

**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 13, 2013

Minister Responsible: Mary Polak

**Red Chris Mine –
Proposed
Transmission Line
Amendment**

ADVICE AND RECOMMENDED RESPONSE:

- Red Chris Development Company Ltd. received an Environmental Assessment Certificate in 2005 to construct and operate an open-pit copper-gold mine 18 km southeast of Iskut and 450 km north of Smithers.
- The Project is now in the permitting phase.
- For the Project to operate, a power source is required.
- Imperial Metals Corporation, the owner of the Red Chris Mine, has entered into a Transmission Development Agreement with BC Hydro for the construction of a transmission line that will connect to the 287kV Northwest Transmission Line from Bob Quinn to Tatogga, a distance of 93 km.
- Imperial Metals Corporation, in partnership with Tahlitan Nation Development Corporation, will construct the new line. Once the extension is complete, BC Hydro will acquire it from Imperial Metals Corporation.
- The proposed transmission line project does not trigger an environmental assessment. Construction of the line remains subject to provincial permits.

KEY FACTS REGARDING THE ISSUE:

Red Chris Development Company Ltd. originally contemplated building the transmission line as an addition to their existing mine infrastructure. On February 4, 2012, the Proponent provided the Environmental Assessment Office (EAO) with an application to amend their Environmental Assessment Certificate for the transmission line. EAO initiated a review of the amendment application as required under the *Environmental Assessment Act*. The amendment review became inactive in August 2012 as the Proponent explored pursuing a different project with BC Hydro.

On March 22, 2013, Highway 37 Power Corp. (a subsidiary of Imperial Metals Corp.) entered into the Transmission Development Agreement with BC Hydro for the construction (in partnership with Tahlitan Nation Development Corporation) of the extension.

The transmission line project proposed by Highway 37 Power and BC Hydro does not meet the thresholds for an electric transmission line as defined in the *Reviewable Projects Regulation* under the Act.

The Proponents will be required to obtain all of the appropriate permits before they can construct the extension. Examples include permits issued under the *Land Act*, *Forest Act*, *Forest and Range Practices Act*, *Wildfire Act*, *Transportation Act*, *Water Act*, *Heritage Conservation Act*, *Transportation Act* and *Environmental Management Act*.

The Project and the proposed transmission line are within the traditional territory of the Tahltan and Iskut First Nations represented by the Tahltan Central Council. The key issue is the potential social and cultural impacts to the Tahltan from possible future development if the transmission line is approved.

The Red Chris Mine has been characterized as being a threat to the Sacred Headwaters. This is an area subject to an environmental protection campaign.

In response to Tahltan concerns about the Sacred Headwaters/Klappan Valley, and as part of a tripartite agreement between the Province, Tahltan and Shell Canada, Shell Canada announced on December 18, 2012 that it was withdrawing plans to explore for natural gas in the Klappan by relinquishing its tenures. In addition, the Province will not issue petroleum and natural-gas tenures in the area.

On March 12, 2013, the Province and Tahltan signed two agreements: a "Resource-Revenue-Sharing Agreement" and a "Shared Decision Making Agreement".

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Background:

The Red Chris Mine will process 30,000 tonnes of ore/day over a mine life of 28 years. The capital cost of the Project is \$228 million (2005) and the number of operating jobs is 250.

The Project consists of an open pit, waste rock dump, tailings impoundment, low grade ore stockpile and new access and power line from Highway 37. The Project is dependent on power being supplied to the site.

A *Mines Act* permit for the Project was issued on May 4, 2012, following detailed technical reviews by the Northwest Mine Development Review Committee.

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Stage in EA process: Certified, Not Constructed	
Milestone	Background/Status
The Ministers issued an Environmental Assessment Certificate for the Project on August 24, 2005.	
The Environmental Assessment Certificate received a 5 year extension on July 9, 2010.	
On November 4, 2011, the Proponent requested that EAO change Condition 1 of the Environmental Assessment Certificate to match that of current certificates and to add a compliance monitoring condition to the Certificate.	EAO consulted with the Working Group and First Nations on the Condition 1 change and compliance condition and received the support of First Nations and the Working Group for the change to be made. This amendment was finalized February 24, 2012.
The Proponent provided EAO with an application for the transmission line amendment February 4, 2012, and EAO initiated the review.	The amendment process for the transmission line began February 2012.
EAO sent the Proponent a letter on July 3, 2012, regarding amendment procedural options to address information requirements to assess portion of the transmission line route that may substantively go outside of existing MOTI ROW.	On August 3, 2012, in response to procedural options (put forward by EAO) the Proponent requested that the scope of the amendment only assess the transmission line within the existing MOTI ROW. The amendment review became inactive August 2012 as the Proponent explored pursuing a different project with BC Hydro.
March 22, 2013, Highway 37 Power Corporation (a subsidiary of Imperial Metals) entered into a Transmission Development Agreement with BC Hydro for the construction (in partnership with Tahltan Nation Development Corporation) of a transmission line that will extend the 287kV NTL from Bob Quinn to Tatogga, a distance of approximately 93 kilometres.	The proposed transmission line Project does not meet the thresholds for an electric transmission line as defined in the <i>Reviewable Projects Regulation</i> under the Act.

Communications Contact:
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**NTL Iskut Extension
Questions and Answers
March 26, 2013**

Q 1. Why has the plan changed from an addition to mine infrastructure to a new, separate project?

The decision to adopt the new approach was one that was made by the Proponent, Imperial Metals Corporation in partnership with Tahltan Nation Development Corporation.

Q 2. What is the difference between the two projects?

The original application contemplated an addition to the existing mine infrastructure and was solely designed to bring electricity to the mine for its operations. As such, it represented a change to a project that had been issued an environmental assessment certificate and therefore required an amendment to that certificate.

The new project involves the building of a transmission line from Bob Quinn to Iskut that will incidentally deliver power to the Red Chris Mine project.

Q 3. Will the new project be required to undergo an environmental assessment process?

No. An environmental assessment certificate is not required because the new project does not meet the thresholds for an electric transmission line as defined in the *Reviewable Projects Regulation* under the *Environmental Assessment Act*.

The project will, however, be subject to other legislative requirements associated with site-specific permit level conditions protective of the environment. The Tahltan and Iskut First Nations will be consulted as part of these permitting processes.

There is a high level of community support for the project as exemplified by the Tahltan First Nation entering into the joint venture to deliver the project.

Q 4. Then why was the original version being reviewed by the Environmental Assessment Office?

The original application was for an amendment to an existing environmental assessment certificate. Under the *Environmental Assessment Act*, any application for a certificate amendment must be reviewed by Environmental Assessment Office.

The new project differs from the amendment application in a couple of important ways. First, the amendment application was for a line solely to supply power to the Red Chris Mine, while the new project will be supplying power more generally to the area, including the community of Iskut. Second, the physical characteristics of the new project are different from the amendment application. For example, it will be running on a slightly different route and will go up to Iskut, instead of stopping at the mine.

[If pressed] Given this new approach, and the fact that it is below the threshold for an environmental assessment, Environmental Assessment Office is examining whether the amendment application review will be continued.

Q 5. Does that mean that there will be no review of this project?

The Proponent will be required to obtain all of the appropriate permits before they can construct the extension. Examples include permits issued under the: *Land Act*; *Forest Act*; *Forest and Range Practices Act*; *Wildfire Act*; *Transportation Act*; *Water Act*; *Heritage Conservation Act*; *Transportation Act*; and *Environmental Management Act* and approval from the British Columbia Utility Commission.

Q 6. Why wasn't this extension part of the original NTL project?

This project has a different proponent from the Northwest Transmission Line project. BC Transmission Corp., the Proponent for the Northwest Transmission Line, is not the Proponent applying to build this project.

Program Area	Comm. Director
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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 13, 2013

Minister Responsible: Mary Polak

**Fraser Surrey Docks
Coal Terminal**

ADVICE AND RECOMMENDED RESPONSE:

- The Fraser Surrey Docks Coal Terminal proposes to build coal handling facilities within their existing terminal operations.
- This project would be built within the bounds of Port Metro Vancouver. The port is responsible for the administration, management and control of land and water within its jurisdiction.
- The Environmental Assessment Office has requested a project description from Fraser Surrey Docks Coal Terminal to determine whether the project requires a provincial environmental assessment.
- Port Metro Vancouver is currently reviewing a permit application submitted by Fraser Surrey Docks. As part of the application process, Fraser Surrey Docks has undertaken community engagement, including two open houses in Surrey in May. The Application will also be referred to First Nations for consultation.

KEY FACTS REGARDING THE ISSUE:

Port Metro Vancouver (PMV) and the Fraser Surrey Docks Coal Terminal (FSD) are anticipating container traffic volume on the West Coast to double over the course of the next 10 to 15 years, and nearly triple by 2030.

FSD submitted a Project permit application to PMV (June 13, 2012) for the development of a Direct Transfer Coal Facility at the southwest end of the existing terminal to handle up to four million metric tonnes of coal per year.

The coal would be transferred by Burlington Northern Santa Fe (BNSF) rail to the terminal and would be loaded directly onto 8,000 "dead weight tonnes" barges at existing Berth 2. No coal would be stored at FSD during normal operations.

The barges would carry the coal to Texada Island, where it would be unloaded, stored at an existing coal storage yard and then be transferred to deep-sea vessels for export to Asia.

In addition to the 280 full-time equivalent jobs currently provided at FSD, the proposed Project would deliver an additional 50 jobs.

As part of PMV's Project permit review process, FSD undertook a community notification process, which included communications with municipal and provincial elected officials, adjacent residents and businesses.

FSD briefed then-Environment Minister Lake on October 17, 2012. Although EAO has not received a formal Project Description, based on the briefing, EAO is of the opinion that the proposed Project does not appear to trigger the *Reviewable Projects Regulation*. The applicable sections of the *Reviewable Projects Regulation* would relate to foreshore modification or new railway tracks, neither of which were associated with this small project.

Background:

The FSD facility is located 34 km up the Fraser River in Surrey. It is a multi-purpose marine terminal servicing container, breakbulk, project cargo, forest products and bulk customers in PMV and around the world since 1962.

Every year, FSD handles between 300 and 400 deep-sea vessels up to Panamax size. Service is provided at seven berths and is supported by 63 hectares (154 acres) of yard area and four sheds providing 30,654 square meters (330,000 square feet) of covered storage for weather sensitive cargo.

FSD facility handled over 185,000 twenty-foot equivalent units of containers in 2007. A significant volume of export packaged lumber, together with a large volume of steel plate, coil, pipe, wire, rod, beam and other structural products are imported through the facility each year.

Rail connections to the terminal are provided directly by the Canadian National Railway, Canadian Pacific Railway, BNSF, and Southern Rail of British Columbia.

The FSD terminal is included in PMV's Container Capacity Improvement Program (CCIP). The CCIP is the PMV's long-term strategy to reliably support growing international trade with Canada through Canada's west coast.

Stage in EA process: Not Reviewable	
Milestone	Background/Status
June 13, 2012: submitted a Project permit application to PMV	Under permit review
September 19, 2012: FSD held a meeting with Ministry of Jobs, Tourism and Skills Training	Briefing materials provided to Minister Pat Bell, MA, and Deputy Minister Dave Byng
October 17, 2012: FSD held a meeting with BC Ministry of Environment	Briefing materials provided to Minister Terry Lake and MA
March 12, 2013: Project Description	EAO formally requested a Project Description from FSD
As of June 13, 2013 no Project Description has been received. The request was resent.	

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 19, 2013

Minister Responsible: Mary Polak

**Pacific Trail Pipelines
Project – EA
Certificate Extension**

ADVICE AND RECOMMENDED RESPONSE:

- The Environmental Assessment Office has extended the environmental assessment certificate for the Pacific Trail Pipelines project from Summit Lake, north of Prince George, to Kitimat.
- In considering whether to grant the five-year extension, the Environmental Assessment Office consulted with provincial and federal government agencies, local government and First Nations.
- Comments were received from a number of First Nations. We are satisfied that the matters raised have been adequately addressed or will be addressed by subsequent permitting processes.

KEY FACTS REGARDING THE ISSUE:

The *Environmental Assessment Act* says that a certificate must specify a deadline of at least three years and not more than five years by which time the project be substantially started. The minister or executive director may extend the deadline, on one occasion only, for not more than five years. The EA certificate for the Pacific Trail Pipelines project was issued on June 26, 2008 and is set to expire on June 26, 2013.

The need for the deadline extension resulted from changes in project design (which have resulted in two certificate amendments to date). In addition, the proponent does not have all of the required permits in place. As well, a final investment decision on this project has not been made.

To date, the proponent has not substantially started the project. Physical works have not been constructed and the proponent is still in the design phase. Therefore, an extension of the deadline is required for the project to proceed.

Once constructed, the project would transport natural gas from Summit Lake (north of Prince George) to the Kitimat Liquefied Natural Gas (LNG) Terminal for export in the form of liquefied natural gas.

On November 20, 2012, the proponent's survey contractors were blocked from entering an area at the Morice River bridge. Protesters, calling themselves the Unist'ot'en, claim to be from the

Ministry of Aboriginal Relations & Reconciliation is coordinating the government response.

Background:

The project is reviewable under the *Reviewable Projects Regulation* as it is a new transmission pipeline facility with a diameter of greater than 323.9 mm and a length of greater than or equal to 40 km.

On April 1, 2013, the Proponent applied for an extension of their EA certificate. The EAO review process for the extension request included re-engaging the working group on the potential for the extension to cause significant adverse effects and conducting consultation with potentially-affected First Nations on potential impacts to asserted Aboriginal or treaty rights.

EAO received comments on the certificate extension from the Office of the Wet'suwet'un, McLeod Lake Indian Band and West Moberly First Nations. The EAO is satisfied that the matters raised in the comments have been adequately addressed, either through the original EA process or subsequent certificate amendment processes or that they will be addressed through future permitting processes.

Federal Process

The federal EA concluded in March 2009 with a decision to allow the project to proceed to federal permitting. A federal EA process for the proposed amendments is not anticipated.

First Nations Context

There are 17 First Nations, the traditional territories of which are potentially impacted by the project. The Province has negotiated a revenue sharing agreement with 15 of the 17 First Nations along the project alignment. The Wet'suwet'en are not part of this agreement. These same 15 First Nations also signed another benefits agreement earlier this year. EAO and the proponent consulted with all First Nations from early stages of the project review, and consultation has continued through the extension process.

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West Moberly was a signatory to the original revenue sharing agreement. They have expressed concerns with various changes made to the originally planned project, including that the pipeline will now be used to export gas.

The Haisla Nation wrote to EAO to support the proposed project receiving an EA certificate.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: June 26, 2013
Minister Responsible: Mary Polak

Ajax Mine Project

ADVICE AND RECOMMENDED RESPONSE:

- The proposed project is in the pre-application stage of the environmental assessment process.
- It is subject to a coordinated federal-provincial environmental assessment.
- The Environmental Assessment Office is taking extra steps on public consultation in recognition of the high level of public interest in the project.
 - The Public Comment Period for the draft Application Information Requirements document was extended from 60 to 75 days.
 - A Community Advisory Group has been formed by the Environmental Assessment Office to work directly with interest groups for input and dialogue.
 - The Environmental Assessment Office ordered KGHM Ajax Mining to prepare a Public Consultation Plan, which included a series of public issue-specific workshops in the spring and summer of 2012, and additional workshops will be delivered prior to proponent submitting its application.

KEY FACTS REGARDING THE ISSUE:

Key issues include:

- water and air quality (e.g. dust);
- noise and vibration;
- socio-economic impacts;
- impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
- proximity to residential areas;
- impacts on tourism, agriculture and ranching activities; impacts to the local and regional economies; and
- impacts on First Nations' rights and interests.

Background:

KGHM Ajax Mining Inc. (Proponent) proposes to develop a \$535 million open pit gold and copper mining project at the southwest edge of Kamloops.

The proposed Project requires an environmental assessment (EA) certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

Stage in EA process: Pre-application	
Milestone	Background/Status
February 8, 2011: The Proponent submitted a project description.	
February 25, 2011: The proposed Project entered the EA process.	
June 8 until July 11, 2011: A 33-day public comment period on the project description and the proposed Project.	
June 16, 2011: Open house held in Kamloops.	Approximately 350 people attended. EAO conducted the first public comment period and open house earlier than usual in the EA process to better coordinate with the federal review process, and to consider public input when determining the scope of the EA.
August 2011: The Proponent submitted the first draft of the Application Information Requirements (AIR)/Environmental Impact Assessment (EIS) Guidelines.	AIR/EIS Guidelines document provided to the technical Working Group and First Nations for input/comments.
January 11, 2012: Revised section 11 Order issued.	Included a requirement for a Public Consultation Plan and First Nations Consultation Plan to be developed to EAO's satisfaction.
January 11, 2012: Key stakeholders in the region were invited to participate on a Community Advisory Group.	Forum was designed for discussion and input related to the EA of the proposed Project.
January 2012: The second iteration of the draft AIR/EIS Guidelines was developed and posted to EAO's website for public comment.	This second version included input provided by First Nations and the Working Group.
January 11, 2012 - March 27, 2012: 75 day public comment period on the draft AIR/EIS Guidelines.	The comment period was extended from 60 to 75 days on March 7, 2012.
February 6 & 7, 2012: Public information sessions (with CEA Agency) held in Kamloops.	Approximately 1,100 people attended. The sessions offered one-on-one discussions between members of the public, the Proponent's technical experts, and provincial and federal agency staff.

May 4, 2012: The Community Advisory Group was invited to review public comments on the draft Application Information Requirements.	
June 19, 2012: EAO issued a Request for Proposals for socio-economic work related to the proposed Project.	The successful bidder is required to review the socio-economic work of the Proponent of the proposed Project at three stages of the environmental assessment process (pre-Application, Application Screening, and Application Review) and provide professional guidance and advice to EAO.
June 25, 2012: The Proponent submitted the issues tracking tables on the draft Application Information Requirements (dAIR) document that incorporates input from the Public Comment Period and Working Group.	EAO will work with the Working Group, Community Advisory Group, and outside expertise to determine if the Proponent adequately responded to the input received.
July 23, 2012: EAO hired Socio-Economic contractor to provide advice to EAO.	Pierce – Lefebvre Consulting will provide advice to EAO on socio-economic aspects of dAIR Review, Application Screening and Application Review. The contract is in effect until March 31, 2014 (subject to available funds).

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October 2012: Proponent public workshops	The Proponent hosted workshops with key interest groups and individuals to understand the potential social and economic effects of the proposed Project.
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January 17, 2013: EAO Presented at Public Forum	EAO representatives presented on the provincial EA process at a public forum organized by the Thompson Rivers University. Approx. 150 attendees.
June 3, 2013: Application Information Requirements (AIR) finalized by EAO	This document sets out the information to be collected and studies to be undertaken by the Proponent in support of their Application for an Environmental Assessment Certificate.
Date TBD	Following the completion of the AIR, and prior to submission of an application, the proponent will host a series of public workshops to discuss the results of key studies that will be part of the EA application.

Date TBD: Submission of Application by Proponent	Proponent has stated publicly they intend to submit their Application to EAO by the end of September 2013.
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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: July 31, 2013

Minister Responsible: Mary Polak

Ajax Mine Project

ADVICE AND RECOMMENDED RESPONSE:

- The proposed Project is in the pre-application stage of the environmental assessment process.
- It is subject to a coordinated federal-provincial environmental assessment.
- The Environmental Assessment Office is taking extra steps on public consultation in recognition of the high level of public interest in the project.
- KGHM has publicly stated their intention to submit their application for Ajax in the fall of 2013.

If asked about transparency:

- British Columbia's environmental assessment process is built on the principle of transparency.
- The Environmental Assessment Office also has a responsibility under its regulations to provide public access to a wide range of records that form part of every environmental assessment.
- Every document we receive that is relevant to the environmental assessment of a proposed Project is posted on the Environmental Assessment Office website, where they are all available for anyone to access.
- That is just as true for the proposed Ajax mine as it is for any other project.
- Transparency is also built into the way the process works. For example, for Ajax:
 - The Public Comment Period for the draft Application Information Requirements document was extended from 60 to 75 days.
 - A Community Advisory Group has been formed by the Environmental Assessment Office to work directly with interest groups for input and dialogue.

- The Environmental Assessment Office ordered KGHM Ajax Mining to prepare a Public Consultation Plan, which included a series of public issue-specific workshops in the spring and summer of 2012, and additional workshops will be delivered prior to proponent submitting its application.
- Once the application is deemed complete, it will be the subject of a full environmental assessment.

If asked about request for a full-scale test blast:

- The request for a full-scale test blast was brought forward by the Community Advisory Group for the proposed Ajax Mine Project and by members of the public.
- In response to this request, the Canadian Environmental Assessment Agency sought expert review by Natural Resources Canada to determine whether a full-scale explosives blast would be required in order to adequately assess the impacts of the anticipated daily blasts at the proposed mine site.
- The results of the review indicated that the method proposed by Orica (the Proponent's consultant) is a credible means of establishing the potential hazards to the local community, and that a single, larger production test blast would serve little purpose, as the results of the test blast would only be appropriate to the exact conditions of that particular test.
- A copy of the January 1, 2013 letter from Natural Resources Canada and review report is available on the EAO website.
- The Proponent will be required, through the Application Information Requirements, to include information related to potential effects from blasting in its Application for an Environmental Assessment Certificate.

KEY FACTS REGARDING THE ISSUE:

Key issues include:

- water and air quality (e.g. dust);
- noise and vibration;
- socio-economic impacts;
- impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
- proximity to residential areas;
- impacts on tourism, agriculture and ranching activities; impacts to the local and regional economies; and
- impacts on First Nations' rights and interests.

Background:

KGHM Ajax Mining Inc. (Proponent) proposes to develop a \$535 million open pit gold and copper mining project at the southwest edge of Kamloops.

