

*This pricing supplement, together with the prospectus to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference into the prospectus, as amended or supplemented, constitutes a public offering of these securities only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The offering of Notes (as defined herein) under this pricing supplement is directed only to residents of Canada and Notes may only be offered outside of Canada by the Dealers with the consent of Pembina. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This pricing supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in the United States.*

## PEMBINA PIPELINE CORPORATION



**Pricing Supplement No.:** 5  
**Date:** January 17, 2017

(To a short form base shelf prospectus of Pembina Pipeline Corporation ("**Pembina**" or the "**Corporation**") dated March 18, 2015 (the "**Prospectus**"), as supplemented by a prospectus supplement of Pembina dated June 11, 2015 (the "**Prospectus Supplement**"))

### MEDIUM TERM NOTES – SERIES 9 (unsecured)

#### Terms of Issue

<b>Designation:</b>	4.74% Medium Term Notes, Series 9 (the " <b>Notes</b> ")
<b>CUSIP/ISIN#:</b>	70632ZAJ0/ CA 70632ZAJ09
<b>Principal Amount:</b>	\$300 million
<b>Commission Rate:</b>	0.50%
<b>Issue Price:</b>	\$999.36 per \$1,000 principal amount
<b>Net Proceeds (after commission):</b>	\$298,308,000
<b>Currency:</b>	Canadian dollars
<b>Trade Date:</b>	January 17, 2017
<b>Settlement Date:</b>	January 20, 2017
<b>Maturity Date:</b>	January 21, 2047
<b>Yield to Maturity:</b>	4.744%
<b>Place of Delivery:</b>	Calgary, Alberta
<b>Coupon Rate:</b>	4.74% per annum
<b>Coupon Dates:</b>	Semi-annually in arrears on January 21 and July 21 in each year
<b>Initial Coupon Payment Date:</b>	July 21, 2017 (long first coupon)
<b>Initial Coupon Payment:</b>	\$23.6350685 per \$1,000 principal amount

<b>Redemption Provisions:</b>	Pembina may redeem the Notes, either in whole at any time, or in part from time to time, upon not less than 30 and not more than 60 days prior notice, (a) at any time prior to July 21, 2046 at a price equal to the greater of (i) par and (ii) the Canada Yield Price (as defined below), and (b) at any time on or after July 21, 2046 at a price equal to par, plus, in either case, accrued but unpaid interest, if any, to but excluding the date of redemption.
<b>Form of Notes:</b>	Global Note registered in the name of CDS & Co.
<b>Trustee:</b>	Computershare Trust Company of Canada
<b>Dealers:</b>	CIBC World Markets Inc. RBC Dominion Securities Inc. National Bank Financial Inc. TD Securities Inc. BMO Nesbitt Burns Inc. Scotia Capital Inc. J.P. Morgan Securities Canada Inc.
<b>Method of Distribution:</b>	Agency
<b>Aggregate Principal Amount of Medium Term Notes Outstanding (including those described in this Pricing Supplement No. 5 and the 2024 Notes (as defined below) described in Pricing Supplement No. 4):</b>	\$3,800 million
<b>Use of Proceeds:</b>	<p>The Corporation intends to use the net proceeds from the issue of the Notes pursuant to this Pricing Supplement No. 5, along with the net proceeds from the issue of the 2024 Notes pursuant to Pricing Supplement No. 4, to repay indebtedness of the Corporation under its unsecured \$2,500 million revolving credit facility due May 31, 2020 and an unsecured operating facility of \$30 million due May 2017 (collectively, the "<b>Credit Facilities</b>"), as well as to fund the Corporation's capital program and for general corporate purposes. The indebtedness of the Corporation under the Credit Facilities was incurred in the normal course of business to fund the Corporation's capital program. For further details on these capital expenditures and the Corporation's expansion and growth capital projects, see the discussion under the headings entitled "<i>New Developments</i>" for each of the Corporation's business units in the MD&amp;A (as defined below), which is incorporated by reference into the Prospectus.</p> <p>The above-noted use of the net proceeds by the Corporation is consistent with the Corporation's stated business objectives of providing reliable returns to investors through monthly dividends while enhancing long-term value for its shareholders. There is no particular significant event or milestone that must occur for Pembina's business objectives</p>

to be accomplished.

**Capitalized Terms:**

Capitalized terms used in this Pricing Supplement No. 5 and not defined herein have the meaning given to such terms in the note indenture dated March 29, 2011 (the "**Original Indenture**") among Pembina, the guarantors set forth and defined in the Original Indenture and Computershare Trust Company of Canada ("**Computershare**"), as supplemented by the first supplemental note indenture dated April 2, 2012 (the "**First Supplemental Indenture**") among Pembina, the New Guarantors (as defined in the First Supplemental Indenture) and Computershare, and as supplemented by the second supplemental note indenture dated October 24, 2014 among Pembina Prairie Facilities Ltd., Pembina Prairie Facilities Holdco Ltd., Pembina and Computershare.

