Form **8937**(December 2017) Department of the Treasury

Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name PEMBINA PIPELINE CORPORATION 98-0507771 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact **INVESTOR RELATIONS** +1 (403) 231-3156 INVESTOR-RELATIONS@PEMBINA.COM 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and ZIP code of contact 4000, 585 8TH AVENUE SW CALGARY, ALBERTA, T2P 1G1 9 Classification and description 8 Date of action 12/16/2019 **COMMON AND PREFERRED SHARES** 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) 706327103 PPL(TSX); PBA(NYSE) Organizational Action Attach additional statements if needed. See back of form for additional questions. Part II Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ PURSUANT TO A PLAN OF ARRANGEMENT UNDER ALBERTA PROVINCIAL LAW, COMMON SHAREHOLDERS OF KINDER MORGAN CANADA LIMITED RECEIVED 0.3068 OF A PEMBINA PIPELINE CORPORATION COMMON SHARE IN EXCHANGE FOR EACH KINDER MORGAN CANADA LIMITED RESTRICTED VOTING SHARE. HOLDERS OF SPECIAL VOTING SHARES RECEIVED \$0.000001 FOR EACH SPECIAL VOTING SHARE. PREFERRED SHAREHOLDERS RECEIVED ONE PEMBINA PIPELINE CORPORATION PREFERRED SHARE FOR EACH KINDER MORGAN CANADA LIMITED PREFERRED SHARE. THE ORGANIZATIONAL ACTION WAS EFFECTED ON **DECEMBER 16, 2019.** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► SEE ATTACHED STATEMENT. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► SEE ATTACHED STATEMENT.

Part I		Organizational Action (continued)	<u> </u>			
			n(s) and subsection(s) upon which the tax to	reatment is based >	SECTIONS 361(a), 367(a)	
368(a),	354(a)	, 358(a) AND 358(b).				
18 Ca	an any	resulting loss be recognized? ► NO.				
	•					
19 Pr	ovide	any other information necessary to imple	ment the adjustment, such as the reportab	le tay year > NONE	NOTED	
19 11	Ovide	any other information necessary to imple	ment the adjustment, such as the reportab	ie tax year P NONE	NOTED.	
		Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and				
	belief	elief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign						
Here	Signa	Signature ►			/ 14, 2020	
				<u> </u>	0.00 Okt. 4 Et 1.10 M	
	Print	vour name ► J. Scott Burrows	Dranavaria signati		P & Chief Financial Officer	
Paid		Print/Type preparer's name	Preparer's signature	Date Jan 13/20	Check if PTIN	
Prepa		JAMES A. ROWLING	1 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Jan 13/20	self-employed P01071917	
Use C	nly	Firm's name			Firm's EIN ▶ 98-0173533	
		Firm's address ► 3100, 205-5TH AVE SV	N, CALGARY, AB, CANADA T2P 4B9	l	Phone no. 403-691-8000	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

STATEMENT ATTACHED TO FORM 8937

PART II, Line 15

IT IS OUR UNDERSTANDING, BASED ON ADVICE OBTAINED FROM LEGAL COUNSEL, THAT THE ARRANGEMENT DESCRIBED ABOVE SHOULD QUALIFY AS A TAX-DEFERRED EXCHANGE UNDER SECTION 368(a) OF THE U.S. INTERNAL REVENUE CODE AND THAT THE AGREEMENT SHALL CONSTITUTE A PLAN OF REORGANIZATION FOR SUCH PURPOSES. HOWEVER, CERTAIN U.S. SHAREHOLDERS THAT OWNED 5% OR MORE OF PEMBINA PIPELINE CORPORATION IMMEDIATELY AFTER THE ARRANGEMENT MUST FILE A GAIN RECOGNITION AGREEMENT (IF APPLICABLE) WITH THE IRS UNDER TREASURY REGULATION SECTION 1.367(a)-8 TO OBTAIN SUCH TREATMENT. SUCH SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISORS.

THE AGGREGATE U.S. TAX BASIS THAT THE SHAREHOLDERS OF KINDER MORGAN CANADA LIMITED HAD IN THEIR KINDER MORGAN CANADA LIMITED RESTRICTED VOTING SHARES SHOULD CARRY OVER TO THE SHARES OF PEMBINA PIPELINE CORPORATION COMMON SHARES RECEIVED. THE AGGREGATE U.S. TAX BASIS THAT PREFERRED SHAREHOLDERS OF KINDER MORGAN CANADA LIMITED HAD IN THEIR KINDER MORGAN CANADA LIMITED PREFERRED SHARES SHOULD CARRY OVER TO THE SHARES OF PEMBINA PIPELINE CORPORATION PREFERRED SHARES RECEIVED.

PART II, Line 16

AS THE ARRANGEMENT SHOULD QUALIFY AS A TAX-DEFERRED EXCHANGE FOR U.S. FEDERAL INCOME TAX PURPOSES, THE AGGREGATE U.S. TAX BASIS THAT SHAREHOLDERS OF KINDER MORGAN CANADA LIMITED HAD IN THE SHARES SHOULD EQUAL THE SHARES OF PEMBINA PIPELINE CORPORATION RECEIVED.

ON A PER SHARE BASIS, (1) THE U.S. TAX BASIS OF THE KINDER MORGAN CANADA LIMITED RESTRICTED VOTING SHARES EXCHANGED SHOULD CARRY OVER TO THE SHARES OF PEMBINA PIPELINE CORPORATION COMMON SHARES RECEIVED, PRO RATA BASED ON THE RATIO OF 0.3068 SHARE OF PEMBINA PIPELINE CORPORATION COMMON STOCK RECEIVED PER SHARE OF KINDER MORGAN CANADA LIMITED RESTRICTED VOTING SHARE EXCHANGED, AND (2) THE U.S. TAX BASIS OF THE KINDER MORGAN CANADA LIMITED PREFERRED SHARES SHOULD CARRY OVER TO THE SHARES OF PEMBINA PIPELINE CORPORATION PREFERRED SHARES RECEIVED, PRO RATA BASED ON THE RATIO OF 1 SHARE OF PEMBINA PIPELINE CORPORATION PREFERRED STOCK RECEIVED PER SHARE OF KINDER MORGAN CANADA LIMITED PREFERRED SHARE EXCHANGED.

A SHAREHOLDER WHO HELD KINDER MORGAN CANADA LIMITED SHARES AT DIFFERENT TAX BASES MAY BE ALLOWED TO TRACE ITS PEMBINA PIPELINE CORPORATION SHARES RECEIVED TO AN IDENTIFIED BLOCK OF EXCHANGED KINDER MORGAN CANADA LIMITED SHARES FOR PURPOSES OF COMPUTING TAX BASIS. SHAREHOLDERS WHO ACQUIRED KINDER MORGAN CANADA LIMITED SHARES AT DIFFERENT PRICES SHOULD CONSULT THEIR TAX ADVISORS.