The proposed Project requires an environmental assessment (EA) certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

Stage in EA process: Pre-application	
Milestone	Background/Status
February 8, 2011: The Proponent submitted a project description.	
February 25, 2011: The proposed Project entered the EA process.	
June 8 until July 11, 2011: A 33-day public comment period on the project description and the proposed Project.	
June 16, 2011: Open house held in Kamloops.	Approximately 350 people attended. EAO conducted the first public comment period and open house earlier than usual in the EA process to better coordinate with the federal review process, and to consider public input when determining the scope of the EA.
August 2011: The Proponent submitted the first draft of the Application Information Requirements (AIR)/Environmental Impact Assessment (EIS) Guidelines.	AIR/EIS Guidelines document provided to the technical Working Group and First Nations for input/comments.
January 11, 2012: Revised section 11 Order issued.	Included a requirement for a Public Consultation Plan and First Nations Consultation Plan to be developed to EAO's satisfaction.
January 11, 2012: Key stakeholders in the region were invited to participate on a Community Advisory Group.	Forum was designed for discussion and input related to the EA of the proposed Project.
January 2012: The second iteration of the draft AIR/EIS Guidelines was developed and posted to EAO's website for public comment.	This second version included input provided by First Nations and the Working Group.
January 11, 2012 - March 27, 2012: 75 day public comment period on the draft AIR/EIS Guidelines.	The comment period was extended from 60 to 75 days on March 7, 2012.
February 6 & 7, 2012: Public information sessions (with CEA Agency) held in Kamloops.	Approximately 1,100 people attended. The sessions offered one-on-one discussions between members of the public, the Proponent's technical experts, and provincial and federal agency staff.

May 4, 2012: The Community Advisory Group was invited to review public comments on the draft Application Information Requirements.	
June 19, 2012: EAO issued a Request for Proposals for socio-economic work related to the proposed Project.	The successful bidder is required to review the socio-economic work of the Proponent of the proposed Project at three stages of the environmental assessment process (pre-Application, Application Screening, and Application Review) and provide professional guidance and advice to EAO.
June 25, 2012: The Proponent submitted the issues tracking tables on the draft Application Information Requirements (dAIR) document that incorporates input from the Public Comment Period and Working Group.	EAO will work with the Working Group, Community Advisory Group, and outside expertise to determine if the Proponent adequately responded to the input received.
July 23, 2012: EAO hired Socio-Economic contractor to provide advice to EAO.	Pierce – Lefebvre Consulting will provide advice to EAO on socio-economic aspects of dAIR Review, Application Screening and Application Review. The contract is in effect until March 31, 2014 (subject to available funds)
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October 2012: Proponent public workshops	The Proponent hosted workshops with key interest groups and individuals to understand the potential social and economic effects of the proposed Project.

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January 17, 2013: EAO Presented at Public Forum	EAO representatives presented on the provincial EA process at a public forum organized by the Thompson Rivers University. Approx.150 attendees.
June 3, 2013: Application Information Requirements (AIR) finalized by EAO	This document sets out the information to be collected and studies to be undertaken by the Proponent in support of their Application for an Environmental Assessment Certificate.
Date TBD	Following the completion of the AIR, and prior to submission of an application, the proponent will host a series of public workshops to discuss the results of key studies that will be part of the EA application.
Date TBD: Submission of Application by	Proponent has stated publicly they intend to

Proponent

submit their Application to EAO by the end of September 2013.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: July 31, 2013
Minister Responsible: Mary Polak

**Pacific Trail Pipelines
Project – EA
Certificate
Amendment #3**

ADVICE AND RECOMMENDED RESPONSE:

- The Environmental Assessment Office has amended the environmental assessment certificate for the Pacific Trail Pipelines Project from Summit Lake, north of Prince George, to Kitimat.
- The amendment consists of 54 adjustments to the pipeline route and 14 new temporary use sites for construction of the pipeline.
- The Environmental Assessment Office consulted with provincial and federal government agencies, local government and First Nations as part of the amendment assessment process.
- As a result of the assessment process, the Environmental Assessment Office concluded there are no expected significant adverse effects from the proposed changes to the Project.
- We are satisfied that all potential adverse effects can be adequately addressed through conditions and commitments in the existing environmental assessment certificate or will be addressed by subsequent permitting processes.

KEY FACTS REGARDING THE ISSUE:

The environmental assessment (EA) certificate was previously amended twice in 2012 to change the name of the proposed Project to Pacific Trail Pipelines Project, change the pipeline route alignment to incorporate seven route adjustments and the construction of a new temporary stockpile site and to increase the pipeline's diameter from 36" to 42".

The proposed changes to the Project in Amendment #3 are intended to avoid potential geotechnical hazards, to address First Nations, landowner and tenure holder requests, and to avoid or minimize adverse effects to various valued components.

All of the changes to the route and the new use sites identified in Amendment #3 are located on the western half of the pipeline between Burns Lake and Kitimat. The Proponent is expected to seek a fourth amendment of the EA certificate for similar changes to the eastern portion of the pipeline Project.

On November 20, 2012, the Proponent's survey contractors were blocked from entering an area at the Morice River Bridge. Protesters, calling themselves the Unist'ot'en, claim to be from the Wet'suwet'en Nation.

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Background:

An environmental assessment (EA) Certificate for the Project was issued on June 26, 2008; and on June 20, 2013 the EA Certificate was extended to June 26, 2018.

Once constructed, the Project would transport natural gas in a 463 km pipeline from Summit Lake to the Kitimat Liquefied Natural Gas Terminal for export in the form of liquefied natural gas.

On January 3, 2013, Pacific Trail Pipelines Ltd. Partnership (the Proponent) applied for an amendment of their EA certificate. The Environmental Assessment Office (EAO) process included re-engaging the working group on the potential for the changes to cause significant adverse effects and conducting consultation with potentially-affected First Nations on impacts to asserted Aboriginal or treaty rights.

EAO received comments on the amendment application from various local, provincial and federal government agencies, the public and First Nations. The EAO is satisfied that the matters raised in the comments have been adequately addressed; either through the original EA process or subsequent certificate amendment processes, or that they will be addressed through future permitting processes.

First Nations Context

There are 17 First Nations, the traditional territories of which are potentially impacted by the Project. The Province previously negotiated a revenue sharing agreement with 15 of the 17 First Nations along the project alignment. These same 15 First Nations also signed another benefits agreement earlier this year. EAO and the Proponent consulted with all First Nations from early stages of the Project review, and consultation has continued through the amendment process.

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The Haisla Nation wrote to EAO to support the Project receiving an EA certificate.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: August 1, 2013
Minister Responsible: Mary Polak

Ajax Mine Project

ADVICE AND RECOMMENDED RESPONSE:

- The proposed Project is in the pre-application stage of the environmental assessment process.
- It is subject to a coordinated federal-provincial environmental assessment.
- The Environmental Assessment Office is taking extra steps on public consultation in recognition of the high level of public interest in the project.
- KGHM has publicly stated their intention to submit their application for Ajax in the fall of 2013.

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- The Environmental Assessment Office also has a responsibility under its regulations to provide public access to a wide range of records that form part of every environmental assessment.
- Every document we receive that is relevant to the environmental assessment of a proposed Project is posted on the Environmental Assessment Office website, where they are all available for anyone to access.
- That is just as true for the proposed Ajax mine as it is for any other project.
- Transparency is also built into the way the process works. For example, for Ajax:
 - The Public Comment Period for the draft Application Information Requirements document was extended from 60 to 75 days.
 - A Community Advisory Group has been formed by the Environmental Assessment Office to work directly with interest groups for input and dialogue.

- The Environmental Assessment Office ordered KGHM Ajax Mining to prepare a Public Consultation Plan, which included a series of public issue-specific workshops in the spring and summer of 2012, and additional workshops will be delivered prior to proponent submitting its application.
- Once the application is deemed complete, it will be the subject of a full environmental assessment.

If asked about request for a full-scale test blast:

- We always welcome input from elected officials, and yesterday's meeting with Kamloops Mayor, Peter Milobar, was successful in laying out the concerns of Kamloops residents regarding the proposed Ajax Mine.
- We understand the desire of Mayor Milobar and the community to have the proponent, KGHM, conduct a full test blast at the mine site.
- The ministry will look into administering public education opportunities for residents to learn more about the Environmental Assessment process.
- The request for a full-scale test blast was brought forward by the Community Advisory Group for the proposed Ajax Mine Project and by members of the public.
- In response to this request, the Canadian Environmental Assessment Agency sought expert review by Natural Resources Canada to determine whether a full-scale explosives blast would be required in order to adequately assess the impacts of the anticipated daily blasts at the proposed mine site.
- The results of the review indicated that the method proposed by Orica (the Proponent's consultant) is a credible means of establishing the potential hazards to the local community, and that a single, larger production test blast would serve little purpose, as the results of the test blast would only be appropriate to the exact conditions of that particular test.
- A copy of the January 1, 2013 letter from Natural Resources Canada and review report is available on the EAO website.
- The Proponent will be required, through the Application Information Requirements, to include information related to potential effects from blasting in its Application for an Environmental Assessment Certificate.

KEY FACTS REGARDING THE ISSUE:

Key issues include:

- water and air quality (e.g. dust);

- noise and vibration;
- socio-economic impacts;
- impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
- proximity to residential areas;
- impacts on tourism, agriculture and ranching activities; impacts to the local and regional economies; and
- impacts on First Nations' rights and interests.

Background:

KGHM Ajax Mining Inc. (Proponent) proposes to develop a \$535 million open pit gold and copper mining project at the southwest edge of Kamloops.

The proposed Project requires an environmental assessment (EA) certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

Stage in EA process: Pre-application	
Milestone	Background/Status
February 8, 2011: The Proponent submitted a project description.	
February 25, 2011: The proposed Project entered the EA process.	
June 8 until July 11, 2011: A 33-day public comment period on the project description and the proposed Project.	
June 16, 2011: Open house held in Kamloops.	Approximately 350 people attended. EAO conducted the first public comment period and open house earlier than usual in the EA process to better coordinate with the federal review process, and to consider public input when determining the scope of the EA.
August 2011: The Proponent submitted the first draft of the Application Information Requirements (AIR)/Environmental Impact Assessment (EIS) Guidelines.	AIR/EIS Guidelines document provided to the technical Working Group and First Nations for input/comments.
January 11, 2012: Revised section 11 Order issued.	Included a requirement for a Public Consultation Plan and First Nations Consultation Plan to be developed to EAO's satisfaction.
January 11, 2012: Key stakeholders in the region were invited to participate on a Community Advisory Group.	Forum was designed for discussion and input related to the EA of the proposed Project.
January 2012: The second iteration of the draft AIR/EIS Guidelines was developed and posted to EAO's website for public comment.	This second version included input provided by First Nations and the Working Group.
January 11, 2012 - March 27, 2012: 75 day public comment period on the draft AIR/EIS	The comment period was extended from 60 to 75 days on March 7, 2012.

Guidelines.	
February 6 & 7, 2012: Public information sessions (with CEA Agency) held in Kamloops.	Approximately 1,100 people attended. The sessions offered one-on-one discussions between members of the public, the Proponent's technical experts, and provincial and federal agency staff.
s.16	
May 4, 2012: The Community Advisory Group was invited to review public comments on the draft Application Information Requirements.	
June 19, 2012: EAO issued a Request for Proposals for socio-economic work related to the proposed Project.	The successful bidder is required to review the socio-economic work of the Proponent of the proposed Project at three stages of the environmental assessment process (pre-Application, Application Screening, and Application Review) and provide professional guidance and advice to EAO.
June 25, 2012: The Proponent submitted the issues tracking tables on the draft Application Information Requirements (dAIR) document that incorporates input from the Public Comment Period and Working Group.	EAO will work with the Working Group, Community Advisory Group, and outside expertise to determine if the Proponent adequately responded to the input received.
July 23, 2012: EAO hired Socio-Economic contractor to provide advice to EAO.	Pierce – Lefebvre Consulting will provide advice to EAO on socio-economic aspects of dAIR Review, Application Screening and Application Review. The contract is in effect until March 31, 2014 (subject to available funds).
s.16	
October 2012: Proponent public workshops	The Proponent hosted workshops with key interest groups and individuals to understand the potential social and economic effects of the proposed Project.
s.16	
January 17, 2013: EAO Presented at Public Forum	EAO representatives presented on the provincial EA process at a public forum organized by the Thompson Rivers University. Approx. 150 attendees.

June 3, 2013: Application Information Requirements (AIR) finalized by EAO	This document sets out the information to be collected and studies to be undertaken by the Proponent in support of their Application for an Environmental Assessment Certificate.
Date TBD	Following the completion of the AIR, and prior to submission of an application, the proponent will host a series of public workshops to discuss the results of key studies that will be part of the EA application.
Date TBD: Submission of Application by Proponent	Proponent has stated publicly they intend to submit their Application to EAO by the end of September 2013.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: August 13, 2013

Minister Responsible: Mary Polak

**Ajax Mine Project –
Timing of Application**

ADVICE AND RECOMMENDED RESPONSE:

- It is our understanding that KGHM Ajax Mining will not be submitting their application for an environmental assessment certificate this fall as they had originally indicated.
- The Environmental Assessment Office did not ask for this delay – it was solely KGHM's decision.
- Any further questions about the decision or the timing of the application should be directed to KGHM.

KEY FACTS REGARDING THE ISSUE:

On August 2, 2013, KGHM Ajax Mining Inc. announced that they would not be submitting their application for an environmental assessment (EA) certificate to the Environmental Assessment Office in September, as they had originally indicated. The company made the decision because:

- they are considering modifications to the project layout that could move mine structures further away from residences and public infrastructure; and
- they have identified "possible ore bodies" that might increase the project's copper and gold resources.

Background:

KGHM proposes to develop a \$535 million open-pit gold and copper mining mine at the southwest edge of Kamloops.

The project requires an EA certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

The project is in the pre-application stage of the EA process. It is the subject of a coordinated federal-provincial EA.

Key issues include:

- water and air quality (e.g. dust);
- noise and vibration;

- socio-economic impacts;
- impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
- proximity to residential areas;
- impacts on tourism, agriculture and ranching activities; impacts to the local and regional economies; and
- impacts on First Nations' rights and interests.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: August 7, 2013
Minister Responsible: Mary Polak

**Raven Underground
Coal Mine Project**

ADVICE AND RECOMMENDED RESPONSE:

- Compliance Coal Corp.'s (Proponent) Raven Underground Coal Mine project is in the pre-application stage of coordinated review by Environmental Assessment Office and the Canadian Environmental Assessment Agency.
- First Nations and public consultation on the draft Application Information Requirements occurred in 2011, as part of the pre-application process.
- The Application Information Requirements were issued in June 2012.
- On May 16, 2013 the Environmental Assessment Office advised the proponent that its application it did not contain the required information and therefore could not be accepted for review.
- For the review to proceed, the Proponent is required to address the deficiencies and submit a revised application.
- Once the EAO accepts the Application, there will be a public comment period.
- The provincial environmental assessment process will consider the potential environmental, social, economic, health and heritage impacts of the proposed Project.

KEY FACTS REGARDING THE ISSUE:

There is strong, organized public opposition to the proposed Project, with extensive media coverage.

Key issues include the potential negative impacts to: groundwater quality and aquifers; drinking water; the marine environment; freshwater fisheries; and the shellfish industry of Baynes Sound.

The public also has concern with the proposal to truck coal on highways to Port Alberni versus transporting it via rail.

The public and local governments have concerns that groundwater and marine baseline requirements in the Application Information Requirements (AIR) are not sufficient, and will not ensure the protection of these resources. The Environmental Assessment Office (EAO) fully considered those issues prior to finalizing the AIR. Information on the baseline studies, potential effects and mitigation measures will be provided in the Application.

Background:

The proposed Project is an underground coal mine near Fanny Bay, south of Courtenay on Vancouver Island, which is expected to produce an average of 850,000 tonnes of coal (metallurgical [~88%] and thermal [~12%]) per year during its 15 to 16-year mine life.

The proposed production rate exceeds the *Reviewable Projects Regulation* threshold of 250,000 tonnes per year and therefore triggers a BC environmental assessment (EA).

The Proponent proposes to truck coal 80 km from the mine on existing highways to Port Alberni, for export to Asian markets. Upgrades to the shipping facilities at Port Alberni are within the scope of the EA.

The proposed Project has an estimated capital cost of \$291.9 million and the Proponent predicts that it will provide approximately 200 jobs during construction and 350 mine, port and transportation jobs during operation.

Stage in EA process: Pre-Application	
Milestone (include a date if applicable)	Background/Status
July, 2009: The Project Description was received by EAO.	
August 12, 2009: The section 10 Order was issued by EAO.	
December 2009: Draft Application Information Requirements (AIR) submitted.	Compliance Coal Corporation (Proponent) submitted a draft AIR document to EAO and CEA Agency.
May 18 - June 27, 2011: Joint federal/provincial public comment period on the draft AIR.	Over 3,000 comments were received by EAO and CEA Agency. The majority of comments in opposition to the proposed Project.
November 15 - 29, 2011: Additional two week public comment period.	Considering the public interest in the EA, EAO and CEA Agency modified the standard public consultation practice by adding this two week comment period.
June 7, 2012: EAO issued AIR.	The issuance followed final review and issues resolution by EAO and CEA Agency throughout March to May 2012. This included a last Working Group review of the final draft AIR in May 2012.
April 4, 2013: Proponent submitted its Application in full to EAO.	The EA requires a 30-day screening for adequacy, and a determination must be made whether the information is sufficient to proceed.

April 18, 2013 and May 10, 2013: EAO extended the screening timelines by 6 and 7 days, respectively.	Extensions to the screening were granted due to the organization of information in the Application, the complexity of the AIR, and the large number of comments received. The deadline for screening was May 17, 2013.
May 16, 2013: EAO determined it could not accept the Application due to information deficiencies.	A number of deficiencies were identified by EAO, working group representatives, and First Nations. The Proponent has indicated that they intend to revise and re-submit the Application within several months. If the Application is re-submitted, it will be subject to another 30-day evaluation period.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: August 8, 2013
Minister Responsible: Mary Polak

**Prosperity Gold-
Copper Project**

ADVICE AND RECOMMENDED RESPONSE:

- Taseko Mines Ltd. has revised its proposed project plan (called "New Prosperity") and applied to the federal government for an environmental assessment. New Prosperity requires a federal panel review.
- Taseko has also applied to the Environmental Assessment Office for an amendment to its Environmental Assessment Certificate to incorporate the proposed changes to the project.
- The Environmental Assessment Office finalized the procedures for its amendment review in November 2012, following consultation with First Nations and Taseko.
- The provincial EA amendment review process is underway and will make maximum use of the information generated by the federal panel process. Our intention is to avoid duplication of effort and to ensure that we are efficient as possible in our amendment review process.

KEY FACTS REGARDING THE ISSUE:

The original Prosperity Project received a provincial environmental assessment (EA) certificate in 2010; however, the federal government rejected it following a federal panel review.

The provincial EA was timely, thorough, extensive and inclusive. The provincial EA addressed all requirements under the *Environmental Assessment Act* and the Crown met its duty to consult and accommodate First Nations. The provincial EA examined the same areas of the federal review but came to different conclusions.

The Proponent is now proposing changes to the Project that it says will address the significant adverse effects found by the Federal review.

First Nations continue to strongly oppose the development of this mine.

First Nations have wanted EAO's review to include reconsideration of the original provincial EA Certificate. EAO has responded that the scope of the provincial assessment is limited to the changes proposed by the Proponent.

Background:

The Project, a conventional open-pit mining project with a 20-year operating life and a production capacity of 70,000 tonnes of mineral ore per day, would be located approximately 125 kilometers southwest of Williams Lake.

The total capital cost of the Project as originally proposed by Taseko Mines Ltd. (Proponent) and approved by the Province was estimated to be \$800 million, with annual operating costs expected to be \$200 million. The capital cost of the new proposal is estimated at \$1 billion. Taseko released a study in October 2011 that estimated provincial government revenue at \$5.52 billion and federal government revenue at \$4.3 billion over the life of the mine.

The proposed amendment is to move the tailings and waste rock storage facilities so that Fish Lake would no longer need to be drained, change water management plans and structures, and change fish compensation plans (i.e. no longer proposing to develop a new lake). Little Fish Lake would still be affected by the proposed Mine. The transmission line, access road, open pit and other mine infrastructure would remain unchanged.

Stage in EA process: Certified, Amendment Request	
Milestone (include a date if applicable)	Background/Status
January 14, 2010: Minister of Environment and Minister of Energy, Mines and Petroleum Resources issued an EA Certificate for the Project.	
November 2, 2010: the Government of Canada announced that the Prosperity Gold-Copper Project, as proposed, would not be granted federal authorizations.	
June 6, 2011: the Proponent applied to EAO to amend its Certificate to accommodate proposed changes to its mine plan.	The Proponent proposed changes to address the significant adverse effects found in the previous federal panel review. The Proponent also applied to the federal government for EA review of its mine proposal.
November 2011: Federal government announced that the proposed New Prosperity Project would be reviewed by a federal panel.	For the federal government, this is treated as a new Project. While the full mine plan is subject to review, the federal government stipulated that information obtained during the previous EA will be used to the extent possible in order to ensure a timely decision. The review must be completed within the timelines of a comprehensive study.
January 31, 2012: EAO seeks Proponent and First Nations comments on proposed amendment review process.	EAO's proposed process is designed to coordinate with the federal review process to reduce overlap.
February 22, 2012: EAO submits provincial comments on Environmental Impact Statement (EIS) Guidelines.	The federal government held a 30 day public comment period on its draft EIS Guidelines and draft Terms of Reference

	for the Panel review, which concluded on February 22, 2012. EAO provided comments on the federal draft guidelines in order to help make the federal information requirements useful for the provincial amendment process.
March 16, 2012: Federal government issued its final EIS Guidelines.	
May 9, 2012: Federal government issued the final Panel Terms of Reference and announced the Panel members.	
June 28, 2012: EAO provides Tsilhqot'in National Government (TNG) and Proponent with its revised proposed process.	The revised process puts additional focus on obtaining information from the federal review. (EAO engages in a series of meetings and correspondence with TNG clarifying aspects of the proposed procedures, particularly regarding the scope of EAO's assessment.)
July 6, 2012: CEA Agency provided comments to Proponent following review of the draft EIS.	The federal government received technical advice from provincial agencies in the screening (MEM and FLNR). The draft EIS did not meet the requirements of the EIS Guidelines, as substantial critical sections were incomplete.
August – October 2012: EAO engages TNG and the Proponent in further discussion on EAO's scope and approach to review of the proposed amendment.	
November 9, 2012: EAO submitted provincial agencies' comments in response to the 45 day comment period on the adequacy of the EIS.	Provincial agencies focused on whether the EIS has the information agencies would need to consider the proposed amendment. FLNR, MEM and ENV identified several deficiencies in the EIS.
November 26, 2012: EAO finalizes its procedures for the review of the proposed amendment.	Following extensive consultation and correspondence with TNG and Taseko.
December 11, 2012: Federal panel completed review of the EIS.	The Panel provided their first information request on November 26, 2012. Fifty additional information requests were provided on December 11, 2012.
Ongoing: EAO and CEA Agency continuing dialogue on opportunities to coordinate First Nations consultation.	