**DOCUMENTS INCORPORATED BY REFERENCE**

The Prospectus, into which this Pricing Supplement No. 5 is deemed to be incorporated by reference, also incorporates by reference therein:

- (a) the annual information form of Pembina for the year ended December 31, 2015 dated February 25, 2016;
- (b) the Corporation's audited consolidated financial statements as at December 31, 2015 and December 31, 2014 and for the years then ended, together with the notes thereto and the auditors' report thereon;
- (c) Pembina's management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2015 ("**Annual MD&A**");
- (d) the Corporation's unaudited condensed consolidated interim financial statements as at September 30, 2016 and for the three and nine months ended September 30, 2016, together with the notes thereto;
- (e) Pembina's management's discussion and analysis of the financial condition and results of operations for the three and nine months ended September 30, 2016 (the "**Q3 MD&A**" and, together with the Annual MD&A, the "**MD&A**");
- (f) the management information circular dated March 23, 2016 relating to the annual meeting of shareholders held on May 12, 2016;
- (g) the Prospectus Supplement;
- (h) the template indicative term sheet (the "**Indicative Term Sheet**") prepared for potential investors in connection with the offering of Notes and filed January 17, 2017; and
- (i) the template final term sheet (the "**Final Term Sheet**") prepared for potential investors in connection with the offering of Notes and filed January 17, 2017.

The Indicative Term Sheet is not a part of this Pricing Supplement No. 5 to the extent that the contents of the Indicative Term Sheet have been modified or superseded by a statement contained in this Pricing Supplement No. 5. In addition, any statement contained in the Indicative Term Sheet is modified or superseded to the extent that a statement contained in the Final Term Sheet modifies or supersedes such prior statement.

The Indicative Term Sheet did not include a number of terms of the offering of Notes. The terms of the offering of Notes have been confirmed to reflect an aggregate principal amount of \$300 million, an interest rate of 4.74% per annum, a yield to maturity (or "issue yield" as referred to in the Final Term Sheet) of 4.744%, an issue price of \$999.36 per \$1,000 principal amount and the additional percentage amount added to the Government of Canada Yield in the definition of Canada Yield Price, all as reflected in this Pricing Supplement No. 5.

## DEFINITIONS

"**Canada Yield Price**" means, in effect, a price equal to the price of the Notes calculated in accordance with generally accepted financial practice in Canada to provide a yield to the remaining term to July 21, 2046 equal to the Government of Canada Yield plus 0.610% per annum for the Notes.

"**Government of Canada Yield**" means, on any date, in effect, the yield to maturity on such date compounded semi-annually which a non-callable Government of Canada bond would carry if issued, in Canadian dollars in Canada, at 100% of its principal amount on such date with a term to maturity equal to the remaining term to July 21, 2046 of the Notes. The Government of Canada Yield will be the average of the yields determined by two major Canadian investment dealers selected by Pembina.

## RECENT DEVELOPMENTS

Concurrently with the offering of the Notes pursuant to this Pricing Supplement No. 5, the Corporation has also agreed to issue \$300 million aggregate principal amount of Series 8 Medium Term Notes due January 22, 2024 (the "**2024 Notes**"). The 2024 Notes carry a fixed coupon of 2.99% per annum and are being issued pursuant to Pricing Supplement No. 4 to the Prospectus. The closing of the offering of the 2024 Notes will occur concurrently with the closing of the offering of the Notes offered pursuant to this Pricing Supplement No. 5.

On January 5, 2017, the Corporation announced that it received regulatory approval for and initiated construction on its previously announced \$235 million expansion of its pipeline infrastructure in northeast British Columbia (the "**NEBC Expansion**"). The NEBC Expansion entails the construction of approximately 145 kilometers of 12-inch diameter pipeline with a base design capacity of up to 75,000 barrels per day that will parallel much of the existing Blueberry pipeline system northwest of Taylor, British Columbia to the Highway/Blair Creek area of British Columbia. The NEBC Expansion will provide a conduit for natural gas liquids and condensate product in the liquids rich Montney resource play to access the Corporation's downstream pipeline systems that feed into markets in the Edmonton, Alberta and Fort Saskatchewan, Alberta areas. Pembina anticipates bringing the NEBC Expansion on-stream in late 2017.

