weeks prior to operations within that zone, and to allow a Sun-Canadian to coordinate a reduction in operating pressure of the pipeline.

Further limitations for blasting, and vibration control shall be provided by Sun-Canadian upon request. The crossing party should use methods other than blasting on the right-of-way, where possible.

5. CONSTRUCTION:

- (a) Depending on the situation, temporary fencing may be required to control activity in the vicinity of the Sun-Canadian pipeline. This requirement and position of fencing is to be approved by the Sun-Canadian pipeline Inspector prior to commencement of site work. Fences shall be a minimum of 1.2 meters high and secured to a steel t-bar support posts, at least every 3 meters. .

Temporary fencing is required on both sides of temporary roads crossing over the Sun-Canadian pipeline. The fencing shall be maintained by the Applicant and shall remain in place until the construction is completed.

- (b) Excavating, grading or operating equipment on the Sun-Canadian pipeline right-of-way, or within 7.6 meters. (25 ft) of the Sun-Canadian pipeline, without an Inspector on site is prohibited.
- (c) No fill material shall be placed over the Sun-Canadian pipeline and the Sun-Canadian right-of-way without the Sun-Canadian's written consent. At all times, construction equipment and activities shall be done in such a manner to provide minimum 1.2 meters (4 feet) cover over the Sun-Canadian pipelines. No compactors are permitted on the Sun-Canadian pipeline right-of-way.
- (d) The Applicant shall expose the Sun-Canadian pipeline(s) by hand digging, or vacuum excavation, prior to any mechanical excavation in the restricted zone, as required to suit the construction activity. Mechanical equipment may excavate NO CLOSER than 60 cm to the Sun-Canadian pipeline(s), and only after it has been fully exposed.
- (e) All Sun-Canadian pipelines shall be exposed at the crossing location prior to direction boring operations.
- (f) The Applicant shall ensure adequate pipeline supports and shoring is installed in accordance with the Applicant's Professionally Engineered instructions where the unsupported length of an exposed Sun-Canadian pipeline is over 7 meters, or as required by the Ministry of Labour and/or the Pipeline Inspector.
- (g) Where Sun-Canadian's pipeline is exposed to potential hazards, e.g. such within a bore pit, the pipe shall be protected with 2"x 4" wood lagging banded to the

pipe for the entire width of the bore pit.

- (h) Additionally, to ensure sound compaction, sand backfill material must be installed for a minimum 300 mm envelope all around the pipeline.
- (i) The Applicant shall provide as-built drawings noting the location and clearances between facilities.

6. UTILITY CROSSINGS

- (a) A highly visible temporary fence must be erected to restrict access around any excavation site wherever:
 - An open excavation is on the right-of-way or exposes the Sun-Canadian pipeline,
 - Equipment will be working in the vicinity of the Sun-Canadian pipeline,
 - Or, precautions are appropriate to protect the public and the Sun-Canadian pipeline.
- (b) Appurtenances and other support fittings, e.g. poles, anchors, manholes, catch basins, valves etc., are to be located outside the easement and at least 3 meters (10 ft) away from the Sun-Canadian pipelines.
- (c) Minimum Clearances from the Sun-Canadian pipeline to:
 - Ditch bottoms800 mm (30 inches)
 - Buried Pipes & Culverts (metallic)300 mm (12 inches)
 - Facilities crossing the pipelines shall maintain the minimum clearance elevation for at least 3 meters (10 ft) on either side of Sun-Canadian pipelines.
- (d) Cable installation shall provide a minimum clearance of 300 mm (12 inches) to any Sun-Canadian pipeline, above or below, and the cable shall be protected with a layer of concrete patio stones and caution tape for the entire width of the Sun-Canadian pipeline easement. Typical easement width is 15 m (50 ft).
- (e) The travelled surface of any temporary construction road crossing must be at least 1.2 meters (4 feet) above the top of each pipeline, unless other protection is provided and acknowledged by Sun-Canadian. Load distributing pre-cast concrete slabs, or steel plates may be required for pipe protection at areas with less than adequate cover.

7. REMEDY ON DEFAULT

In the case of default by Applicant in carrying out any of the provisions of this Agreement, Sun-Canadian may give notice thereof to Applicant. If Applicant fails to commence to remedy such default within 15 days after receipt of such notice and diligently complete such remedy thereafter, Sun-Canadian may take such steps as are appropriate to remedy such default and Applicant shall be liable for and shall pay all reasonable costs and expenses incurred by Sun-Canadian in remedying the default.

8. LIABILITY AND INDEMNITY

Sun-Canadian Pipe Line Company Limited does not assume any liability for inconvenience or loss of income due to obstructions including but not limited to pipeline maintenance, access and emergency situations created by Sun-Canadian pipelines.