February 20, 2013: Federal Panel released its final procedures for the Panel hearing process.	
March 15, 2013: EAO submits provincial agencies' comments in response to the Panel's public comment period on the adequacy of Taseko's response to the information requests.	FLNR, MEM and ENV identified several deficiencies in the responses, as did several federal agencies.
March 28, 2013: Federal panel completed review of responses to information requests.	Identified 11 categories of outstanding deficiencies.
June 6, 2013: Federal Panel initiated a 10 day public comment period on Taseko's response to the remaining deficiencies identified by the Panel.	EAO coordinated provincial agency review of Taseko's responses and submitted comments June 14, 2013.
June 20, 2013: Federal Panel announced that the public hearing on Taseko's EIS will begin on July 22, 2013 in Williams Lake.	<p>Hearings scheduled to be held from July 22, 2013 to August 23, 2013. Topic specific (or technical) sessions will be held July 25 (eve) – Aug 1.</p> <p>EAO submitted provincial ministry submissions on July 19, 2013. Provincial ministries will not be participating in the hearings, but are responding to questions in writing.</p>
October 31, 2013: Federal Panel report due to be submitted to the federal Minister of Environment	<p>Date assume that no supplementary information is requested from the Taseko.</p> <p>Report will be made public upon receipt</p>

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: July 2, 2013
Minister Responsible: Mary Polak

**Environmental
Assessment Office
Budget 2014**

ADVICE AND RECOMMENDED RESPONSE:

- The budget for the Environmental Assessment Office has been stable in recent years.

s.12

- The Environmental Assessment Office has grown to manage projects undergoing environmental assessment. There are a total of 77 positions now, compared with 58 positions in 2011/12.

s.13, s.12

s.13, s.12

Background:

Base Budget:

	2009/10	2010/11 Restated*	2011/12 Restated	2012/13	2013/14
Operating Budget (\$ millions)	8.87 (10% reduction across gov't)	8.82 (transfer – centralized shared services)	8.75 (reduction in benefit costs)	8.75	8.75

**Budget decreased because of centralization of shared services does not affect EAO base budget.*

Contingency Funding Approval:

s.13, s.12

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CONFIDENTIAL
ISSUES NOTE

Environmental Assessment Office

Updated: July 11, 2013

Minister Responsible: Mary Polak

**Vancouver Airport
Fuel Delivery Project
– Supplemental
Report to Ministers**

ADVICE AND RECOMMENDED RESPONSE:

- On February 25, the Minister of Environment suspended the environmental assessment of the Vancouver Airport Fuel Delivery project pending the outcome of work underway by the Ministry of Environment on land-based spill preparedness and response, and in determining the elements of a world-class marine spill regime.
- The Environmental Assessment Office received the reports on July 4, 2013.
- The Environmental Assessment Office is now reviewing the reports and will prepare a supplemental report for the ministers.
- We will then decide whether to issue an environmental assessment certificate, which will include any conditions we feel are necessary.
- The final decision on whether to issue a certificate must be made within 75 days of the Environmental Assessment Office receiving the reports, which is September 17, 2013.

If asked about notice of the re-commencement of the environmental assessment:

- The groups involved in the environmental assessment, including the Vancouver Airport Fuel Facilities Corporation, Port Metro Vancouver and the members of the advisory working group, have all been notified.
- Notice that the environmental assessment has restarted has been placed on the Environmental Assessment Office's website and sent out by RSS feed.

If asked about the public release of the reports:

- The Environmental Assessment Office is reviewing the reports from the Ministry of Environment and will develop the supplemental report for the ministers.
- Once that supplemental report is done, the material will be released as part of our commitment to the transparency of the environmental assessment process.

KEY FACTS REGARDING THE ISSUE:

The Vancouver Airport Fuel Facilities Corporation is proposing to develop and operate a new fuel delivery system to supply the Vancouver International Airport.

On February 25, 2013, the Minister of Environment suspended the proposed Project under Section 30 of the *Environmental Assessment Act*. Section 30 of the Act allows the minister to suspend the assessment pending the outcome of other processes that she feels are material to the assessment.

The time limit for a decision was extended under section 24(4) by 75 days so that the Environmental Assessment Office (EAO) had sufficient time to review the material from the two processes and prepare a supplemental report for the ministers to consider in their decision of whether to issue an environmental assessment (EA) certificate.

The Environmental Assessment Office received the *Spill Preparedness and Response Interim Internal Report* and the *Assessment of BC Marine Oil Spill Prevention and Response Regime Report* on July 4, 2013.

The proposed Project is subject to a screening level review under the Canadian Environmental Assessment Act (CEAA). This screening, conducted by Port Metro Vancouver, is continuing under CEAA 1992 (not CEAA 2012). EAO and Port Metro Vancouver worked together to coordinate their respective EA processes, where possible.

During the EA, EAO provided draft versions of EAO's assessment report, EA Certificate, Table of Conditions and Certified Project Description to affected First Nations for review and comment. If EAO develops any new conditions for the proposed Project during the development of the supplemental report, a level of First Nations consultation may be required that goes deeper than notification. This has implications for the timing of the submission of the supplemental report to the ministers.

s.13, s.16

The latest date for a federal EA decision is

s.13, s.16

November 18, 2013.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: August 7, 2013

Minister Responsible: Mary Polak

**Oil and Gas Sector
LNG Project
Summary**

ADVICE AND RECOMMENDED RESPONSE:

- In the BC Jobs plan, the province has committed to having one liquefied natural gas plant in operation by 2015, and three by 2020.
- These timelines are deemed critical for BC to successfully access the lucrative Asian energy market ahead of competition from Australia, the US, Qatar and Africa.
- Proposals for major liquefied natural gas facilities and large natural gas pipeline projects would likely trigger a provincial environmental assessment, which would be managed by the BC Environmental Assessment Office.
- Environmental Assessment Office has a strategy in place to ensure that process timelines are expedited without impacting the quality and integrity of the environmental assessment process.
- The province has already certified the Kitimat LNG facility and the Pacific Trail pipeline.

KEY FACTS REGARDING THE ISSUE:

Under the *Environmental Assessment Act*, proposed liquefied natural gas (LNG) facilities and natural gas pipelines are likely required to complete an environmental assessment (EA) and receive an EA certificate before they can proceed.

Federal engagement under the *Canadian Environmental Assessment Act* on the LNG projects varies by project.

The province has a 'single window' regulatory framework under the Oil and Gas Commission (OGC). LNG Plants and associated pipelines are all regulated by OGC.

The Environmental Assessment Office (EAO) currently has:

- five pipeline projects in the EA process;
- three LNG facility projects in the EA process; and

- three to seven more projects (both facilities and pipelines) that have high potential to enter the provincial EA process in the next 6 months.

(See attached maps for further information on the specific projects.)

Background:

Recent government announcements on the LNG sector (pipelines and facilities) have heightened expectations among highly sophisticated and well-capitalized proponents of proposed LNG projects. In particular, a number of proponents have expressed their desire to make investment decisions as early as November 2014 (assuming the issuance of an EA certificate).

To achieve this, the EAO has created a dedicated team to review LNG projects and has implemented systems and processes to ensure expeditious EA reviews in coordination with provincial agencies.

Issues:

EA tends to be a lightning rod for public opinion and First Nations concerns on pipeline and processing facility projects. Concerns include:

- cumulative effects (several pipelines with different routing options), potential for habitat fragmentation, hundreds of stream crossings, combined effects of impacts from existing and new industrial facilities, etc.;
- greenhouse gas emissions and airshed management;
- public opinion on upstream activities (i.e. shale gas extraction or fracking);
- marine impacts and potential shipping volume increases;
- expectations for benefits sharing for First Nations and communities;
- social and economic impacts of an increased workforce; and
- pipelines potentially crossing parks, protected areas and Nisga'a Treaty Lands.

EAO, with support from the LNG Regulatory Working Group and the Ministry of Natural Gas Development, has established an action plan to address these issues.

Attachments:

Figure 1: Map of proposed natural gas pipelines

Figure 2: Map of the proposed LNG facilities

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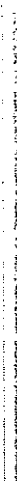
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November 7, 2012

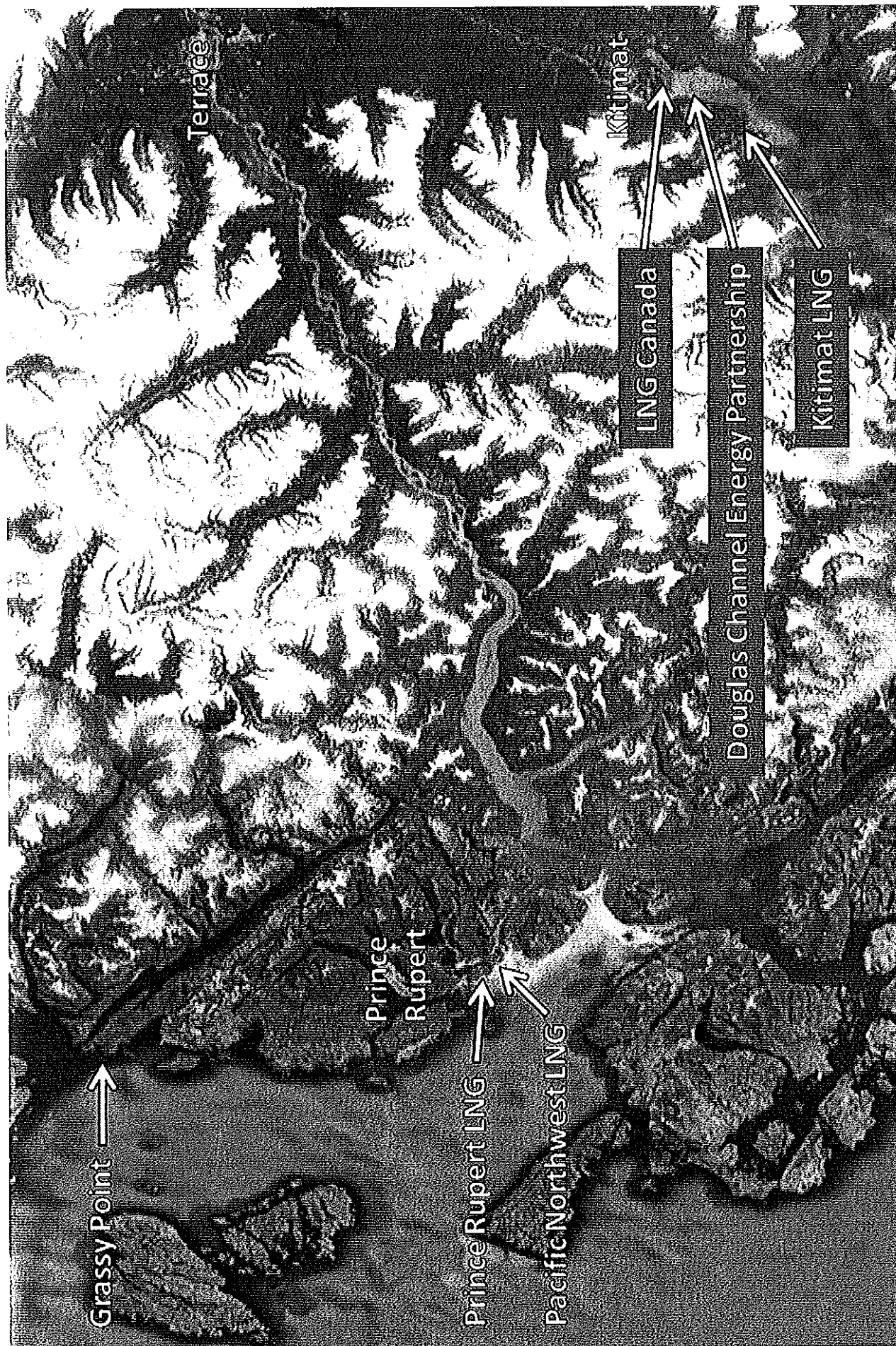
FLNRO - Forests Lands & Natural Resource Operations
NEB - National Energy Board
CEEA - Canadian Energy Efficiency Alliance
CCC - Oil and Gas Commission
BCUC - British Columbia Utilities Commission

Major Roads
Theoretical Theme and Proposed Areas Fill
Existing Active Oil and Gas Reservoirs

STANDARD

Ministry of
Education





Pages 43 through 45 redacted for the following reasons:

s.13, s.16, s.17, s.21

ADVICE TO MINISTER

<p style="text-align: center;">CONFIDENTIAL ISSUES NOTE</p> <p>Ministry: Forests, Lands and Natural Resource Operations (FLNRO) Date: Updated Aug 14, 2013 Minister Responsible: Steve Thomson</p>	<p style="text-align: center;">Enbridge – Temporary Permits for Investigative Activity</p>
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ADVICE AND RECOMMENDED RESPONSE:

- Information obtained by the activity will be necessary for Enbridge, to complete the detailed, engineering and cost estimates for the proposed project including the various management plans.
- This is a standard process for any activity of this type.
- These permits are for investigative works only, for things such as geotechnical surveys. They are not for construction of the pipeline.
- The Province is legally required to consider the permit applications, and upon acceptance of the applications is required to consult First Nations.
- Consideration of the permits is separate from the assessment of the entire project by the National Energy Board (NEB) Joint Review Panel (JRP).
- On May 31, 2013, the Province indicated its position on the project to the JRP which has not changed; five requirements must be met before the province will support any heavy oil pipeline project, including the Northern Gateway Pipeline. The project must:
 1. successful completion of the environmental review process. In the case of Northern Gateway, that would mean federal governor in council approval for the project proceed (decision anticipated by q2 2014);
 2. world-leading marine oil spill response, prevention and recovery systems in place for BC's coastline and ocean to manage and costs of heavy-oil pipelines and shipments;
 3. world-leading practices for land oil spill prevention, response and recovery systems to manage and mitigate the risks and costs of heavy-oil pipelines;
 4. legal requirements regarding aboriginal and treaty rights are addressed, and First Nations are provided with the necessary opportunities, information and resources necessary to participate in and benefit from a heavy-oil project, and;
 5. British Columbia receives a fair share of the fiscal and economic benefits of a proposed heavy-oil project that reflect the level, degree and nature of the risk borne by the province, the environment and taxpayers.

KEY FACTS REGARDING THE ISSUE:

Enbridge has submitted 33 investigative packages for select locations (terminal, tunnels, pump stations and key river crossings) along the proposed pipeline route, to further inform the detail and design phase of the project. The permits are expected to cover approximately three pieces of provincial legislation, all under authority of FLNRO resulting in about 100 statutory decisions. The applications were submitted in six separate packages between December 21, 2012 and June 21, 2013.

s.13, s.16, s.17, s.21

FLNRO is actively information sharing and coordinating with MARR to ensure strategies are in place to the extent possible that will minimize the strain on First Nations relations.

s.13, s.17

s.13, s.17

In the absence of compelling information, the province is legally obliged to consider and process the permits, and holds the legal duty to consult First Nations on the activity (investigative permits). This is a standard process for any activities of this type.

Target dates for issuance of permits range from July to September depending on submission date and the outcome of First Nations consultation. Enbridge continues to emphasize the need for regulatory certainty in order to schedule their field work. The high elevation coastal mountain sites remain the priority due to the short snow free field season to safely undertake the planned works.

Northeast Region – 4 sites – permits were offered July 15, 2013
Omineca Region - Crooked River site offered July 15, 2013
Omineca Region – 5 sites – permits offered July 26 & August 9, 2013
Skeena Region – Clore/Nimbus – permit offered Aug 2, 2013
Skeena Region – 12 sites – target issuance August 30, 2013 – coastal mountain sites & Kitimat valley
Skeena Region – 11 sites – target issuance Sept 27, 2013 – Nadina & Terminal

Permits were previously issued to Enbridge for investigative or temporary use starting around 2007. These permits had terms up to two years and allowed the company to investigate Crown lands in much the same manner that they are now applying for (ie: geotechnical work at stream crossings, tunnels and terminal). Because those permits have expired, the company must apply for new permits to gather new information as it refines its project proposal.

Communications Contact:	Vivian Thomas, A/Director of Communications		
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File Created:	June 28 version – To be updated monthly or as needed		
File Updated:	August 14, 2013 SDean		
Minister's Office	Program Area ADM	Deputy	Comm. Dir
	PR		

**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: August 20, 2013

Minister Responsible: Mary Polak

**Vancouver Airport
Fuel Delivery Project**

ADVICE AND RECOMMENDED RESPONSE:

- The Vancouver Airport Fuel Facilities Corporation is proposing to develop and operate a new fuel delivery system to supply the Vancouver International Airport.
- On February 25, 2013, the Minister of Environment suspended the environmental assessment of the Vancouver Airport Fuel Delivery project pending the receipt of the Ministry of Environment's Spill Preparedness and Response Interim Internal Report on the results of the consultation undertaken with respect to the land-based spill preparedness and response, and a report on elements required to establish a world-class marine spill regime with the final report.
- Within 75 days of receiving the final reports, the Environmental Assessment Office will provide a supplemental report to the ministers and they will make a decision of whether to issue an Environmental Assessment Certificate for the project.
- The Environmental Assessment Office is committed to completing a high-quality environmental assessment and fully assessing the results of the Interim Report and the final Marine Report, when received.
- The Environmental Assessment Office and Port Metro Vancouver undertook a coordinated environmental assessment.

KEY FACTS REGARDING THE ISSUE:

The Environmental Assessment Office (EAO) provided the assessment report for the proposed Project to the Minister of Environment and the Minister of Energy, Mines and Natural Gas on December 14, 2012. The ministers had 45 days to make a decision on whether to issue an environmental assessment (EA) certificate for the proposed Project (originally January 28, 2013).

On January 25, 2013, the Minister of Environment extended this time limit by 30 days, under section 24(4) of the *Environmental Assessment Act*. This section of the Act allows the minister to extend any legislated time limit in the Act.

On February 25, 2013, the Minister of Environment suspended the proposed Project under Section 30 of the Act due to work underway by the Ministry of Environment on land-based spill preparedness and response and in determining the elements of a world-class marine spill regime. Section 30 of the Act allows the minister to suspend the assessment pending the outcome of other processes that he feels is material to the assessment.

The time limit for a decision was further extended under section 24(4) by 75 days so that EAO had sufficient time to review the material from the two processes and prepare a supplemental report for the ministers to consider in their decision of whether to issue an EA certificate.

The two key issues identified during the EA of the proposed Project were:

- risk of impacts to the marine environment from an aviation fuel spill; and
- potential health and safety impacts along the proposed pipeline route.

In June 2012, Port Metro Vancouver's Fraser River Tanker Traffic Study concluded that the risks due to the introduction of liquid bulk traffic (including aviation fuel) in the South Arm of the Fraser River are either acceptable or can be made acceptable by applying risk reduction options.

Background:

Stage in EA process: Decision	
Milestone	Background/Status
On February 10, 2009, the proposed Project was designated a reviewable project by EAO under section 7(1) of the Act at the request of the Proponent.	The proposed Project does not trigger the <i>Reviewable Projects Regulation</i> of the Act.
The proposed Project is subject to a screening level review under the Canadian Environmental Assessment Act (S.C. 1992, c.37) (CEAA). The federal screening was designated by the federal Minister of Environment to continue.	A screening level review is required because it triggers the <i>Canada Port Authority Environmental Assessment Regulations</i> of the CEAA. This is due to the requirement to obtain a land and water lease from Port Metro Vancouver to build and operate the proposed fuel storage facility. A cooperative EA is being undertaken with Port Metro Vancouver in accordance with the <i>Canada-British Columbia Agreement for EA Cooperation</i> .
On April 28, 2011, day 69 of the 180-day review, EAO granted the Proponent's request for a suspension to the time limit.	The suspension was to allow time for the Proponent to assess an alternate pipeline route following Highway 99. On November 3, 2011, the Proponent provided the additional information, and on January 4, 2012, EAO lifted the suspension.

Stage in EA process: Decision	
Milestone	Background/Status
On March 7, 2012, day 133 of the 180-day review, EAO granted the Proponent's request for a suspension to the time limit.	<p>The suspension was to allow time for the Proponent to provide additional information related to potential effects from a spill of aviation fuel.</p> <p>The Proponent provided this information on September 3, 2012. EAO provided the Proponent's report to key agency representatives for input before considering lifting the suspension. Agency comments were received on November 15, 2012. EAO lifted the suspension on November 19, 2012 after considering agency comments.</p>
On December 14, 2012, day 158 of the 180-day review, EAO provided its report and supporting material to the Ministers for their consideration of whether to issue an EA Certificate for the proposed Project.	The Ministers originally had until January 28, 2013 to make a decision of whether to issue the EA Certificate and any conditions.
On January 25, 2013, the Minister of Environment extended the time limits for a decision under the Act by 30 days.	The Ministers had until February 25, 2013 to make a decision of whether to issue the EA Certificate and any conditions.
On February 25, 2013, the Minister of Environment suspended the proposed Project under Section 30 of the Act pending the results of two provincial spill processes. The minister also extended the time limit for the decision under section 24(4) until 75 days after the information from the two processes is available.	Pending work underway by the Ministry of Environment on land-based spill preparedness and response and in determining the elements of a world-class marine spill regime.

Project Details:

The proponent proposes to develop and operate a new fuel delivery system for the Vancouver International Airport in Richmond.

The proposed Project would include:

- upgrading an existing Fraser River marine terminal;
- construction of an 80 million litre capacity fuel storage facility on adjacent land;
- construction of a 1 kilometer-long underground pipeline to transfer fuel from the marine terminal to the storage facility; and
- construction of an approximately 15 kilometer-long fuel delivery pipeline from the new fuel storage facility through the City of Richmond to Vancouver International Airport.

The proposed Project does not trigger the *Reviewable Projects Regulation* of the Act, because it did not meet the threshold for a transmission pipeline, energy storage facility or a shoreline modification project. The proposed Project was designated as a reviewable project by EAO under section 7(1) of the Act at the request of the proponent.