On December 5, 2016, the Corporation announced the approval of a capital spending program of approximately \$1.9 billion for 2017 that primarily focuses on the completion of multi-year growth projects and long-term value creation across Pembina's conventional pipelines, midstream, gas services and oil sands and heavy oil business segments. In addition, the Corporation announced that it and its partner have been selected to receive \$300 million in royalty credits under the Government of Alberta's Petrochemicals Diversification Program for its previously announced proposed propane dehydrogenation and polypropylene upgrading facility in Alberta. This award is designed to help create jobs, attract investment and diversify Alberta's economy by providing royalty credits once approved projects are completed and feedstock consumption begins.

## CONSOLIDATED CAPITALIZATION

Other than the issuance and sale of the Notes and the 2024 Notes, there have been no material changes in the Corporation's share and loan capital since September 30, 2016.

## EARNINGS COVERAGE

The following consolidated earnings coverage ratios of the Corporation are calculated for the twelve month period ended September 30, 2016 based on unaudited financial information and for the twelve month period ended December 31, 2015 based on audited annual financial information. The earnings coverage ratios set out below do not purport to be indicative of earnings coverage ratios for any future periods. The Corporation's earnings coverage ratio for the twelve month period ended December 31, 2015 has been adjusted to give effect to: (a) the issuance by the Corporation of \$170 million aggregate amount of cumulative redeemable minimum rate reset Class A Preferred Shares (the "**Series 11 Shares**") on January 15, 2016 and the use of proceeds therefrom; (b) the issuance by the Corporation of \$345 million aggregate amount of common shares (the "**Common Shares**") on March 29, 2016 and the use of proceeds therefrom; (c) the issuance by the Corporation of \$250 million aggregate amount of cumulative redeemable minimum rate reset Class A Preferred Shares (the "**Series 13 Shares**") on April 27, 2016 and the use of proceeds therefrom; and (d) the issuance by the Corporation of \$500 million aggregate principal amount of 3.71% Medium Term Notes, Series 7, due August 11, 2026 (the "**Series 7 MTNs**") on August 11, 2016 and the use of proceeds therefrom, in each case as if the Series 11 Shares, Common Shares, Series 13 Shares and Series 7 MTNs were issued and proceeds used at the start of the relevant period. The following financial ratios also give effect to the issue of the Notes and the 2024 Notes and the use of the net proceeds from such issuances as described under "*Use of Proceeds*" above.

	<b>Twelve Months Ended September 30, 2016</b>	<b>Twelve Months Ended December 31, 2015</b>
Earnings coverage <sup>(1)</sup>	2.7x	2.6x

**Note:**

- (1) Earnings coverage is equal to profit attributable to owners of Pembina before borrowing costs (including capitalized interest) and income tax expense divided by borrowing costs (including capitalized interest) on all long-term debt and dividend requirements on all of the Class A Preferred Shares.

The Corporation's adjusted borrowing cost requirements for the twelve month period ended September 30, 2016 amounted to approximately \$179 million and adjusted borrowing cost requirements for the twelve month period ended December 31, 2015 amounted to approximately \$170 million. In addition, the Corporation's dividend requirements on all of its Class A Preferred Shares, adjusted to a before-tax equivalent using an effective income tax rate of 26% for the twelve month period ended September 30, 2016 and 32% for the twelve month period ended December 31, 2015, amounted to approximately \$85 million for the twelve month period ended September 30, 2016 and approximately \$107 million for the twelve month period ended December 31, 2015 after adjustments. The Corporation's profit or loss attributable to the shareholders of the Corporation before borrowing costs and income tax expense for the twelve month period ended September 30, 2016 was approximately \$723 million, which is 2.7 times the Corporation's adjusted borrowing cost and dividend requirements for this period. The Corporation's profit or loss attributable to the shareholders of the Corporation before borrowing costs and income tax expense for the twelve month period ended December 31, 2015 was approximately \$709 million, which is 2.6 times the Corporation's adjusted borrowing cost and dividend requirements for this period. The financial results of the Guarantors are included in the consolidated financial results of Pembina.

## CREDIT RATINGS

The Notes have been granted a preliminary rating of "BBB" by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies and a preliminary rating of "BBB", with a stable trend, by DBRS Limited. See "*Credit Ratings*" in the Prospectus Supplement.

## FORWARD-LOOKING STATEMENTS AND INFORMATION

This Pricing Supplement No. 5 includes "forward-looking information" within the meaning of applicable Canadian securities laws and, in particular, contains forward-looking information respecting the Corporation's expansion plans and the design, impact and timing thereof. Actual results may differ materially from the results expressed or implied by forward-looking information and all of the forward-looking information included herein is based on a number of material factors and assumptions and is subject to a number of material risks and uncertainties, in each case, as outlined under the heading "*Note Regarding Forward-Looking Statements*" in the Prospectus Supplement and under the heading "*Forward-Looking Statements and Information*" in the Q3 MD&A. Readers are urged to consult such advisories for important information respecting Pembina's forward-looking information. Unless required by law, Pembina does not undertake any obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.