- (a) Applicant shall:
 - (i) be liable to Sun-Canadian for all loss, damages and expenses which Sun-Canadian may suffer, sustain, pay or incur by reason of any matter or thing arising out of or attributable to any act or omission of Applicant, its servant, agents contractors or employees in respect of Applicant's use of the Crossing Area or by reason of this Agreement, and in addition;
 - (ii) indemnify Sun-Canadian against all actions, proceedings, claims, demands and costs which may be brought against or suffered by Sun-Canadian or which it may sustain, pay or incur by reason of any matter or thing arising out of or attributable to any act or omission of Applicant, its servants, agents, contractors or employees in respect of Applicant's use of the Crossing Area or by reason of this Agreement.
- (b) Sun-Canadian shall:
 - (i) be liable to the Applicant for all loss, damages and expenses which the Applicant may suffer, sustain, pay or incur by reason of any matter or thing Arising out of or attributable to any act or omission of Sun-Canadian, its Servants, agents, contractors or employees in respect of Sun-Canadian's use of the Crossing Area or by reason of this Agreement, and in addition;
 - (ii) indemnify Applicant against all actions, proceedings, claims, demands, and costs which may be brought against or suffered by Applicant or which it may sustain, pay or incur by reason of any matter or thing arising out of or attributable to any act or omission of Sun-Canadian, its servants, agents, contractors or employees in respect of Sun-Canadian's use of the Crossing Area or by reason of this Agreement.
- (c) The provisions of 8(a) and 8(b) herein shall survive the termination of this Agreement.

9. INSURANCE

- (a) Without in any way limiting the liability of either party under this Agreement, each party shall obtain and keep in force during the term of this Agreement the following:
 - (i) comprehensive general liability insurance covering liability for bodily injury and Property damage arising from operations contemplated by this Agreement. The limit of this insurance shall not be less than five million dollars (\$5,000,000) inclusive, for any one occurrence unless otherwise agreed by the parties in writing; and

- (ii) automobile liability insurance with an inclusive limit for bodily injury (including passengers) and property damage of one million dollars (\$1,000,000).
- (b) a party upon request of the other party, shall furnish written documentation, satisfactory to the requesting party, evidencing the required coverage.
- (c) As an alternative to the five million dollar (\$5,000,000) policy of comprehensive general liability insurance and the one million dollar (\$1,000,000) automobile liability insurance referred to in Section 9 (i) and 9 (ii), if acceptable to the other party, and so evidenced in writing, a party may self-insure against the risks normally covered by such policies.

These policies shall provide coverage for liability assumed under this Agreement.

10. ASSIGNMENT

- (a) Neither party shall assign or transfer this Agreement or the rights and Privileges hereby granted without the written consent of the other party first had and obtained, and such consent shall not be unreasonably withheld. Together with any request for such consent, the Assignor shall provide the other party with the Assignee’s written confirmation that the Assignee is familiar with the terms of this Agreement and agrees to be bound by the terms of this Agreement.

11. CONSEQUENTIAL DAMAGES

Notwithstanding any other provisions of this Agreement, neither party shall be responsible for any indirect, special or consequential damages arising out of this Agreement.

SUN-CANADIAN PIPE LINE COMPANY LIMITED

Per: _____

Name: _____

Title: _____

I have authority to bind the corporation

APPLICANT _____

Per: _____

Name _____

Title: _____

I have authority to bind the corporation



830 HWY #6 North,
P.O. Box 470,
Waterdown, ON L0R 2H0
Tel: 1-800—263-6641, Fax: 905-689-1233

SCHEDULE "A"
Facility Crossing Agreement

Subdivision:
Owner/Applicant:
Location:

Description of work:

Document details of Applicant's project

WPL



**830 HWY #6 North,
P.O. Box 470,
Waterdown, ON L0R 2H0
Tel: 1-800-263-6641, Fax: 905-689-1233**

SCHEDULE "B"
Facility Crossing Agreement

Drawings

Drawings Prepared by:

Tel:
Fax:
Email:

Drawings:

Document details of Applicant's Drawing

WPL



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SCHEDULE "C"

Facility Crossing Agreement

Billing Information

Project Information:

Facility Owner

Owner: _____
Representative: _____
Address : _____
Phone: _____

Send Invoice to: (select one) Contractor or Owner

Contractor

Company Name: _____	
Office Contact: _____	
Field Representative _____	
Print Name	Signature
Address: _____	

Office Phone: _____	Fax: _____

Inspection Rate: \$200.00 per hour on site Inspection time Flat Rate Includes: inspector, vehicle, travel, overtime, and expenses.

WARNING: Damage to below facilities may result in injuries or fatalities. A Sun-Canadian representative must remain onsite to continually monitor any mechanical excavation or other potentially destructive activity that takes place within 7.5 metres (25 feet of Sun-Canadian's pipelines, whether located above or below grade.



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SCHEDULE “D” Facility Crossing Agreement

Project Information: _____

Sun-Canadian Inspector: _____ Emp.#: _____
Print Name

Signature: _____

Sun-Canadian Inspector: _____ Emp.#: _____
Print Name

Signature: _____

Site Visit	Inspected Work	Date	Arrival Time	Departure Time	Total Time	Contractor Initial
#1					First site visit no charge.	
#2						
#3						
#4						
#5						
Total Hours						

Timesheet No. _____

Inspection Rate: \$200.00 per hour on site Inspection time
Flat Rate Includes: inspector, vehicle, travel, overtime, and expenses.