The proponent requested the proposed Project be designated as reviewable due to the potential for significant adverse impacts, significant public interest, and the coordinated approach within EAO to maximize cooperation among multi-jurisdictional processes.

Federal Review:

The proposed Project is subject to a screening level review under the CEAA. This screening, conducted by Port Metro Vancouver, is continuing under CEAA 1992 (not CEAA 2012). EAO and Port Metro Vancouver worked together to coordinate their respective EA processes, where possible. The latest date for the federal decision has been suspended pending receipt of the Ministry of Environment on land-based spill preparedness and response report and the report on elements of a world-class marine spill regime.

A screening-level federal review was required because the proposed Project triggers the *Canada Port Authority Environmental Assessment Regulations* of the CEAA. This is due to the requirement to obtain a land and water lease from Port Metro Vancouver to build and operate the proposed fuel storage facility.

Port Metro Vancouver released its Fraser River Tanker Traffic Study in June 2012. The study concludes that the risks due to the introduction of liquid bulk traffic (including aviation fuel) in the South Arm of the Fraser River are either acceptable or can be made acceptable by applying risk reduction options. The study did not identify any new, major issues for the EA of the proposed Project.

The final report of the Cohen Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River was tabled in Parliament and publically released October 31, 2012. EAO considered the Commission's report in the EA of the proposed Project; however, it did not result in any changes to identified effects, mitigation measures, or proposed certificate conditions.

First Nations and Other Governments:

The Kwantlen First Nation, Musqueam Indian Band, Tsawwassen First Nation, Semiahmoo First Nation, Hwlitsum, Cowichan Tribes, Chemainus First Nation, Penelakut Tribes, Halalt First Nation, Lyackson First Nation, Tsawout First Nation, and Lake Cowichan First Nations assert Aboriginal rights over the proposed Project area.

The Musqueam Indian Band has proven aboriginal rights under case law for fishing in the proposed Project area.

The Cowichan Tribes, Stz'uminus First Nation, Penelakut Tribe, Halalt First Nation, and Hwlitsum have formed an alliance to participate in the EA. This group provided a letter of non-opposition to the proposed Project.

The Lyackson First Nation provided a letter of non-opposition to the proposed Project.

The Semiahmoo First Nation provided a letter of support for the proposed Project.

The Tsleil-Waututh Nation was added to the section 11 Order on April 8, 2011, through an Order issued under section 13 of the Act (which allows for changes to the section 11 Order).

The City of Richmond does not support the proposed Project as proposed due to concerns regarding the pipeline route and risks to the Fraser River. The City of Richmond actively participated in the Working Group.

The proposed Project would be located within 100 kilometres of the Washington border. In accordance with a 2003 Memorandum of Understanding, during the EA, EAO would have considered, but did not receive, comments from the Washington State Department of Ecology.

Communications Contact:
Program Area Contact:

Greg Leake
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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: October 29, 2013

Project: BURNCO Aggregate Facility (proposed Project) (Formerly McNab Aggregate Facility)

Recommended Response:

- This is a proposed 1.0 million tonne/year aggregate quarry located about 22 km south west of Squamish.
- The proposed Project is in the pre-application stage of the environmental assessment (EA).
- The proposed Project is subject to a coordinated federal-provincial EA.
- The EA will consider the potential environmental, social, economic, health and heritage impacts of the proposed Project, including impacts to fisheries, fish habitat and marine wildlife.
- First Nations and public consultation are key aspects of all provincial EAs.

Key Issues:

- Key issues are expected to include potential effects on terrestrial and marine wildlife, fish and fish habitat, recreational users, traditional uses, archaeological sites and visual effects.

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Other relevant information

Stage in EA process: Pre Application	
	Background/Status
Section 10 issued.	January 18, 2010
Section 11 issued.	June 1, 2010
BURNCO Rock Products Ltd. (the Proponent) submitted an updated project description.	December 2011
The Proponent provided a 2 nd draft Application Information Requirements document to EAO.	November 14, 2012
EAO provided comments to the Proponent on the 2 nd draft AIR.	December 17, 2012
The Proponent provided a 3 rd draft AIR document.	February 26, 2013
Public Comment Period on draft AIR.	September 19 – October 19 with Open Houses in Gibson's on October 1 and Horseshoe Bay on October 2

Project Details

- The Proponent proposes to develop a sand and gravel pit on a property approximately 22 km southwest of Squamish, BC.
- The proposed Project would include a sand and gravel surface mine, a marine load-out facility on the shores of Howe Sound, and transportation of aggregate products by barge to the Proponents facilities at Burnaby and Port Kells, BC.
- The proposed Project is located within 100 km of the Washington State border, and in accordance with a 2003 Memorandum of Understanding, EAO will consider comments from the Washington State Department of Ecology.
- The proposed Project requires an EA Certificate as it is a new pit facility that would have a production capacity of >500,000 tonnes/year of excavated sand or gravel.

Federal Review

- The proposed Project will be subject to a comprehensive study under the *Canadian Environmental Assessment Act*.

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First Nations and Other Governments

- The Squamish First Nation and the Tsleil-Waututh Nation assert aboriginal rights over the proposed Project area and have been contacted to initiate consultation regarding the EA for the proposed Project.
- The Islands Trust and the Sunshine Coast Regional District are participating in the EA.

Public Consultation

- The Public Comment Period on the draft AIR concluded on October 19, 2013. EAO received 475 written comments.
- Approximately 300 people attended the public open houses.

Contact:

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Alternate Contact:

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Project Assessment Officer
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Summary Issue Note Advice to the Minister

Date: June 25, 2013

Project: Bute Inlet Hydroelectric Project (proposed Project)

Recommended Response:

- The proposed Project is in the early stages of the EA and would need to go through the full EA process and ultimately be approved by Ministers before the proposed Project could proceed.
- The Proponent has withdrawn the proposed Project from BC Hydro's Clean Power Call and has advised that they will not be proceeding with the EA in the foreseeable future.

Key Issues:

- Key issues are anticipated to be potential impacts on fish and fish habitat, wildlife, including grizzly bears, marbled murrelet, mountain goats, public and commercial recreation, views, forestry and First Nations issues.

Other relevant information

Stage in EA process: Pre-Application	
	Background/Status
The proposed Project entered the Pre-Application stage.	April 16, 2008.
A public comment period for provincial draft Terms of Reference (TOR) and the federal Environmental Impact Statement Guidelines and Panel Terms of Reference.	Conducted from January 19 to February 18, 2009.
Public open houses.	Powell River on January 27 Sechelt on January 28 Campbell River on February 2, 2009.
EAO approved the TOR.	May 5, 2009.
EAO is waiting for the Proponent to indicate if and when they intend to submit their Application for an EA Certificate.	
Federal Minister of Environment made the decision to send the proposed Project review to a federal panel and approved the Panel Terms of Reference and Environmental Impact Statement Guidelines.	May 5, 2009.
The province will not be using a panel review for the provincial EA.	Will continue with EAO led EA process as it is fully adequate in meeting all requirements of a comprehensive and thorough EA.
EAO staff is working with CEAA staff in Ottawa to coordinate key milestones and sharing information between the two processes.	

Project Details

- Plutonic Power Corporation (Proponent) proposes to construct 17 hydroelectric generating stations in Bute Inlet on BC's Central Coast, with a combined capacity of 1027 MW.
- The proposed Project includes the construction of 219 kms of 500 kV and 226 km of 230 kV transmission lines to interconnect with the British Columbia Transmission Corporation grid at Earl's Cove Malaspina substation.
- Capital costs for the proposed Project are estimated from
- \$3 to \$3.5 billion.
 - The proposed Project requires an EA Certificate because it is a new hydroelectric power plant facility with a capacity that exceeds the threshold of 50 MW of electricity or more under the *Reviewable Projects Regulation*.

- The proposed Project has attracted significant interest from non-governmental organizations, members of the public and other stakeholders who have raised issues relating to the BC Energy Policy, the need for the proposed Project, the privatization of resources, the projected increase in electricity rates, the number of proposed run-of-river projects, and the lack of regional land use and Independent Power Projects planning.
- EAO received a significant number of requests, including from provincial MLAs and councillors from local governments, to hold public open houses on the draft terms of reference in Victoria and Vancouver, noting that the proposed Project is larger than the proposed Site C project for which BC Hydro is consulting more than 40 communities across the province.
- The proposed Project is reviewable under the *Canadian Environmental Assessment Act*.
- Triggers are authorizations required under the *Fisheries Act*, the *Navigable Waters Protection Act* and the *Indian Act*.

Contact:

Brian Murphy
Executive Project Director
250-387-2402

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Project Assessment Officer
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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: August 20, 2013

Project: Northwest Transmission Line Project (Project)

Recommended Response:

- The Project is a transmission line proposed by BC Hydro (Proponent) from Terrace extending north to Bob Quinn Lake.
- The Project was subject to a single provincial environmental assessment (EA) process that met both provincial and federal requirements.
- On February 23, 2011, the provincial Minister of Environment and the provincial Minister of Forests, Lands and Natural Resource Operations (formerly Minister of Forests, Mines and Lands) approved the issuance of an EA Certificate.
- The EA considered the potential environmental, social, economic, health and heritage impacts of the Project.
- First Nations and public consultation are key aspects of all provincial EAs.

Key Issues:

- Issues identified during the EA included potential adverse effects of the Project on:
 - the environment, lands and communities of the Nisga'a Nation;
 - the asserted rights and interests of First Nations;
 - fish and wildlife populations and habitat;
 - park boundaries; and
 - the potential cumulative effects of the Project in consideration of existing and reasonably foreseeable future proposed projects.

Other relevant information

Stage in EA process: Certified – Under Construction	
	Background/Status
May 4, 2007: Project began the EA process.	The Proponent requested to opt in to the EA process in order to meet Project development timelines.
November 13, 2007: public comment period on the draft Terms of Reference (TOR).	
December 5, 2007: public comment period suspended.	The Proponent requested that the public comment period be suspended due to lack of Project funding. In addition, the Proponent also requested that the activities of the Working Group be suspended until further notice.
September 26, 2008: former Premier announced additional funding.	The former Premier announced that the province would provide funding for the Proponent to continue to work toward the preparation of an application for an EA Certificate (Application).
November 17, 2008: Proponent requested that Environmental Assessment Office (EAO) re-engage the EA of the Project.	
March 18 to April 20, 2009: public comment period on the updated draft TOR.	
September 16, 2009: increased federal funding.	On September 16, 2009, the federal government committed \$103 million (M) toward the Project. The Proponent advised EAO that the total funding was sufficient to move the Project forward s.17 s.16
November 10, 2009: Canada delegated the federal EA process to EAO	EAO led a single provincial EA process that met both provincial and federal requirements.
December 7, 2009: Application Information Requirements approved.	The Application Information Requirements (formerly called TOR) were approved.
April 14, 2010: EAO accepted the Application.	EAO accepted the Application after further screening and the 180-day Application review was initiated.
April 26 to June 10, 2010: 45-day public comment period on the Application.	The majority of the public comments indicated support for the Project and that it would bring economic benefits and development opportunities to northwest British Columbia.

September 2 to October 22, 2010: EAO suspended the 180-day Application Review time limit.	On August 27, 2010, the Proponent requested a suspension to the 180-day timeline to allow time to complete additional fieldwork, provide additional information, prepare a report on the additional information, and for the Working Group to review the results. EAO granted the Proponent's request to temporarily suspend the 180-day time limit on day 140. When EAO determined that the additional information provided by the Proponent was complete, EAO lifted the timeline suspension
January 13, 2011: EAO referred the Project to Ministers for a decision.	
February 23, 2011: EA certificate issued.	The provincial Minister of Environment, and provincial Minister of Forests, Lands and Natural Resource Operations (formerly Minister of Forests, Mines and Lands), approved the issuance of an EA certificate.
May 6, 2011: federal approval of the Project.	The federal government concluded that the Project was not likely to cause significant adverse environmental effects and approved the Project.

Project Details

- The Proponent proposed construction of a 344 km, 287 kV transmission line from Terrace extending north to Bob Quinn Lake.
- The Project requires an EA Certificate because it was designated reviewable by the Executive Director, at the request of the Proponent, under section 7 of the British Columbia *Environmental Assessment Act* (Act).
- The Project will expand the existing transmission system into the northwest region of British Columbia, improve reliability and allow for grid power to be extended to communities in the area.

The estimated capital cost of the Project is \$404 M.

Federal Review

- Because of federal funding, and the requirement for *Fisheries Act* authorizations, the Project triggered a review under the *Canadian Environmental Assessment Act*.
- On November 10, 2009, Canada delegated the federal EA process to EAO, who led a single EA process that met both provincial and federal requirements.
- Federal agencies participated on the Working Group.
- The delegation of EA process did not delegate federal decision making authority or aboriginal consultation related to the Project.

First Nations and other Governments

- The Nisga'a Nation, Tahltan Nation, Gitxsan Hereditary Chiefs, Gitanyow Hereditary Chiefs, Kitsumkalum First Nation, Kitselas First Nation, Lax Kw'alaams First Nation, and Metlakatla First Nation participated in the EA.
- Gitanyow Hereditary Chiefs proposed an alternate transmission line route to the proposed Hanna-Tintina route, which had high aboriginal and cultural value. They prepared a joint report with the Proponent on the evaluation of an alternate route through the Bell-Irving Valley in July 2010. The report was reviewed by the public and the Working Group and the Bell-Irving route was accepted as the preferred route. The Gitanyow acknowledged that this was a significant accommodation of their interests.
- The Proponent has concluded Impact Benefit Agreements and received letters of support from all the aboriginal groups potentially affected by the Project.
- EAO has concluded that the EA process has met the Crown's duties to consult and accommodate all First Nations.
- The Kitimat-Stikine Regional District also participated in the EA.

Contact:

Brian Murphy
Executive Project Director
250-387-2402

Alternate Contact:

John Antill
Project Assessment Officer
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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: October 2, 2013

Project: Upper Toba Valley Hydroelectric Project (Project)

Recommended Response:

- The Project was referred to Ministers on March 20, 2009, and an environmental assessment (EA) Certificate was issued to Upper Toba Hydro Inc. (Proponent) on March 31, 2009.
- On December 20, 2012, the Proponent requested an amendment to their EA Certificate for the Project to include two additional Holders to the EA Certificate. EAO has initiated the EA Certificate amendment process and expects a decision on the amendment in summer of 2013.

Key Issues:

- The EA identified potential effects to fish and fish habitat, in particular coho salmon spawning habitat in the North Jimmie Creek tributary.
- Other potential effects were identified for grizzly bears and grizzly bear habitat, marbled murrelets, breeding birds and mountain goats.
- The provincial EA Certificate contained 52 commitments to mitigate potential impacts, including:
 - Maintaining sufficient in-stream flows to protect fish and fish habitat;
 - Minimizing channel erosion and fish stranding with flow ramping protocols;
 - Avoiding breeding birds, nesting habitats and mountain goat winter habitat;
 - Developing a grizzly bear monitoring plan to the satisfaction of Ministry of Environment (MoE); and
 - Developing mitigation, compensation and monitoring plans in consultation with regulatory agencies.
- On March 11, 2010, BC Hydro announced that Plutonic Power/GE Financial

Services had received an Electricity Purchase Agreement (EPA) for the Project. One of the three generating stations, Dalgleish Creek, was dropped from the EPA due to transmission constraints, however, Upper Toba Hydro Inc (subsidiary of Alterra) (Proponent) intends to address these constraints in the future.

Other relevant information

Stage in EA process: Not Constructed	
	Background/Status
Environmental Assessment Office (EAO) accepted the Application for formal review on September 17, 2008.	Fisheries and Oceans Canada (DFO) and Transport Canada are Responsible Authorities for a Screening Level assessment under the <i>Canadian Environmental Assessment Act</i> .
EAO held a 56-day public comment period that ended on December 1, 2008.	The EA was conducted as a cooperative assessment in accordance with the <i>Canada-BC Agreement for Environmental Assessment Cooperation</i> . Federal authorities participated in the EA of the Project.
The EA Certificate was issued on March 31, 2009.	During the Application review, DFO advised that, based on the fish flows presented in the Application, the Jimmie Creek portion of the Project would likely result in an unacceptable impact to fish habitat.
The province is satisfied that, with a revised instream flow requirement commitment, fish and fish habitat will be protected.	The Proponent agreed to a new commitment to increase the in-stream flows to the thresholds recommended by the provincial guidelines, or unless the MoE later concludes that flows can be safely reduced. These thresholds exceed those required by DFO.
The federal government approved the Project on December 7, 2009, based on the same information available at the time of the EA Certificate approval.	Nevertheless, at the time of referral, the Canadian Environmental Assessment Agency advised that it could not conclude on potential impacts to fish and fish habitat.
The Proponent submitted an EA Certificate amendment Application to EAO on December 20, 2012.	The Proponent would like to add two additional holders to the EA Certificate. If amended the EA Certificate would have three holders who would independently own, construct and operate the three component hydroelectric facilities that make up the Project. EAO expects a decision on the amendment by summer, 2013.
EAO sent notification letters to the	EAO requested any comments from the

Nanwakolas Council and Klahoose First Nation regarding the amendment Application on February 25, 2013.	Nanwakolas Council and Klahoose First Nations on the notification letters by March 18, 2018. EAO did not receive any comments from either the Klahoose First Nation or the Nanwakolas Council.
On May 6, 2013, EAO sent a letter of consent for the transfer of ownership, signed by Dave Nikolejsin (Executive Director – EAO) to the Proponent.	To proceed with the amendment process, the Proponent must notify EAO of the transfer of ownership. EAO has not yet received notification that the transfer has occurred.
On May 21, 2013, EAO met with the Proponent to discuss the status of the Project and the proposed relocation of the Jimmie Creek power house. The Proponent stated that the Upper Toba River and Dagleish hydroelectric facilities are not expected to be constructed, but are focusing on the construction and operation of the Jimmie Creek hydroelectric facility.	The Proponent has requested that EAO confirm that an EA Certificate is not required for the relocation of the Jimmie Creek powerhouse. On May 24, 2013, the Proponent provided supporting material partially describing the powerhouse relocation. EAO reviewed this material and has determined that the proposed relocation of the Jimmie Creek power house would require an amendment to the EA Certificate. The proponent is expected to submit an EA Certificate amendment application for the Jimmie Creek power house relocation the week of June 24, 2013.
On June 28, 2013, the Proponent sent EAO an EA Certificate amendment application for the proposed relocation of the Jimmie Creek power house.	Upon review of the amendment application, EAO requested revisions to the EA Certificate amendment application.
The Proponent submitted a revised EA Certificate amendment application on July 8, 2013. On July 9, 2013, EAO received a letter of support for the Proposed amendment from the Klahoose First Nation.	EAO has confirmed the adequacy of the EA Certificate amendment application and is proceeding with the amendment process.
On July 12, 2013, EAO contacted a technical Working Group (WG) including the Klahoose First Nation to review the EA Certificate amendment application and requested comments and questions by July 31, 2013. On July 17, 2013, EAO sent notification letters regarding the amendment to the Klahoose First Nation and the Nanwakolas Council requesting comments on the application by July 31, 2013. EAO will forward any WG and FN comments to the Proponent for response.	EAO received one comment from the Ministry of Forests, Lands and Natural Resource Operations and the Proponent provided an adequate response.
Decision on the Jimmie Creek powerhouse	Amendment approved on October 1, 2013.

relocation amendment.	
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Project Details

- The Proponent proposed to construct three run-of-river generating stations in the Upper Toba Valley watershed with a combined capacity of 130 MW.
- The Project exceeded the EA threshold under the *Reviewable Projects Regulation* for power plants of 50 MW.
- The Project was referred to Ministers on March 20, 2009, and an EA Certificate was issued to the Proponent on March 31, 2009.

Contact:

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250-387-2402

Alternate Contact:

John Antill
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250-387-8680



Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: June 25, 2013

Project: Jumbo Glacier Resort Project (Project)

Recommended Response:

- The Project is a year-round ski resort in the Jumbo Creek Valley, approximately 55 km west of Invermere.
- An environmental assessment (EA) Certificate for the Project was issued on October 12, 2004.
- The Project did not trigger an EA under the *Canadian Environmental Assessment Act*.
- The EA considered the potential environmental, social, economic, health and heritage impacts of the Project, including impacts on grizzly bears.
- EAO granted a five-year, one-time only extension to the EA Certificate on January 26, 2009, after consultation with the agencies and First Nations who participated in the original EA, including the Ktunaxa Nation.
- The EA Certificate requires the Proponent to obtain the appropriate zoning and other necessary approvals from the Regional District of East Kootenay prior to starting the Project.

Key Issues:

- In March 2012, the Ministry of Forests, Lands and Natural Resource Operations decided to approve the Master Development Agreement for the Project.
- The Ministry of Community, Sport and Cultural Development is considering the Proponent's request for incorporation of a Mountain Resort Municipality. If this request is approved, the Proponent is expected to request an amendment to the EA Certificate. EAO will consider that request if received.

- Concerns have been raised regarding potential impacts of the Project on grizzly bears.
- In 2005, there was a judicial review of the EA Certificate brought by RK Heli-Ski Panorama Inc. The applicant was unsuccessful in the review and its 2007 appeal.
- The Ktunaxa Nation Council opposes the development of the Project and note that the area has cultural significance to the First Nation.
- EAO was copied on numerous letters and emails expressing concern or opposition to the Project. The letters were sent to elected officials and were primarily related to concerns around wilderness impacts.

Other relevant information

Stage in EA process: Post-Certificate	
	Background/Status
October 12, 2004: Proponent received an EA Certificate for the Project.	EA Certificate includes 15 conditions, as well as 195 Proponent commitments, to mitigate potential impacts.
December 8, 2008: Proponent requested a five-year extension to the EA certificate because the Master Development Agreement process had not yet been completed and is required before construction can begin	Construction has not started because not all relevant certificate conditions have been met.
January 26, 2009: EAO's Executive Director issued a one-time only, five-year extension to the EA Certificate	Based on analysis of feedback received from First Nations and agencies, EAO concluded that there had not been any material or specific changes in circumstances since the original EA Certificate was issued. The extension is effective until October 12, 2014.
March 2012: The Proponent received approval for its Master Development Agreement from the Ministry of Forest, Lands and Natural Resource Operations	Allows the Proponent to advance the Project, subject to obtaining other required permits/approvals, including zoning approval by the Regional District of East Kootenay (RDEK).
November 2012	The Ministry of Community, Sport and Cultural Development announced the creation of the Resort Municipality of Jumbo Glacier and appointed a mayor and two councillors. With

	the creation of this new mountain resort municipality, the Proponent may seek an amendment to its EA Certificate to remove the requirement to obtain zoning approval from the RDEK.
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Project Details

- The \$450-million Project is for the development of a year-round ski resort in the Jumbo Creek Valley, approximately 55 km west of Invermere.
- The Project would provide up to 6,250 bed-units, including 750 for staff. The Project would create 3,750 person-years of construction employment and 750-800 permanent full-time jobs.

First Nations and Other Governments

- The Ktunaxa Nation (as represented by the Ktunaxa Nation Council), Shuswap Indian Band, and Akisq'nuk/Columbia Lake First Nation participated in the EA.
- In November 2007, the Proponent requested that EAO amend the EA Certificate to remove the requirement to obtain zoning approval from the RDEK. The rationale for the proposed change was the Proponent's desire to have a Mountain Resort Municipality created for the Project.
- In December 2007, after consultations with the former Ministry of Community Services and other provincial agencies, EAO advised the Proponent that it was not prepared to amend the EA certificate at that time, and that if the Proponent was eventually successful in securing Mountain Resort Municipality status, it could re-apply for an amendment to its EA certificate. The Proponent has not yet contacted EAO with a new request for an amendment since the creation of the Resort Municipality of Jumbo Glacier in November 2012.

Federal Review

- The Project did not trigger an EA under the *Canadian Environmental Assessment Act*.

Background Information

- EAO issued an EA Certificate for the Project on October 12, 2004.
- In 2005, R.K. Heli-Ski Panorama sought a judicial review of the EA Certificate because of a concern regarding impacts to its business. R.K. Heli-Ski Panorama was unsuccessful in the review and was also unsuccessful in a 2007 appeal of that decision.
- In December 2008, the Proponent requested an extension to its EA Certificate. During the extension review, the following issues were raised:
 - the Ktunaxa Nation Council referenced a recent study estimating the grizzly bear population to be lower than what was thought during the original EA review; and,

- the RDEK expressed concern with the amount of time provided to Working Group members to submit comments on the extension request, as it were unable to directly involve its regional Board of Directors.
- In response to EAO's request for input regarding the Proponent's December 2008 request for an extension to the EA certificate, the Ktunaxa Nation Council provided comments regarding grizzly bears and the accommodation of First Nations interests.
- EAO issued a five-year one-time only extension to the EA certificate for the Project on January 26, 2009.
- The Office of the Ombudsman advised EAO in May 2009, that a number of complaints had been received from members of the public regarding the EA certificate extension process and that an investigation was underway.
- EAO provided the Office of the Ombudsman with all relevant information in a timely manner and was later advised that the EA certificate extension process was determined to have been fair and reasonable.
- EAO also responded to a request under the *Freedom of Information Act* for copies of EAO's correspondence with stakeholders regarding the EA certificate extension process.
- Beginning in September 2010, EAO was copied on over 1,500 emails opposing the Project, primarily due to concerns about wilderness impacts. Most of the emails were addressed directly to the Premier, the former Ministry of Tourism, Culture and the Arts, and a local Member of the Legislative Assembly (MLA), Norm Macdonald.
-

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Project Summary Issue Note Advice to the Minister

Date: November 21, 2013

Project: Waste-to-Energy Capacity for Metro Vancouver

Recommended Response:

- Metro Vancouver (MV) proposes to develop additional waste-to-energy (WTE) capacity to manage municipal solid waste.
- MV is presently undergoing a procurement process for the identification of potential site(s) for additional WTE capacity. In June 2013, MV shortlisted ten technologies options and developed the criteria to evaluate potential sites for new WTE capacity within or outside the region.
- The development of additional WTE capacity will require an environmental assessment (EA) under the BC *Environmental Assessment Act* (Act).
- MV is currently considering applying for an EA for one or more sites and/or technologies in the spring of 2014.

Key Issues:

- EAO anticipates significant public interest in the project, specifically as it relates to air quality in the Lower Mainland, siting of facilities and the consideration of waste management options.
- EAO also anticipates that how the EA will be conducted will be a public debate. In particular, there may be public pressure for a Panel.

Other relevant information

Stage in EA process: Pre-EA	
Milestone	Background/Status
In October 2012, MV developed a multi phased process to develop new WTE capacity.	The multi phased approach includes a procurement process for selecting technology options and identification of potential sites for WTE capacity.
In June 2013, requests for qualifications for technology options completed.	Twenty-two responses received and ten technology options were shortlisted.
Present until November 2013, identification of potential sites.	MV invited interested parties, including government agencies, to comment on the criteria used to evaluate the potential sites to be considered and then shortlisted. MV anticipates that potential site will be shortlisted by November 2013 and at this time, MV will send out RFP to shortlisted technologies and sites. MV has informed EAO that it anticipates applying for an EA Certificate, in the spring 2014, with one or more technologies and sites options to develop new WTE capacity. EAO has been engaged with MV in discussing options and approaches to EA.
November 2013	Several potential sites have been selected and under consideration. These potential sites are to be made public in early 2014.

Project Details

- The Board of MV has indicated they wish to move away from landfilling at the existing Cache Creek landfill and wish to pursue options within the region.
- In 2010, the operators of the Cache Creek landfill received an EA for a 25 year expansion of that facility. Also, in 2009, EAO determined that Covanta Energy Corporation, the proponent of a potential WTE facility located at the now closed Gold River pulp mill, did not require an Environmental Assessment Certificate.
- MV's Integrated Solid Waste and Resource Management Plan (SWMP) was approved in July 2011 by the Minister of Environment and requires that the competitive process for establishing any new or upgrading any existing WTE capacity or establishing contingency landfill for up to 500,000 tonnes of additional disposal capacity considers a full range of possible options both in and out of the region.
- Following the approval of the SWMP, the *Reviewable Projects Regulation* was amended to ensure that any WTE projects within the Greater Vancouver or Fraser Valley Regional Districts, regardless of size or capacity, would be subject to an EA.

- MV has developed a multi phased process to develop new WTE capacity to manage the region's residual waste:
 - Phase 1, requests for qualifications (RFQ1) on technology options were considered. Phase 1 of the process has been completed (October 2012 – June 2013). Twenty-two responses were received and ten technologies have been short listed;
 - Phase 2, the identification of potential sites for the new WTE capacity (February – November 2013), inside and outside the region, presently underway. The process includes welcoming comments until June 14, 2013, on the draft high-level criteria used to evaluate the sites, and after consideration, a list of recommended list of high level evaluation criteria will be provided to the Board for approval. Upon Board approval, the final criteria will be used to evaluate and develop a shortlist of possible sites;
 - Short list potential sites. Letters are sent to the RFQ1 short list;
 - Determination of one vs. multiple facilities. Undertake analysis of RPQ1 and potential site identification (PSI) results, technical consulting team prepare report with recommendations to Zero Waste Committee for confirmation;
 - Phase 3, requests for qualification (RFQ2), September 2013 – May 2014;
 - Phase 4, consideration of shortlisted technologies and shortlisted sites; 3 to 5 shortlist invited to participate in requests for proposals (depends on one vs. multiple facilities), May 2014 – January 2015;
 - Request for full project proposals considered, in and out of region;
 - Phase 5, regulatory and EA processes, April 2014 – October 2016;
 - Phase 6, detailed design/construction, April 2015 – 2018;
 - Phase 7, commissioning and operation, 2018; and
 - Phase 8, monitoring, 2018 and on-going.
- MV anticipates applying for an EA Certificate in spring 2014 with one or more technology and site options for the new WTE capacity. MV has not determined whether it will apply for one or multiple EA Certificate(s).

Federal Review

- The proposed Project is not likely to trigger the *Canadian Environmental Assessment Act*.

First Nations and Other Governments

- First Nations have not yet been identified as the location of the proposed Project site has not yet been determined.

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Project Summary Issue Note Advice to the Minister

Date: November 1, 2013

Project: Fraser Surrey Docks Coal Terminal (proposed Project)

Recommended Response:

- The Fraser Surrey Docks Coal Terminal proposes to build coal handling facilities within their existing terminal operations. The proposed project will be built on federal lands within the bounds of Port Metro Vancouver.
- Port Metro Vancouver is responsible for the administration, management and control of land and water within its jurisdiction.
- The project does not trigger a provincial environmental assessment as it does not appear to meet any of the thresholds, specifically those related to foreshore modification or new railway tracks.
- Port Metro Vancouver is currently reviewing a permit application submitted by Fraser Surrey Docks for the development of a Direct Transfer Coal Facility.
- As part of the application process, Fraser Surrey Docks will undertake community engagement. The application will also be referred to First Nations for consultation.

Key Issues:

- Port Metro Vancouver and Fraser Surrey Docks are anticipating container traffic volume on the West Coast to double over the course of the next 10 to 15 years, and nearly triple by 2030.
- Fraser Surrey Docks submitted an application to Port Metro Vancouver on June 13, 2012 for the development of a Direct Transfer Coal Facility at the southwest end of the existing terminal to handle up to four million metric tonnes of coal per year.
- The coal will be transferred by Burlington Northern Santa Fe railway to the terminal and will be loaded directly onto 8,000 dead weight tonnes barges

at existing Berth 2. No coal would be stored at Fraser Surrey Docks during normal operations.

- The barges would carry the coal to Texada Island, where it would be unloaded, stored at an existing coal storage yard and then be transferred to deep-sea vessels for export to Asia.
- In addition to the 280 full-time equivalent jobs currently provided at Fraser Surrey Docks, the project will deliver an additional 50 jobs.
- As part of Port Metro Vancouver's permit review process, Fraser Surrey Docks undertook a community notification process, which included communications with municipal and provincial elected officials and nearby residents and businesses.
- Fraser Surrey Docks briefed Minister Terry Lake on October 17, 2012.
- Based on the project description information contained on Port Metro Vancouver's website, the Environmental Assessment Office is of the opinion that the proposed Project does not appear to trigger the *Reviewable Projects Regulation*. The applicable sections of the regulations relate to foreshore modification or new railway tracks, of which neither threshold is triggered by the proposed project.
- Typically a proponent makes a self-determination regarding reviewability of a project and the Environmental Assessment Office responds with their view. In this case no such self-determination was provided and as such the Environmental Assessment Office has not provided its view.
- September 12, 2013, PMV requested that Fraser Surrey Docks mitigate concerns over fugitive coal dust from trains, the terminal and barges. PMV is requiring FSD to submit a revised project scope and address human and ecological health effects of the project in an Environmental Impact Assessment (EIA) including a fall public comment period.

Other relevant information

Project Details

- The Fraser Surrey Docks (FSD) facility is located 34 km up the Fraser River in Surrey. It is a multi-purpose marine terminal servicing the container, breakbulk, project cargo, forest products and bulk customers since 1962.
- Every year, FSD handles between 300 and 400 deep-sea vessels up to Panamax size. Service is provided at seven berths and is supported by 63 hectares (154 acres) of yard

area and four sheds providing 30,654 square meters (330,000 square feet) of covered storage for weather sensitive cargo.

- FSD facility handled over 185,000 twenty-foot equivalent units of containers in 2007. Export packaged lumber, steel plate, coil, pipe, wire, rod, beam and other structural products are imported through the facility.
- Rail connections to the terminal are provided directly by the Canadian National Railway, Canadian Pacific Railway, Burlington Northern and Southern Rail of British Columbia.
- FSD terminal has been included in PMV's Container Capacity Improvement Program (CCIP). The CCIP is the PMV's long-term strategy to support growing international trade through Canada's west coast.

Stage in EA process: Not Reviewable	
Milestone	Background/Status
June 13, 2012: submitted a Project permit application to PMV	Under permit review by PMV
September 19, 2012: Meeting with Ministry of Jobs, Tourism and Skills Training	Briefing materials provided to Minister Pat Bell and Deputy Minister Dave Byng
October 17, 2012: Meeting with BC Ministry of Environment	Briefing materials provided to Minister Terry Lake
March 12, 2013: Project Description	EAO formally requested a Project Description from FSD
Project description information	Project description information can be viewed at: http://portmetrovanancouver.com/en/projects/OngoingProjects/Tenant-Led-Projects/FraserSurreyDocks.aspx

Federal Review

- The *Canadian Environmental Assessment Act* is not triggered.

First Nations and Other Governments

- The proposed project is being reviewed by PMV. This review includes detailed technical and environmental assessments, and public, municipal and Coast Salish First Nations consultation.

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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: June 26, 2013

Project: Mount Klappan Coal Project (proposed Project)

Recommended Response:

- The proposed Project was an open pit metallurgical coal mine located approximately 160 km northeast of Stewart.
- The environmental assessment (EA) of the proposed Project was terminated on April 18, 2013, at the request of Fortune Coal Limited (Proponent). The EA had been inactive since 2008.
- The proposed Project has been replaced by the proposed Arctos Anthracite Project, which incorporates substantial design changes including a different transportation mode (rail) and port (Prince Rupert). The proposed Arctos Anthracite Project entered EA on April 18, 2013, the same day that the EA for the proposed Project was terminated.

Key Issues:

- Refer to the proposed Arctos Anthracite Project.

Other relevant information

Stage in EA process: Pre-Application – Inactive	
	Background/Status
October 8, 2004: EA initiated (Section 10 order issued)	
October 6, 2006: Scope, Procedures and Methods of EA issued (Section 11 order)	
December 1, 2006 to January 8, 2007: Public comment period on the draft Application Information Requirements	
2008: Proponent ceased work on the EA to re-evaluate transportation routes and look for a joint venture partner	
EA was terminated on April 18, 2013, at the request of the Proponent.	

Project Details

- The Proponent proposed to develop an open pit metallurgical coal mine approximately 160 km northeast of Stewart, with a production of 3 million tonnes of clean coal per year.
- The estimated capital cost of the proposed Project was \$768 million, and approximately 400 direct jobs would have been provided during the 20 years of operation.
- The proposed Project required an EA Certificate because it would have been a new coal mine that exceeds the production capacity threshold of 250,000 tonnes per year under the *Reviewable Projects Regulation*.
- In July 2011, the Proponent signed an agreement to enter into a joint venture partnership with POSCO Canada Ltd. The parent company, POSCO, is based in South Korea, and is one of the world's largest steel producers.
- In 2012, the name of the proposed Project was changed to Arctos Anthracite Project. The proposed transportation mode and port were also changed such that the coal would be transported by rail to the port at Prince Rupert. The original proposal was to ship the coal by road to the port at Stewart.
- In 2013, the Proponent requested that the EA of the proposed Project be terminated, and submitted a final Project Description for the proposed Arctos Anthracite Project to initiate a new EA.

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Project Summary Issue Note Advice to the Minister

Date: November 21, 2013

Project: Murray River Coal Project (proposed Project)

Recommended Response:

- HD Mining International Ltd. (Proponent) proposes to develop an underground coal mine in north-eastern BC, 12.5 km south of Tumbler Ridge, within the Treaty 8 area.
- The mine is anticipated to have an annual production of 6 million tonnes of metallurgical coal over 31 years.
- The proposed Project entered the pre-application stage of environmental assessment (EA) on June 29, 2012, with the issuance of the Section 10 order.

Key Issues:

- Anticipated key issues:
 - Water quality;
 - Fish and fish habitat;
 - Caribou habitat;
 - Treaty 8 rights;
 - Proposed use of temporary foreign workers; and
 - Stress on municipal services and infrastructure.

Other relevant information

Stage in EA process:	
Milestone	Background/Status
Section 10 issued	June 29, 2012
Initial Working Group meeting and site tour	October 2 & 3, 2012
Draft section 11 to First Nations for review and comment	Email sent out on November 20, 2012 – request for comments due on December 11, 2013
Section 11 issued	December 14, 2012
Public Consultation Plan approved	Posted to EPIC on Jan 16, 2013
Public Comment Period on draft Application Information Requirements (dAIR)	Public Comment Period from May 21, 2013 to June 20, 2013 with Open houses June 4 (Dawson Creek) and 5, 2013 (Tumbler Ridge)
dAIR finalization	Anticipate signing of on Application Information Requirements (AIR) by end of August 2013
AIR finalized	September 3, 2013 – First Nations, Proponent letter and email to Working Group sent out on September 4, 2013
Working group meeting	November 6, 2013 (Tumbler Ridge)

Project Details

- The Proponent proposes to develop an underground coal mine on the Murray River property 12.5 km south of Tumbler Ridge. The production is anticipated to be 6 million tonnes of metallurgical coal annually over 31 years.
- With a production capacity of over 250,000 tonnes per year, the proposed Project triggered an EA for a coal mine under the *Reviewable Projects Regulation*.
- The proposed Project is within the area of the Dawson Creek Land and Resource Management Plan.
- The Proponent recently participated in judicial review regarding the granting of 201 temporary foreign worker permits for its associated bulk sample works. The judge ruled in the Proponent's favor in late May 2013.

Federal Review

- The proposed Project will be subject to review under the *Canadian Environmental Assessment Act 2012*.
- The federal EA is coordinated with the provincial EA.
- A federal Project Description was accepted by the Canadian Environmental Assessment Agency (CEAA) on April 12, 2013.
- Final Environmental Impact Statement guidelines posted by CEAA on July 30, 2013.

First Nations and Other Governments

- The proposed Project lies within Treaty 8 First Nations territory. The West Moberly First Nations, Sauteau First Nations and McLeod Lake Indian Band are the Treaty 8 Nations located closest to the proposed Project.
- The proposed Project is within the District of Tumbler Ridge.

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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: September, 3, 2013

Project: Klinaklini Hydroelectric Project (proposed Project)

Recommended Response:

- The proposed 600 MW run-of-river hydroelectric Project is on the Klinaklini River on the mainland, about 170 km north of Campbell River.
- The proposed Project includes a 150 km (230 kV) transmission line that would cross Johnstone Strait to link to the BC Hydro grid near Campbell River.
- The proposed Project is in the Pre-Application stage of a provincial/federal EA.
- The EA was "inactive" since fall 2008 until Cabinet's recent approval of an amendment to the boundary modification to the Upper Dzawadi/Klinaklini River Conservancy, in May 2012. In June 2012, the Proponent indicated it intends to re-engage in the EA.

Key Issues:

- A portion of the proposed Project would be located within the Upper Dzawadi/ Klinaklini River Conservancy, which was established by the government on June 27, 2008.
- The Proponent, with the support of the Da'naxda'xw / Awaetlala First Nation (DFN), sought an amendment to the boundary of the Conservancy.
- April 27, 2009, the Minister of Environment (MOE) advised the Proponent that he would not recommend to Cabinet that the boundary be amended.
- The Proponent and DFN initiated legal proceedings against the Government based on this decision. The Supreme Court of British Columbia rendered a judgement on May 10, 2011.
- The Court concluded that the DFN are entitled to (1) an order quashing the

Minister's decision; (2) the Minister has a duty to consult with DFN and consider reasonable accommodation; and (3) the Minister failed to fulfill his constitutional duty to adequately consult with the DFN on the decision whether to recommend an amendment to the Conservancy boundary to Cabinet.

- The MOE recommended that Cabinet approve an amendment to the Conservancy boundary. In May 2012, the Supreme Court of BC approved the amendment to the Conservancy boundary, which would enable the EA process for the Project to proceed.

Other relevant information

Stage in EA process: Pre-Application (Inactive)	
	Background/Status
April 14, 2008: Proponent submitted Application	The Proponent submitted their Application for an EA certificate to EAO.
November 6, 2006: section 10 Order issued	The section 10 Order was issued by EAO.
March 3, 2008: Application Information Requirements (AIR)	The Terms of Reference (now called AIR) were approved by EAO.
May 13, 2008: Proponent withdrew Application	The Proponent voluntarily withdrew its Application after EAO advised them of significant deficiencies discovered during the evaluation process.
August 22, 2008: Proponent resubmitted Application	The Proponent resubmitted its Application, and as a result of continued deficiencies previously identified, EAO did not accept the Application for formal review.
May 26, 2010: EAO correspondence with Proponent	EAO wrote to the Proponent enquiring about the Proponent's intentions with respect to the EA of the proposed Project. No response was received, therefore, the EAO deemed the proposed Project to be inactive.
2011 – 2012: EA process is inactive	If the Proponent contacts EAO to discuss the EA of the proposed Project, EAO will determine what information requirements and procedural steps must be met.
March 2012:	CEAA contacted Proponent and EAO stating that CEAA is considering closing their file.
May 2012:	Supreme Court of BC approves the amendment to the boundary of the Conservancy which would enable the Proponent to proceed with the EA of the

	Project.
August 2012:	CEAA confirmed that EIS Guidelines has been issued to Proponent and that the Proponent is opting to work under previous CEAA legislation for their federal EA.
September 2012:	The Proponent has indicated they have legal issues to address prior to re-engaging in EA with EAO. They anticipate spring 2013 as the earliest likely available time they will be ready for the provincial EA process.
September 2012:	EMNG issued letter directing BC Hydro to consult with Proponent.

Project Details

- Kleana Power Corporation (Proponent) is proposing to develop a 600 MW run-of-river hydroelectric project in Knight Inlet, on the Klinaklini River, 170 km north of Campbell River on the mainland coast.
- The proposed Project would consist of a weir and intake structure, power tunnel, powerhouse, 150 km (230 kV) transmission line and a substation. The transmission line would cross Johnstone Strait to Vancouver Island, and link to the BC Hydro grid west of Campbell River.
- The proposed Project is a reviewable project under the *BC Environmental Assessment Act* because it would generate more than 50 MW of electricity.

Federal Review: Required

- The proposed Project requires a Comprehensive Study review under the *Canadian Environmental Assessment Act*. A coordinated federal/ provincial review is being led by EAO.
- The proposed Project has not been withdrawn or suspended by the Proponent however, both EAO and CEAA considered the proposed Project to be inactive.

First Nations and Other Governments

- The power generating facilities are located within the DFN asserted traditional territory, and the transmission line crosses the territory of the DFN, Comox Indian Band, We Wai Kum First Nation, We Wai Kai First Nation and the Kwiakah Indian Band.
- All of the affected First Nations have actively participated in the EA.
- The DFN and the Campbell River Indian Band have developed partnership agreements with the Proponent.
- Mount Waddington Regional District and the Comox-Strathcona Regional District are participating in the EA.

Park Amendment Process and Supreme Court Ruling

- In 2008, to facilitate the proposed Project, the Proponent with the support of the DFN, sought an amendment to the boundary of the Conservancy.
- Due to the potential negative impacts of the proposed Project identified by MOE staff, Honourable Barry Penner, former Minister of Environment (former Minister), advised the Proponent and the DFN by a letter dated April 27, 2009, that he did not intend to recommend to Cabinet or government that the boundary of the Upper Klinaklini River Conservancy be amended. The Proponent initiated a legal proceeding against the province (MOE) based on this decision.
- The Supreme Court of British Columbia rendered a decision on this matter on May 10, 2011. The Court concluded that the DFN are entitled to (1) an order quashing the Minister's decision; (2) the Minister has a duty to consult with DFN and consider reasonable accommodation; and (3) the Minister failed to fulfill his constitutional duty to adequately consult with the DFN on the decision whether to recommend an amendment to the Conservancy boundary to Cabinet.
- The DFN tabled an option to MOE to modify the Conservancy boundary in order to facilitate an EA of the proposed Project. The DFN was seeking a Minister's recommendation that Cabinet approve the removal of approximately 62 hectares from the Conservancy.
- In March 2012, MOE requested to Deputy and Cabinet Committee to seek their support to consult on boundary modification.
- In May 2012, the Supreme Court of BC approved an amendment to the boundary of the Conservancy. The 62 hectare area removed was designated as a Protected Area under the *Environment and Land Use Act*. This enables a full EA to proceed for the proposed Project.
- The Proponent has indicated it intends to re-engage in the EA since Cabinet's May 2012, approval of DFN's request to modify the Conservancy boundary.
- Other key issues include the potential impacts on wildlife, recreation, fish and fish habitat, forestry, and First Nations concerns.

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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: September 3, 2013

Project: Kitimat Refinery Project (proposed Project)

Recommended Response:

- Kitimat Clean Ltd. (Proponent) is proposing to construct a new oil refinery with capacity to process 550,000 barrels per day (87,445 cubic meters per day) of diluted bitumen. The proposed Project would be located about 25 km north of Kitimat, BC.
- The proposed Project is reviewable under the *Reviewable Projects Regulation* because it would be classified as an industrial organic chemical industry with a production capacity that exceeds 100,000 tonnes per year.
- The proposed Project also has the potential to trigger an EA for the following 5 thresholds in the *Reviewable Projects Regulation*:
 - Electricity Generation (over 50MW)
 - Energy Storage (over 3 PJ)
 - Groundwater Extraction (over 75 litres/second)
 - Pipeline (more than 40km of pipeline)
 - Marine Port Facilities (more than 2 ha of foreshore dredged)
- The proposed Project has yet to initiate the environmental assessment (EA).
- Once initiated, the EA will consider the potential environmental, social, economic, health and heritage impacts of the proposed Project.
- First Nations and public consultation are key aspects of all provincial EAs.

Key Issues:

- The key issues include potential impacts to First Nations, human health (air quality), visual quality, water quality, impacts to wildlife, and social issues related to a large temporary workforce (services and accommodations).
- The proposed Project would rely on obtaining bitumen from the oilsands region of Alberta by the proposed Enbridge Northern Gateway Pipeline, currently undergoing a Federal review.
- Products generated from the proposed Project would be shipped by tanker

to Asia via a marine terminal proposed by Enbridge on the Douglas Channel, currently under Federal review.

- Another issue related to this proposed Project is identifying the provincial regulatory approvals required to construct in the event the proposed Project receives an EA certificate. EAO is currently exploring this with regulatory agencies.

Other relevant information

Stage in EA process: Pre-Application	
	Background/Status
Draft Project Description received on September 10, 2012.	<p>EAO has provided comments on two drafts of the project description to the Proponent. The Proponent met with the EAO on October 24, 2012, and based upon the discussion at that meeting the Proponent will be making final revisions to the project description and resubmitting it to EAO.</p> <p>CEAA has also been working with the Proponent on developing a project description to meet their requirements.</p>

Project Details

- The proposed Project would be situated on a 3000 ha reforested site called the Dubose site, within the Kitimat-Stikine Regional District.
- The proposed Project is reviewable under the *Reviewable Projects Regulation* because it would be classified as an industrial organic chemical industry with a production capacity that exceeds 100,000 tonnes per year.
- The proposed Project may also trigger the requirement for an EA certificate as an energy storage facility with capacity to store greater than 3 PJ of energy and as a thermal electric power plant with a nameplate capacity greater than 50MW.
- The proposed Project would include: A heavy haul road from the kitimat port facilities to the refinery, expanded existing rail and electrical facilities, a processing facility with two processing trains, sulphur recovery facility, new and upgraded access roads and water crossings, a natural gas co-generation facility (150 MW), transmission lines, eight 14 inch diameter pipelines of about 16 km to transport product from the refinery to the marine terminal, bitumen storage tanks, worker camp, water source wells, and waste water reservoir and oil separation facility.
- The proposed Project would produce gasoline products, jet fuel, diesel fuel, and propane. By-products produced would include sulphur and petroleum coke.

- Solid petroleum coke would be transported by rail to Prince Rupert for export as fuel grade coke.
- The proposed Project is expected to generate employment of 6,000 to 7,000 during a five year construction period. Direct employment for ongoing operation is estimated at 1,500 full time equivalent jobs with another 1,500 contract jobs to support the operations and maintenance.
- The projected capital cost of the proposed Project is approximately \$13 billion.

Federal Review

- The Canadian Environmental Assessment Agency has not yet confirmed that the proposed Project does not require federal EA.

First Nations and Other Governments

- The proposed Project site would be located on the traditional territory of the Kitselas First Nation.
- The pipeline right-of-way from the proposed refinery to the marine terminal would be located mostly on Haisla First Nation traditional territory.
- Depending on the scope of the EA the Metlakatla, Kitsumkalum, Gitxaala, Lax Kw'alaams and other First Nations may also be consulted.

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Environmental Assessment Office

Issue Summary Note Advice to the Minister

Date: November 1, 2013

Project: Ajax Mine Project (proposed Project)

Recommended Response:

- The proposed Project is in the pre-application stage of the environmental assessment process and is subject to a coordinated federal-provincial environmental assessment.
- The Environmental Assessment Office (EAO) is taking extra steps on public consultation in recognition of the high level of public interest in the proposed Project.
- It is our understanding that KGHM Ajax Mining will not be submitting their application for an environmental assessment certificate this fall as they had originally indicated due to their plans to change some components of the proposed Project. EAO did not ask for this delay – it was solely KGHM's decision
- Once EAO receives clarity from the Proponent on their updated plans and proposed timing, a plan will be developed with CEA Agency to ensure the EA process continues as appropriate to the changes made to the proposed Project.
- Any further questions about the decision or the timing of the application should be directed to KGHM.

Key Issues:

The proposed Project is a 60,000 tonne per day open-pit copper-gold mine partially within the City limits of Kamloops. Key issues include:

- water and air quality (e.g. dust);
- noise and vibration;
- socio-economic impacts;
- impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
- proximity to residential areas;
- impacts on tourism, agriculture and ranching activities;
- impacts to the local and regional economies; and
- impacts on First Nations' rights and interests.

Other relevant information

KGHM Ajax Mining Inc. (Proponent) proposes to develop a \$535 million open pit gold and copper mining project at the southwest edge of Kamloops, BC.

The proposed Project requires an EA certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

Stage in EA process: Pre-application	
Milestone	Background/Status
February 8, 2011: The Proponent submitted a project description.	
February 25, 2011: The proposed Project entered the EA process.	
June 8 until July 11, 2011: A 33-day public comment period on the project description and the proposed Project.	
June 16, 2011: Open house held in Kamloops.	Approximately 350 people attended. EAO conducted the first public comment period and open house earlier than usual in the EA process to better coordinate with the federal review process, and to consider public input when determining the scope of the EA.
August 2011: The Proponent submitted the first	AIR/EIS Guidelines document provided to the

draft of the Application Information Requirements (AIR)/Environmental Impact Assessment (EIS) Guidelines.	technical Working Group and First Nations for input/comments.
January 11, 2012: Revised section 11 Order issued.	Included a requirement for a Public Consultation Plan and First Nations Consultation Plan to be developed to EAO's satisfaction.
January 11, 2012: Key stakeholders in the region were invited to participate on a Community Advisory Group.	Forum was designed for discussion and input related to the EA of the proposed Project.
January 2012: The second iteration of the draft AIR/EIS Guidelines was developed and posted to EAO's website for public comment.	This second version included input provided by First Nations and the Working Group.
January 11, 2012 - March 27, 2012: 75 day public comment period on the draft AIR/EIS Guidelines.	The comment period was extended from 60 to 75 days on March 7, 2012.
February 6 & 7, 2012: Public information sessions (with CEA Agency) held in Kamloops.	Approximately 1,100 people attended. The sessions offered one-on-one discussions between members of the public, the Proponent's technical experts, and provincial and federal agency staff.

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May 4, 2012: The Community Advisory Group was invited to review public comments on the draft AIR.	
June 19, 2012: EAO issued a Request for Proposals for socio-economic work related to the proposed Project.	The successful bidder is required to review the socio-economic work of the Proponent of the proposed Project at three stages of the EA process (pre-Application, Application Screening, and Application Review) and provide professional guidance and advice to EAO.
June 25, 2012: The Proponent submitted the issues tracking tables on the draft AIR document that incorporates input from the Public Comment Period and Working Group.	EAO will work with the Working Group, Community Advisory Group, and outside expertise to determine if the Proponent adequately responded to the input received.
July 23, 2012: EAO hired Socio-Economic contractor to provide advice to EAO.	Pierce – Lefebvre Consulting will provide advice to EAO on socio-economic aspects of draft AIR Review, Application Screening and Application Review. The contract is in effect until March 31, 2014 (subject to available funds).

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October 2012: Proponent public workshops	The Proponent hosted workshops with key interest groups and individuals to understand the potential social and economic effects of the proposed Project.
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January 17, 2013: EAO Presented at Public Forum	EAO representatives presented on the provincial EA process at a public forum organized by the Thompson Rivers University. Approx.150 attendees.
June 3, 2013: AIR	Final Application Information Requirements were issued.
August 2, 2013	Proponent announced that they would not be submitting their application for an EA certificate in September, as originally indicated, because: <ul style="list-style-type: none"> • they are considering modifications to the project layout that could move mine structures further away from residences and public infrastructure; and • they have identified “possible ore bodies” that might increase the project’s copper and gold resources. Once EAO and CEAA receive clarity from the Proponent on their updated plans and proposed timing, a plan will be developed to ensure the EA process continued appropriate to the changes made to the proposed Project.
Date TBD	Prior to submission of an application, the Proponent will host a series of public workshops to discuss the results of key studies that will be part of the EA application.

Project Details

- KGHM Ajax Mining Inc. (Proponent) proposes to develop a \$535 million open pit gold and copper mining project at the southwest edge of Kamloops, BC.
- The proposed Project requires an EA certificate under the *Reviewable Projects Regulation* because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.
- Key issues include:
 - water and air quality (e.g. dust);
 - noise and vibration;
 - socio-economic impacts;
 - impacts to vegetation, wildlife and wildlife habitat, including impacts to fish and fish habitat;
 - proximity to residential areas;
 - impacts on tourism, agriculture and ranching activities;
 - impacts to the local and regional economies; and
 - impacts on First Nations rights and interests.

Federal Review

- The EA is being conducted as a coordinated federal/provincial comprehensive study.
- Fisheries and Oceans Canada has confirmed that the proposed Project will require a federal review and will likely include Natural Resources Canada, Health Canada, Transport Canada and Environment Canada.

First Nations and Other Governments

- The proposed Project is located within Secwepemc territory. The Kamloops and Skeetchestn Indian Bands are located in closest proximity to the proposed Project and are both participating in the EA. The Proponent is required to consult with these two Bands.
- Ashcroft Indian Band and Lower Nicola Indian Band are also participating in the EA as members of the Working Group. EAO is required to consult with these two bands. s.16

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- The City of Kamloops and the Thompson-Nicola Regional District have accepted EAO's invitation to participate in the EA.
- First Nations consultation is being led by EAO, in coordination with the MARR and the FLNR.

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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: November 1, 2013

Project: Prosperity Gold-Copper Project (Project)

Recommended Response:

- Taseko Mines Ltd. has revised its proposed project plan (called "New Prosperity") and applied to the federal government for an environmental assessment (EA). New Prosperity requires a federal panel review.
- Taseko has also applied to the Environmental Assessment Office (EAO) for an amendment to its Environmental Assessment Certificate to incorporate the proposed changes to the Project.
- EAO finalized the procedures for its amendment review in November 2012, following consultation with First Nations and Taseko.
- The provincial EA amendment review process is underway and will make maximum use of the information generated by the federal panel process. Our intention is to avoid duplication of effort and to ensure that we are efficient as possible in our amendment review process.

Key Issues:

- The original Prosperity Project received a provincial EA certificate in 2010; however, the federal government rejected it following a federal panel review.
- The provincial EA was timely, thorough, extensive and inclusive. The provincial EA addressed all requirements under the *Environmental Assessment Act* and the Crown met its duty to consult and accommodate First Nations. The provincial EA examined the same areas of the federal review but came to different conclusions.
- First Nations continue to strongly oppose the development of this mine.
- First Nations have wanted EAO's review to include reconsideration of the original provincial EA Certificate. EAO has responded that the scope of the

provincial assessment is limited to the changes proposed by the Proponent.

- On October 31, 2013 the federal Panel released its report finding several significant adverse effects. The First Nations are calling on the federal government to reject the project, whereas Taseko has stated it will be challenging the Panel's findings.

Other relevant information

Stage in EA process: Certified, Amendment Request	
Milestone (include a date if applicable)	Background/Status
January 14, 2010: Minister of Environment and Minister of Energy, Mines and Petroleum Resources issued an EA Certificate for the Project.	
November 2, 2010: the Government of Canada announced that the Prosperity Gold-Copper Project, as proposed, would not be granted federal authorizations.	
June 6, 2011: the Proponent applied to EAO to amend its Certificate to accommodate proposed changes to its mine plan.	The Proponent proposed changes to address the significant adverse effects found in the previous federal panel review. The Proponent also applied to the federal government for EA review of its mine proposal.
November 2011: Federal government announced that the proposed New Prosperity Project would be reviewed by a federal panel.	For the federal government, this is treated as a new Project. While the full mine plan is subject to review, the federal government stipulated that information obtained during the previous EA will be used to the extent possible in order to ensure a timely decision. The review must be completed within the timelines of a comprehensive study.
January 31, 2012: EAO seeks Proponent and First Nations comments on proposed amendment review process.	EAO's proposed process is designed to coordinate with the federal review process to reduce overlap.
February 22, 2012: EAO submits provincial comments on Environmental Impact Statement (EIS) Guidelines.	The federal government held a 30 day public comment period on its draft EIS Guidelines and draft Terms of Reference for the Panel review, which concluded on February 22, 2012. EAO provided comments on the federal draft guidelines in order to help make the federal information requirements useful for

	the provincial amendment process.
March 16, 2012: Federal government issued its final EIS Guidelines.	
May 9, 2012: Federal government issued the final Panel Terms of Reference and announced the Panel members.	
June 28, 2012: EAO provides Tsilhqot'in National Government (TNG) and Proponent with its revised proposed process.	The revised process puts additional focus on obtaining information from the federal review. (EAO engages in a series of meetings and correspondence with TNG clarifying aspects of the proposed procedures, particularly regarding the scope of EAO's assessment.)
July 6, 2012: CEA Agency provided comments to the Proponent following review of the draft EIS.	The federal government received technical advice from provincial agencies in the screening (MEM and FLNR). The draft EIS did not meet the requirements of the EIS Guidelines, as substantial critical sections were incomplete.
August – October 2012: EAO engages TNG and the Proponent in further discussion on EAO's scope and approach to review of the proposed amendment.	
November 9, 2012: EAO submitted provincial agencies' comments in response to the 45 day comment period on the adequacy of the EIS.	Provincial agencies focused on whether the EIS has the information agencies would need to consider the proposed amendment. FLNR, MEM and ENV identified several deficiencies in the EIS.
November 26, 2012: EAO finalizes its procedures for the review of the proposed amendment.	Following extensive consultation and correspondence with TNG and Taseko.
December 11, 2012: Federal panel completed review of the EIS.	The Panel provided their first information request on November 26, 2012. Fifty additional information requests were provided on December 11, 2012.
Ongoing: EAO and CEA Agency continuing dialogue on opportunities to coordinate First Nations consultation.	

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February 20, 2013: Federal Panel released its final procedures for the Panel hearing process.	
March 15, 2013: EAO submits provincial agencies' comments in response to the Panel's public comment period on the adequacy of Taseko's response to the information requests.	FLNR, MEM and ENV identified several deficiencies in the responses, as did several federal agencies.
March 28, 2013: Federal panel completed review of responses to information requests.	Identified 11 categories of outstanding deficiencies.
June 6, 2013: Federal Panel initiated a 10 day public comment period on Taseko's response to the remaining deficiencies identified by the Panel.	EAO coordinated provincial agency review of Taseko's responses and submitted comments June 14, 2013.
June 20, 2013: Federal Panel announced that the public hearing on Taseko's EIS will begin on July 22, 2013 in Williams Lake.	<p>Hearings scheduled to be held from July 22, 2013 to August 23, 2013. Topic specific (or technical) sessions will be held July 25 (eve) to Aug 1.</p> <p>EAO submitted provincial ministry submissions on July 19, 2013. Provincial ministries will not be participating in the hearings, but are responding to questions in writing.</p>
October 31, 2013: Federal Panel report due to be submitted to the federal Minister of Environment.	<p>Panel has 70 days to submit the report. Date estimate assumes that no supplementary information is requested from Taseko.</p> <p>Report will be made public upon receipt.</p>
Federal Panel Report was released to the public and submitted to the federal Minister of the Environment on October 31, 2013.	<p>Federal government has 120 days to make a decision on the project.</p> <p>EAO is reviewing the Federal Panel Report. EAO will be consulting with First Nations and will work with agencies to review the report and assess if additional information is needed for EA Certificate amendment review process. EAO will not refer the amendment for decision until after the federal decision, to allow EAO to consider any conditions imposed by the federal government, if the federal government grants approval.</p>

Project Details

- The Project, a conventional open-pit mining project with a 20-year operating life and a production capacity of 70,000 tonnes of mineral ore per day, would be located approximately 125 km southwest of Williams Lake.
- The total capital cost of the Project as originally proposed by Taseko Mines Ltd. (Proponent) and approved by the Province was estimated to be \$800 million, with annual operating costs expected to be \$200 million. The capital cost of the new proposal is estimated at \$1 billion. Taseko released a study in October 2011 that estimated provincial government revenue at \$5.52 billion and federal government revenue at \$4.3 billion over the life of the mine.
- The proposed amendment is to move the tailings and waste rock storage facilities so that Fish Lake would no longer need to be drained, change water management plans and structures, and change fish compensation plans (i.e. no longer proposing to develop a new lake). Little Fish Lake would still be affected by the proposed Mine. The transmission line, access road, open pit and other mine infrastructure would remain unchanged.

Original Project Proposal:

- In January 2010 the Provincial Government issued an EA Certificate for the Prosperity Gold-Copper Project. The loss of Fish Lake and Little Fish Lake were determined to be a significant adverse effect, however the Project was found to be justified given the proposed fish compensation and social and economic factors.
- The Project was subject to a federal panel review under the *Canadian Environmental Assessment Act*. In July 2010, the federal Review Panel concluded that the mine would have a number of significant adverse environmental effects in addition to the effects on fish and fish habitat.
- In November, 2010, the federal government determined that the proposed Project would not proceed to federal permitting, given the findings of the federal Review Panel.

Main Differences between EAO conclusions and Federal Panel Findings

Issue	Provincial EA Conclusions	Federal Panel Conclusions
Cumulative Effects	While cumulative effects were addressed in the Application and discussed with the Working Group and First Nations, it is not separately discussed in EAO's Assessment Report. EAO reached general conclusions on significance of effects, without delineating direct versus cumulative effects, as is EAO's current practice. No significant adverse effect was found for Grizzly Bears.	The cumulative effects of the Project would have a significant adverse effect on Grizzly Bears and fish and fish habitat.
Fish and Fish Habitat	The loss of Fish Lake is a significant adverse effect.	The proposed fish compensation plan is not sufficient and cannot be

		modified to the satisfaction of all parties. The plan does not comply with the DFO no-net-loss policy.
Aboriginal Rights	The Project is not anticipated to have a significant effect on Aboriginal rights and any impacts are justified.	The Project will have a significant effect on proven and asserted Tsilhqot'in rights, including title.

New/Amended Project Proposal:

- A new proposal (the New Prosperity Gold-Copper Project) has been submitted to the federal and provincial governments to address the findings of significant adverse effects from the previous federal panel review.
- The Proponent has proposed moving the tailings and waste rock storage facilities so that Fish Lake would no longer need to be drained. Little Fish Lake will still be affected by the proposed Mine.
- For the provincial EAO, this is a review of a proposed amendment to an existing Certificate. For the federal government, this is considered a new project review.

Federal Review: Required

- The previous proposal was subject to a federal Review Panel under the *Canadian Environmental Assessment Act*.
- CEA Agency has determined that the new project will undergo an EA by a federal review panel. Information obtained during the previous EA will be used to the extent possible in order to ensure a timely decision. The review must be completed within the timelines of a comprehensive study.

2013 Federal Panel Report:

- The Panel submitted its findings to the federal Minister of Environment, and released them publicly on October 31, 2013.
- The Panel found that there were several significant adverse effects including:
 - effects on water quality in Fish Lake (Teztan Biny);
 - effects on fish and fish habitat in Fish Lake,
 - effects on current use of lands and resources for traditional purposes by certain Aboriginal groups, and on their cultural heritage.
 - Cumulative effects on the South Chilcotin grizzly bear population, unless necessary cumulative effects mitigation measures are effectively implemented.
- The Panel noted the technical input provided by provincial Ministries in many of its findings.
- The federal government has 120 days to make a decision on the project.

First Nations and Other Governments:

- The Project is opposed by local First Nations. The province is satisfied the Crown's duties to consult and accommodate First Nations' interests on the original EA were discharged. Review of the revised proposal must include engagement with First Nations to ensure

that the Crown's duties to consult and accommodate First Nations' interests have been discharged.

- EAO has engaged in correspondence with the Canoe Creek Band, Esketemc First Nation and the Tsilhqot'in National Government (TNG) regarding the scope of the review of the proposed amendment. First Nations would like the scope to include the full Project and a reconsideration of the previous provincial decision.
- EAO has responded to First Nations that the amendment review process will only involve an assessment of the changes to the Project proposed by the Proponent, and will not involve a reconsideration of the Certificate.
- EAO has met with TNG to discuss their concerns on the proposed amendment process and engaged in consultation on the nature and scope of EAO's proposed amendment process.
- EAO has provided \$10,000 to TNG and \$5,000 to Esketemc First Nation.
- EAO offered an additional \$10,000 to TNG to participate in EAO's review of the proposed amendment, although that was declined.

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Environmental Assessment Office

Issue Summary Note Advice to the Minister

Date: October 2, 2013

Project: Blackwater Gold Project (proposed Project)

Recommended Response:

- The proposed Project is a 60,000 tonne per day open-pit gold and silver mine approximately 110 km south of Vanderhoof (straight-line distance) in central BC.
- The proposed Project may also be subject to a coordinated federal-provincial environmental assessment (EA).
- The proposed Project was issued a section 10 Order on November 5, 2012 and it is now in the Pre-Application Stage of the EA.

Key Issues:

Ulkatcho First Nation has raised concerns about cumulative effects on caribou.

Other relevant information

Stage in EA process: Pre-application	
	Background/Status
2012-09-28: The Proponent submitted a Project Description.	
2012-10-24: The Proponent submitted an updated Project Description.	
2012-11-5: EAO issued an Order under section 10(1)(c) requiring an environmental assessment for the proposed Project.	
2012-11-5: CEA Agency issued a notice of consideration and began a 20 day public comment period.	
2012-12-21: CEA Agency announced that a federal EA is required. 30-day federal public comments on draft EIS Guidelines concluded on January 20, 2013.	
February 19, 2013: CEA Agency issued the final EIS Guidelines.	
April 2013: EAO distributed draft Application Information Requirements (AIR) from New Gold Inc. to Working Group for review	EAO hosted an introductory Technical Advisory Working Group meeting on April 30, 2013 in Prince George.
April 23, 2013: Draft section 11 Order distributed to Proponent and First Nations for comment	EAO is considering the comments received from the Proponent and First Nations.
July 9, 2013: Section 11 Order issued	
July – September 2013	dAIR being revised with comments from the working group and to prepare for a public comment period in mid-late October.
September 2013	Proponent advised that they no longer propose to construct and operate a transload facility. EAO is considering a section 13 Order to revise scope of assessment.
October 9-November 8, 2013	Public comment period of dAIR. Open house in Fraser Lake on October 15 and Vanderhoof on October 16.

Project Details

- New Gold Inc. (Proponent) proposes to develop a open pit gold and silver mining project to extract roughly 0.5 million oz of gold and 2 million oz of silver over 17 years generating approximately 2,600 person years of employment during construction and 8,000 person years during operation, approximately 110 km south of Vanderhoof, BC.

- The proposed Project requires an EA certificate under the Reviewable Projects Regulation because it is a new mine facility that, during operations, will have a production capacity of greater than 75,000 tonnes per year of mineral ore.

Federal Review

- The federal government has determined that an EA is required.
- CEA Agency has issued a Notice of Commencement and Environmental Impact Statement Guidelines. This a coordinated review.

First Nations and Other Governments

- The following First Nations are in the section 11 Order with full consultation on the proposed Project:
 - Lhoosk'uz Dene Nation;
 - Ulkatcho First Nation;
 - Nadleh Whut'en Band;
 - Saik'uz First Nation; and
 - Stellat'en First Nation.
- The following First Nations are being offered notification level consultation on the proposed Project:
 - Skin Tyee Nation;
 - Nazko First Nation;
 - Tsilhqot'in National Government.

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Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: August 28, 2013

Project: LNG Sector

Recommended Response:

- In the BC Jobs plan, the province has committed to having one liquefied natural gas plant in operation by 2015, and three by 2020.
- These timelines are deemed critical for BC to successfully access the lucrative Asian energy market ahead of competition from Australia, the US, Qatar and Africa.
- Proposals for major liquefied natural gas facilities and large natural gas pipeline projects would likely trigger a provincial environmental assessment, which would be managed by the BC Environmental Assessment Office.
- The Environmental Assessment Office has a strategy in place to ensure that process timelines are expedited without impacting the quality and integrity of the environmental assessment process.
- The province has already certified the Kitimat LNG facility and the Pacific Trail pipeline.

Key Issues:

- Under the *Environmental Assessment Act*, proposed liquefied natural gas (LNG) facilities and natural gas pipelines are likely required to complete an environmental assessment (EA) and receive an EA certificate before they can proceed.
- Federal engagement under the *Canadian Environmental Assessment Act* on the LNG projects varies by project.
- The province has a 'single window' regulatory framework under the Oil and Gas Commission (OGC). LNG Plants and associated pipelines are all regulated by OGC.

- The Environmental Assessment Office (EAO) currently has:
 - five pipeline projects in the EA process;
 - three LNG facility projects in the EA process; and
 - three to seven more projects (both facilities and pipelines) that have high potential to enter the provincial EA process in the next 6 months.

(See attached maps for further information on the specific projects.)

Other relevant information:

Recent government announcements on the LNG sector (pipelines and facilities) have heightened expectations among highly sophisticated and well-capitalized proponents of proposed LNG projects. In particular, a number of proponents have expressed their desire to make investment decisions as early as November 2014 (assuming the issuance of an EA certificate).

To achieve this, the EAO has created a dedicated team to review LNG projects and has implemented systems and processes to ensure expeditious EA reviews in coordination with provincial agencies.

Issues:

EA tends to be a lightning rod for public opinion and First Nations concerns on pipeline and processing facility projects. Concerns include:

- cumulative effects (several pipelines with different routing options), potential for habitat fragmentation, hundreds of stream crossings, combined effects of impacts from existing and new industrial facilities, etc.;
- greenhouse gas emissions and airshed management;
- public opinion on upstream activities (i.e. shale gas extraction or fracking);
- marine impacts and potential shipping volume increases;
- expectations for benefits sharing for First Nations and communities;
- social and economic impacts of an increased workforce; and
- pipelines potentially crossing parks, protected areas and Nisga'a Treaty Lands.

EAO, with support from the LNG Regulatory Working Group and the Ministry of Natural Gas Development, has established an action plan to address these issues.

Attachments:

Figure 1: Map of proposed natural gas pipelines

Figure 2: Map of the proposed LNG facilities

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BC Proposed Pipeline Projects

Confidential - For Internal Government Use Only
November 1, 2012

Acronyms

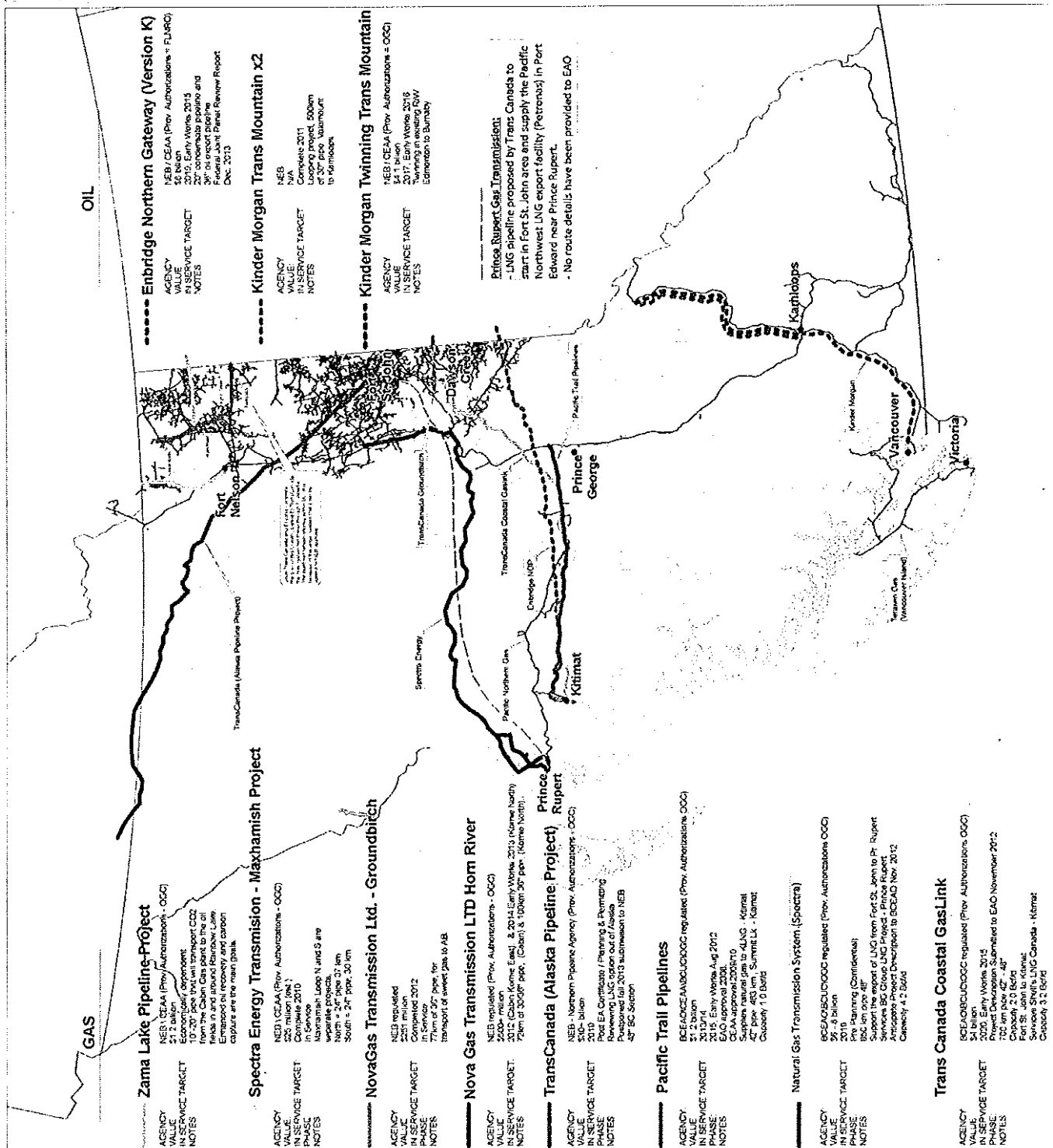
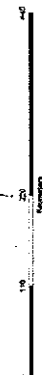
FLURO - Forest, Urban & Natural Resource Operations
NEB - National Energy Board
CEEA - Canadian Energy Efficiency Alliance
OCC - Oil and Gas Commission
BCUC - British Columbia Utilities Commission
BdUC - Billion Cubic Feet per Day

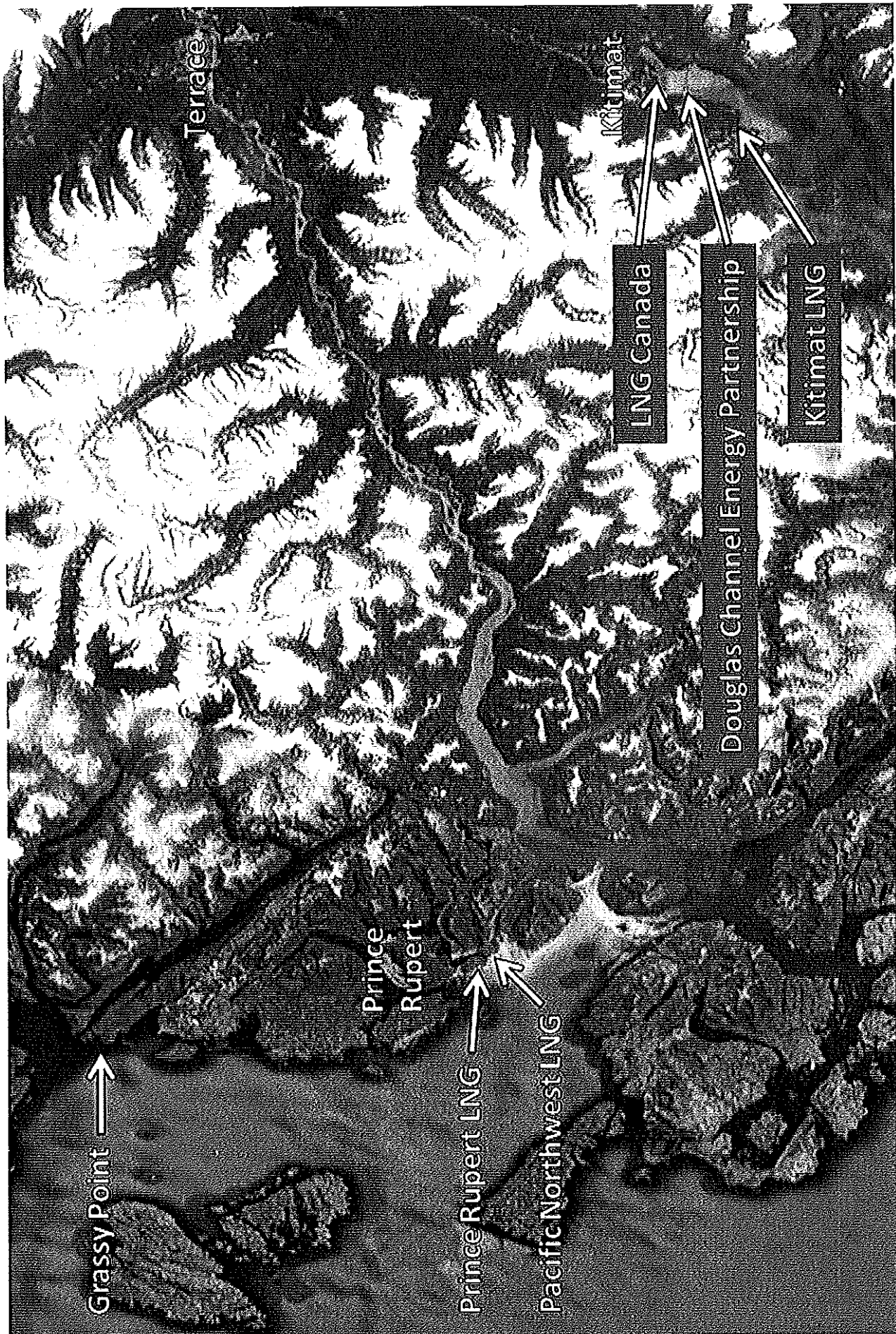
Legend

Major Rivers
Proposed Pipeline and Project Area Full
Groundwater and Sanitation



Ministry of
Forest, Urban & Natural Resource Operations







Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: October 28, 2013

Project: Northern Gateway Project (proposed Project) by Northern Gateway Pipelines Limited Partnership (Proponent)

Recommended Response:

- British Columbians place a premium on our environment. The need to balance risk and benefits remains paramount in any major development.
- British Columbia has made its final submission to the federal Northern Gateway Pipeline Joint Review Panel. The Province cannot support the project as presented to the panel because Northern Gateway has been unable to address British Columbians' environmental concerns.
- British Columbia thoroughly reviewed all of the evidence and submissions made to the panel and asked substantive questions about the project, including its route, spill response capacity and financial structure to handle any incidents. Our questions were not satisfactorily answered during these hearings.
- The provincial government has established, and maintains, strict conditions in order for British Columbia to consider the construction and operation of heavy-oil pipelines in the province, including the Northern Gateway Pipeline.
- First, the project must successfully complete an environmental assessment review. In the case of the Northern Gateway project, that means a recommendation by the Joint Review Panel that the project proceed.
- The second and third conditions are that the project must have world-leading marine and land oil spill response, prevention and recovery systems to protect BC's environment, including our coastline and ocean.
- A fourth condition is to see First Nations given appropriate opportunities to participate in any heavy oil pipeline proposal. This is a reflection of our commitment to economic development in partnership with First Nations.

- And finally, British Columbia must receive a fair share of the fiscal and economic benefits of a proposed heavy oil project. A fair share is one that reflects the level, degree and nature of the risk borne by our environment and our taxpayers.
- We are committed to ensuring that this proposed project, if it does proceed, meets the highest standards of environmental protection and protects the people of British Columbia from financial and environmental risk.

Key Issues:

Federal EA review process

- The proposed Project falls under federal regulatory jurisdiction because it crosses inter-provincial borders and is undergoing a full federal environmental assessment through a Joint Review Panel (JRP), led by the National Energy Board (NEB) and involving the Canadian Environmental Assessment Agency (CEAA).
- EAO and the NEB signed an Environmental Assessment Equivalency Agreement in 2010. The assessment completed by the NEB is considered equivalent to a BC EA process and a BC EA is not required.

Joint Review Panel Hearings and BC's Involvement (Late 2012–Early 2013)

- BC is an intervenor in the JRP process. BC chose to be an intervenor, rather than a government participant, as it allows for full participation by BC and provides some additional flexibility as it relates to cross-examination and information requests.
- The JRP held hearings in Edmonton (corporate matters), Prince George (terrestrial) and Prince Rupert (marine) between September 2012 and May 2013.
- BC cross-examined Northern Gateway at all three hearings. In Edmonton, cross-examination focused on Enbridge's liability coverage, ownership structure and related financial matters. In Prince George, the cross-examination was focused on requirements for heavy oil pipelines and provincial legal counsel questioned company representatives on their proposed land-based spill prevention, response and recovery systems. The third phase of cross-examination in Prince Rupert focused on marine spill response.
- On April 12, 2013, the JRP released 199 conditions potential conditions for the project, should it be approved to proceed. The potential conditions address all aspects of the proposed project including engineering, spill response, socio-economic and environmental requirements.
- On May 31, 2013, the Province of British Columbia submitted written final arguments to the JRP, stating that it cannot support the project as presented to the panel.

Project Details

Project Scope

In 2008, the Proponent reactivated its proposed \$6.5 billion proposed project, which includes:

- a 1172 kilometre, 25 metre wide right of way – 670 kilometres of which are in BC;
- twin pipelines:
 - a 914 millimetre (36 inch) line carrying 525,000 barrels per day of condensate diluted oil to Kitimat and
 - a 608 millimetre (20 inch) line carrying 193,000 barrels per day of imported condensate to Edmonton;
- ten associated pump stations, seven of which are in BC; and
- a marine terminal at Kitimat with two ship berths for tankers and 14 tanks for storage of oil and condensate.

Project Benefits for British Columbia

- Jobs:
 - Construction: Up to 4,100 person years of on-site direct employment over 3.5 years (one person year is equivalent to one full-time job);
 - Annual Operations: 78 person years of direct long-term employment.
- \$165 million tax revenues during construction and \$1.2 billion over 30 years of operation.
- Property tax revenue of \$28.5 million annually (\$855 million over 30 years).

Project Risks to British Columbia

In BC's report, "Requirements for British Columbia to Consider Support for Heavy Oil Pipelines", the following risks were identified:

- Marine environmental risks due to oil tankers and the potential for a spill - BC holds 100% of the risks of the proposed Project;
- Environmental risks due to potential on-land oil spills - BC holds 58% of the risk given approximately 670 km of the 1172 km proposed pipeline would be located in the Province;
- Risks of legal challenges from First Nations;
- Risk that BC would not receive its fair share of economic benefits.

Many BC First Nations, environmental organizations and some local governments have opposed the proposed Project because of concerns over the possibility of terrestrial and marine oil spills, construction impacts, tanker traffic and the link to oil sands and related climate change impacts.

Federal Review Process

The NEB is regulating the review process, which involves CEAA.

The NEB/CEAA scope of the review includes:

- the need for the proposed Project;
- alternatives to the proposed Project;
- cumulative environmental effects;
- potential marine effects of increased tanker traffic; and
- public comments.

Provincial Participation

The senior official leading the Province's participation in this initiative is the Associate Deputy Minister of the Environmental Assessment Office (EAO).

On June 29, 2011, the Province registered with the JRP for Intervenor Status.

In August 2011, the Province initiated a multi-agency technical review of the Proponent's Application, coordinated by EAO. The agencies were responsible for reviewing the Application and additional documents that were received up to November 24, 2011.

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On July 23, 2012, BC announced five minimum requirements that must be met for the province to consider the construction and operation of heavy oil pipelines (like the proposed Project) within its borders.

On August 2, 2012, BC formally submitted and announced its intention to cross-examine NGP on the proposed Project at the JRP hearings.

Provincial legal counsel cross-examined NGP representatives at the JRP hearings throughout the fall and winter of 2012/13.

On June 26, 2013, the federal Minister of Natural Resources announced elements of the federal government's plan to increase pipeline safety, including:

- Requiring companies operating major pipelines to have the financial capability to respond to any incident and remedy damage. For major crude oil pipelines, the federal government will expect a minimum financial capability of \$1 billion;
- New penalties to companies and individuals for a range of infractions ranging from \$25,000 to a maximum of \$100,000;

- Requiring companies to appoint an accountable senior officer whose duty is to ensure management system and programs are in compliance; and
- Enshrining in law the 'polluter pays' principle explicitly in law. Currently it is implicit.

The JRP has until December 31, 2013 to submit its final recommendation report to the federal government. The report will be made available to the public at the same time.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 26, 2013

Minister Responsible: Mary Polak

**Enbridge Northern
Gateway Pipeline**

ADVICE AND RECOMMENDED RESPONSE:

- British Columbians place a premium on our environment. The need to balance risk and benefits remains paramount in any major development.
- British Columbia has made its final submission to the federal government's Northern Gateway Pipeline Joint Review Panel. The Province cannot support the project as presented to the panel because Northern Gateway has been unable to address British Columbians' environmental concerns.
- British Columbia thoroughly reviewed all of the evidence and submissions made to the panel and asked substantive questions about the project, including its route, spill response capacity and financial structure to handle any incidents. Our questions were not satisfactorily answered during these hearings.
- The provincial government has established, and maintains, strict conditions in order for British Columbia to consider the construction and operation of heavy-oil pipelines in the province, including the Northern Gateway Pipeline:
- First, the project must successfully complete an environmental assessment review. In the case of the Northern Gateway project, that means a recommendation by the Joint Review Panel that the project proceed.
- In addition, the project must have world-leading marine and land oil spill response, prevention and recovery systems to protect BC's environment, including our coastline and ocean.
- A fourth requirement is to see First Nations given appropriate opportunities to participate in any heavy oil pipeline proposal. This is a reflection of our commitment to economic development in partnership with First Nations.

- And finally, British Columbia must receive a fair share of the fiscal and economic benefits of a proposed heavy oil project. A fair share is one that reflects the level, degree and nature of the risk borne by our environment and our taxpayers.
- We are committed to ensuring that this proposed project, if it does proceed, meets the highest standards of environmental protection and protects the people of British Columbia from financial and environmental risk.

KEY FACTS REGARDING THE ISSUE:

Federal EA review process

The proposed Project falls under federal regulatory jurisdiction because it crosses inter provincial borders and is undergoing a full federal environmental assessment through a Joint Review Panel (JRP), led by the National Energy Board (NEB) and involving the Canadian Environmental Assessment Agency (CEAA).

The approach the Province is taking with this review is consistent with the Province's recommendations to the federal Standing Committee's review of the Canadian Environmental Assessment Act:

- BC acknowledges that there are certain circumstances, such as matters of national significance, where the federal government would have a strong interest in conducting federal environmental assessments.
- In such cases, BC would continue to support the federal environmental assessment process by providing technical input and administering subsequent provincial permits.

Joint Review Panel Hearings and BC's Involvement (Late 2012–Early 2013)

BC is an intervenor in the JRP process. BC chose to be an intervenor, rather than a government participant, as it allows for full participation by BC and provides some additional flexibility as it relates to cross-examination and information requests.

On April 12, 2013, the JRP released 199 conditions potential conditions for the project, should it be approved to proceed. The potential conditions address all aspects of the proposed project including engineering, spill response, socio-economic and environmental requirements.

On May 31, 2013, the Province of British Columbia submitted written final arguments to the JRP, stating that it cannot support the project as presented to the panel.

Project Scope

In 2008, the Proponent reactivated its proposed \$6 billion proposed project, which includes:

- a 1172 kilometre, 25 metre wide right of way – 670 kilometres of which are in BC;
- twin pipelines:
 - a 914 millimetre (36 inch) line carrying 525,000 barrels per day of condensate diluted oil to Kitimat and
 - a 608 millimetre (20 inch) line carrying 193,000 barrels per day of imported condensate to Edmonton;

- ten associated pump stations, seven of which are in BC; and
- a marine terminal at Kitimat with two ship berths for tankers and 14 tanks for storage of oil and condensate.

On July 20, 2012, the Proponent announced a \$500 million investment in enhanced pipeline design and operations intended to improve pipeline safety and integrity (e.g. increased pipeline wall thickness, 50% more remotely operated isolation valves in BC, increased frequency of inspection surveys, dual leak detection systems and increased staffing in remote locations).

Project Benefits for British Columbia

- Jobs:
 - Construction: Up to 4,100 person years of on-site direct employment over 3.5 years (one person year is equivalent to one full-time job);
 - Annual Operations: 78 person years of direct long-term employment.
- \$165 million tax revenues during construction and \$1.2 billion over 30 years of operation.
- Property tax revenue of \$28.5 million annually (\$855 million over 30 years).

Project Risks to British Columbia

In BC's report, "Requirements for British Columbia to Consider Support for Heavy Oil Pipelines", the following risks were identified:

- Marine environmental risks due to oil tankers and the potential for a spill - BC holds 100% of the risks of the proposed Project;
- Environmental risks due to potential on-land oil spills - BC holds 58% of the risk given approximately 670 km of the 1172 km proposed pipeline would be located in the Province;
- Risks of legal challenges from First Nations;
- Risk that BC would not receive its fair share of economic benefits.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 27, 2013

Minister Responsible: Mary Polak

**Enbridge Northern
Gateway Pipeline**

ADVICE AND RECOMMENDED RESPONSE:

- British Columbians place a premium on our environment. The need to balance risk and benefits remains paramount in any major development.
- British Columbia has made its final submission to the federal Northern Gateway Pipeline Joint Review Panel. The Province cannot support the project as presented to the panel because Northern Gateway has been unable to address British Columbians' environmental concerns.
- British Columbia thoroughly reviewed all of the evidence and submissions made to the panel and asked substantive questions about the project, including its route, spill response capacity and financial structure to handle any incidents. Our questions were not satisfactorily answered during these hearings.
- The provincial government has established, and maintains, strict conditions in order for British Columbia to consider the construction and operation of heavy-oil pipelines in the province, including the Northern Gateway Pipeline.
- First, the project must successfully complete an environmental assessment review. In the case of the Northern Gateway project, that means a recommendation by the Joint Review Panel that the project proceed.
- The second and third conditions are that the project must have world-leading marine and land oil spill response, prevention and recovery systems to protect BC's environment, including our coastline and ocean.
- A fourth condition is to see First Nations given appropriate opportunities to participate in any heavy oil pipeline proposal. This is a reflection of our commitment to economic development in partnership with First Nations.

- And finally, British Columbia must receive a fair share of the fiscal and economic benefits of a proposed heavy oil project. A fair share is one that reflects the level, degree and nature of the risk borne by our environment and our taxpayers.
- We are committed to ensuring that this proposed project, if it does proceed, meets the highest standards of environmental protection and protects the people of British Columbia from financial and environmental risk.

KEY FACTS REGARDING THE ISSUE:

Federal EA review process

The proposed Project falls under federal regulatory jurisdiction because it crosses inter provincial borders and is undergoing a full federal environmental assessment through a Joint Review Panel (JRP), led by the National Energy Board (NEB) and involving the Canadian Environmental Assessment Agency (CEAA).

Joint Review Panel Hearings and BC's Involvement (Late 2012–Early 2013)

BC is an intervenor in the JRP process. BC chose to be an intervenor, rather than a government participant, as it allows for full participation by BC and provides some additional flexibility as it relates to cross-examination and information requests.

The JRP held hearings in Edmonton (corporate matters), Prince George (terrestrial) and Prince Rupert (marine) between September 2012 and May 2013.

On April 12, 2013, the JRP released 199 conditions potential conditions for the project, should it be approved to proceed. The potential conditions address all aspects of the proposed project including engineering, spill response, socio-economic and environmental requirements.

On May 31, 2013, the Province of British Columbia submitted written final arguments to the JRP, stating that it cannot support the project as presented to the panel.

On June 26, 2013, the federal Minister of Natural Resources announced elements of the federal government's plan to increase pipeline safety, including:

- Requiring companies operating major pipelines to have the financial capability to respond to any incident and remedy damage. For major crude oil pipelines, the federal government will expect a minimum financial capability of \$1 billion;
- New penalties to companies and individuals for a range of infractions ranging from \$25,000 to a maximum of \$100,000;
- Requiring companies to appoint an accountable senior officer whose duty is to ensure management system and programs are in compliance; and
- Enshrining in law the 'polluter pays' principle explicitly in law. Currently it is implicit.

Project Scope

In 2008, the Proponent reactivated its proposed \$6.5 billion proposed project, which includes:

- a 1172 kilometre, 25 metre wide right of way – 670 kilometres of which are in BC;
- twin pipelines:

- a 914 millimetre (36 inch) line carrying 525,000 barrels per day of condensate diluted oil to Kitimat and
- a 608 millimetre (20 inch) line carrying 193,000 barrels per day of imported condensate to Edmonton;
- ten associated pump stations, seven of which are in BC; and
- a marine terminal at Kitimat with two ship berths for tankers and 14 tanks for storage of oil and condensate.

Project Benefits for British Columbia

- Jobs:
 - Construction: Up to 4,100 person years of on-site direct employment over 3.5 years (one person year is equivalent to one full-time job);
 - Annual Operations: 78 person years of direct long-term employment.
- \$165 million tax revenues during construction and \$1.2 billion over 30 years of operation.
- Property tax revenue of \$28.5 million annually (\$855 million over 30 years).

Project Risks to British Columbia

In BC's report, "Requirements for British Columbia to Consider Support for Heavy Oil Pipelines", the following risks were identified:

- Marine environmental risks due to oil tankers and the potential for a spill - BC holds 100% of the risks of the proposed Project;
- Environmental risks due to potential on-land oil spills - BC holds 58% of the risk given approximately 670 km of the 1172 km proposed pipeline would be located in the Province;
- Risks of legal challenges from First Nations;
- Risk that BC would not receive its fair share of economic benefits.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 27, 2013

Minister Responsible: Mary Polak

**Trans Mountain
Expansion Project
(Kinder Morgan)**

ADVICE AND RECOMMENDED RESPONSE:

- Kinder Morgan Canada's proposed expansion of the existing oil pipeline from Edmonton to Burnaby triggers a National Energy Board review process because it crosses an interprovincial border.
- A provincial environmental assessment is not likely required due to the agreement between the National Energy Board and the BC Environmental Assessment Office that allows an NEB assessment to be considered equivalent to a BC assessment.
- The Province is monitoring the National Energy Board's environmental assessment process for the Kinder Morgan project to determine the appropriate level of provincial involvement.
- BC's minimum requirements for any heavy oil pipeline are:
 - Successful completion of an environmental assessment;
 - Establishment of world-leading marine oil spill response, prevention and recovery systems for BC's coastline and ocean;
 - Establishment of world-leading land oil spill prevention, response and recovery systems;
 - Legal requirements regarding Aboriginal and treaty rights are addressed, and First Nations are provided with the opportunities, information and resources to participate and benefit from the Project; and
 - BC receives a fair share of the fiscal and economic benefits.

KEY FACTS REGARDING THE ISSUE:

Background:

The proponent filed a project description for the proposed Trans Mountain Expansion Project with the National Energy Board (NEB) on May 23, 2013. The proponent plans to submit a Facilities Application to the NEB in late 2013. The capital investment for the proposed Project would be \$5.4 billion.

The proponent proposes to expand their existing 1,150 km pipeline between Strathcona County, AB (near Edmonton), and Burnaby, including new pump stations and storage tanks, an expanded Westridge Marine Terminal in Burnaby, increased nominal capacity of the system from 300,000 barrels per day to 890,000 barrels per day of refined products, synthetic crude oils, light crude oils and heavier products.

Recent growth of Alberta's oil sands and growing demand for Canadian crude oil have created a shortage of capacity on the Trans Mountain pipeline. The proponent estimates market demand will support the capacity of the proposed Project by 2016.

The proponent is reviewing routing options, consulting the public and started engineering, aboriginal engagement, and environmental field studies. Potential issues associated with the proposed Project include environmental risks, including potential spills, and First Nations concerns.

The existing Trans Mountain Pipeline system began operation in 1953.

Federal Review

The proposed Project triggers the NEB review process because it crosses an interprovincial border. A provincial environmental assessment (EA) is not required under the NEB-Environmental Assessment Office (EAO) Equivalency Agreement, which allows the NEB process to be considered equivalent to a provincial EA.

The NEB will notify EAO upon receipt of an application for a project that is covered by the Equivalency Agreement, and of the NEB decision on whether to approve a proposed project.

Provincial Involvement

The Province, led by the Ministry of Natural Gas Development, is monitoring the NEB process for the Trans Mountain Expansion Project to determine the appropriate level of provincial involvement. The Province can participate in an NEB hearing process: as an intervener; as a government participant; or by submitting a letter of comment.

The NEB typically notifies the Province (the Ministry of Natural Gas Development) of project applications and hearing notices. The Ministry of Natural Gas Development is establishing a standing NEB interagency team for the proposed project.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: June 28, 2013

Minister Responsible: Mary Polak

**Equivalency
Agreement between
BC's EAO and the
NEB**

ADVICE AND RECOMMENDED RESPONSE:

- The equivalency agreement between the Environmental Assessment Office and the National Energy Board supports BC's objective of reducing duplication by achieving "One Project-One Environmental Assessment".
- National Energy Board assessments are substantially equivalent to assessments conducted by the Environmental Assessment Office – they consider the same types of potential adverse effects and include opportunities for Aboriginal and community engagement.
- While the Environmental Assessment Office is not an active participant in National Energy Board-led reviews, the process provides for the involvement of appropriate provincial agencies to ensure provincial interests are represented.
- All applicable provincial permits and authorizations are still required and applicable provincial laws must still be followed for projects that are reviewed under the agreement.

KEY FACTS REGARDING THE ISSUE:

The Equivalency Agreement states that a provincial environmental assessment certificate is not required when an assessment is undertaken under the *National Energy Board Act*. The agreement was signed in 2008 and updated in 2010.

The position of the Official Opposition is that the agreement should be terminated and separate provincial reviews conducted.

Background:

Trans-boundary projects, such as interprovincial pipelines or transmission lines, associated facilities, or off-shore oil or gas facilities are subject to review by the NEB, pursuant to the *National Energy Board Act*.

EAO has determined that reviews led by the NEB are substantially equivalent to assessments conducted by EAO.

NEB reviews consider the same the same types of potential adverse effects as EAO's assessments and include Aboriginal and community consultation with technical experts.

While not explicit in the agreement, an NEB-led EA provides opportunities for appropriate provincial agencies to participate in the review. There are several ways that the Province can participate in an NEB hearing process: as an intervener; as a government participant; or by submitting a letter of comment.

The agreement does not fetter or limit the applicability of, or need for, relevant provincial permits or authorizations.

Either party may terminate the agreement upon 30 days written notice to the other party.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office

Updated: July 2, 2013

Minister Responsible: Mary Polak

Compliance and Enforcement Re: OAG

ADVICE AND RECOMMENDED RESPONSE:

- The government supports the recommendations of the Auditor General.
- Environmental Assessment Office has made the enhancement of its Compliance and Enforcement Program a top priority.
- Environmental Assessment Office is engaging with other agencies to coordinate and enhance oversight of projects that have received an environmental assessment certificate.
- We have made significant progress in addressing the issues identified in the Auditor General's report by developing and implementing a comprehensive Compliance and Enforcement Program that incorporates best practices from leading jurisdictions.
- Environmental Assessment Office's implementation of four of the recommendations is complete and the other two are near completion.
- On October 1, 2012, the Auditor General published a follow-up report provided by the Environmental Assessment Office highlighting progress in implementing the audit recommendations. The next follow up report will be published in October 2013.

KEY FACTS REGARDING THE ISSUE:

In July 2011, the Office of the Auditor General (OAG) published a report on the Environmental Assessment Office's (EAO) oversight of certified projects and concluded that oversight was insufficient to ensure that potential adverse effects are avoided or mitigated.

In the spring of 2011, EAO established a Policy and Quality Assurance Unit to lead the development of a comprehensive Compliance and Enforcement (C&E) Program.

EAO developed the C&E Program based on leading practices from other jurisdictions and built on the expertise and resources of other agencies, such as the Ministries of Forests, Lands & Natural Resource Operations (FLNR), Environment (ENV) and Energy & Mines.

EAO ensures compliance management is addressed throughout the environmental assessment (EA) process. EAO's dedicated C&E staff provide guidance and support to project assessment staff throughout the course of an EA to ensure that compliance is addressed. This guidance includes assisting EAO's project staff to draft measurable and enforceable environmental assessment certificate (Certificate) conditions.

Background:

EAO conducts site inspections of certified projects to promote compliance and enforce legally-binding Certificate conditions:

- In fiscal years 2011/12 – 2012/13, EAO conducted a total of 30 site inspections.
- In March 2013, a third-party audit was conducted on the Dokie Wind Project.
- In 2013/14, EAO's service plan target is to conduct 17 site inspections.
- Enforcement actions to date include the issuing of warning letters and advisories (both verbal and written).

As additional inspections of permit conditions of certified projects are also undertaken by other permitting agencies, compliance staff within EAO work with other regulatory agencies to clarify inspection roles and responsibilities and ensure that the project is constructed and operated according to the Certificate.

Compliance management plans (CMPs) are developed for projects that have been issued a Certificate since May 2012. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each Certificate condition and are updated over the life of the project.

In addition, EAO has established a partnership with the C&E Branch of FLNR to assist in conducting inspections of the conditions for certified projects (approximately 160 FLNR staff have been delegated authority to enter and inspect certified projects on behalf of EAO).

In October 2012, EAO submitted a follow-up report to the OAG, indicating substantial implementation of the 2011 recommendations (specifically that the first four recommendations have been implemented and are ongoing). A subsequent follow-up report will be published in October 2013 focusing on EAO's progress on recommendation five relating to effectiveness and recommendation six relating to accountability. EAO will have addressed the remaining recommendations by the time the October 2013 follow-up report will be published.

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Appendix A: Summary of the OAG's audit of EAO's oversight of EA projects and EAO's progress at addressing issues identified.

OAG Audit Recommendation	EAO Progress	Status and Work Remaining (if any)
1. Ensure commitments are clearly written in a measureable and enforceable manner.	<ul style="list-style-type: none"> • EAO has revised its policy for drafting Certificates and attached conditions. • All draft conditions that are referred to ministers are reviewed by EAO's legal counsel and C&E staff to ensure that they are measurable and enforceable. 	Complete and on-going.
2. Continue to work with ENV to finalize a policy framework that will provide provincial guidance on environmental mitigation.	<ul style="list-style-type: none"> • EAO continues to participate in the development of this policy initiative being led by ENV. • ENV and Certificate holders are conducting trial applications of the policy and its procedures. Trial applications are in progress for case studies on the Big Silver, Shovel Creek, Tretheway Creek, and Upper Lillooet hydroelectric projects. These applications examine the effectiveness of mitigation measures and cumulative effects, and look for gaps in conditions. 	Complete and on-going.
3. Clarify the post-certification monitoring responsibilities and compliance mechanisms for each commitment.	<ul style="list-style-type: none"> • EAO is actively working with other agencies to clarify roles and responsibilities for compliance management of EA projects on an ongoing basis. • A Letter of Agreement with FLNR's C&E Branch was signed in May 2012 that identifies roles and responsibilities for compliance inspections of certified projects. • A similar agreement is being developed with the Oil and Gas Commission and partnerships are being enhanced with other agencies, such as the Environmental Protection Division of ENV. • CMPs are being developed for all projects that have been issued a Certificate since May 2012. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each Certificate condition. • In early 2013, EAO and other agencies participated in a LEAN process workshop on CMPs to further refine the tool and determine oversight for compliance during different phases of EA certified projects. 	Complete and on-going.

<p>4. Develop and implement a comprehensive C&E Program that includes an integrated information management system to monitor project progress and ensure compliance.</p>	<ul style="list-style-type: none"> • EAO established a Policy and Quality Assurance Unit to lead EAO's C&E Program, including a compliance manager and two compliance staff who coordinate and implement inspections, investigations and enforcement measures. The compliance staff are supported by a 0.5 FTE program administrative assistant. • Certain EAO and FLNR staff are authorized under the <i>Environmental Assessment Act</i> to conduct inspections of certified projects. • EAO has provided funding to ENV and FLNR to add EAO inspection reports to an interagency database that tracks compliance inspections of projects in the natural resources sector. • In 2013, EAO contracted a compliance audit to a qualified third party for the Dokie Wind Project and will conduct additional audits in future years. 	<p>Complete and on-going.</p>
<p>5. Conduct post-certificate evaluations to determine whether EAs are avoiding or mitigating the potentially significant adverse effects of certified projects.</p>	<ul style="list-style-type: none"> • EAO and compliance partner agencies conduct inspections on certified projects to evaluate whether mitigation measures are being implemented as required by the Certificate. • Through compliance inspections and third party audits, EAO gains knowledge about the effectiveness of mitigation measures. These findings inform current and future EAs. • EAO has initiated a multi-year review of the effectiveness of key conditions across multiple projects. • EAO discusses the effectiveness of mitigation measures at regular policy and practice forums. • EAO continues to participate in the development of the environmental mitigation policy framework, including examining the effectiveness of mitigation measures for the case studies outlined under recommendation two above. 	<p>Near completion and on-going.</p>
<p>6. Provide appropriate accountability information for projects certified through the EA process.</p>	<ul style="list-style-type: none"> • Compliance reports submitted by proponents are published on EAO's website. • Summaries of compliance activities will be published in future, consistent with the natural resource sector. • Work is underway to increase the C&E presence on EAO's website. • EAO has added two new performance measures to the Service Plan related to C&E: <ol style="list-style-type: none"> 1. The annual number of inspections conducted; 2. The percentage of compliance reports prepared by Certificate holders reviewed by staff and posted online within six weeks. 	<p>Near completion and on-going.</p>

**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: July 23, 2013
Minister Responsible: Mary Polak

Substitution MOU with CEEA: One EA

ADVICE AND RECOMMENDED RESPONSE:

- BC's environmental assessment process is rigorous and comprehensive. BC is focused on carrying out robust and effective environmental assessments to ensure that potential impacts of proposed projects are avoided or mitigated.
- Many proposed projects that require a provincial environmental assessment also require federal assessment.
- BC has pursued substitution and equivalency with the federal government for a number of years. Both of these tools were enabled through the recently amended *Canadian Environmental Assessment Act, 2012*.
- Substitution means that where both federal and provincial environmental assessments are triggered, there would be one process – the provincial one – and two decisions – federal and provincial.
- In March 2013, the Environmental Assessment Office and the Canadian Environmental Assessment Agency signed a Memorandum of Understanding on the substitution of environmental assessments in BC.
- To date, BC has requested, and the federal Minister of the Environment has approved, substitution for the environmental assessments of five proposed projects.
- BC is the first jurisdiction in Canada to request substitution. Other provinces are also pursuing substitution agreements with the federal government.
- In some cases, the Environmental Assessment Office and the Canadian Environmental Assessment Agency will continue to conduct coordinated federal-provincial assessments. This may be the case where a proposed project has inter-jurisdictional impacts or impacts to key areas of federal interest.

KEY FACTS REGARDING THE ISSUE:

Details on Substituted Projects

The federal Minister of the Environment has approved substitution for the environmental assessments (EA) of the following projects:

- Carbon Creek Coal Mine, near Hudson's Hope;
- Sukunka Coal Mine, near Chetwynd and Tumbler Ridge;
- Echo Hill Coal Mine, near Tumbler Ridge;
- LNG Canada Export Terminal Project, near Kitimat; and
- Arctos Anthracite Coal Project, near Iskut.

Four of the five substituted projects are coal mines, due largely to the types of projects entering EA following the completion of the substitution MOU. The Environmental Assessment Office (EAO) anticipates requesting substitution for projects in other sectors in the near future.

Substitution requests are likely to be a common occurrence, and, in most cases requests are likely to be granted. Some situations where a request for substitution would not be appropriate include where the project involves transboundary effects and where the project is primarily located on federal lands.

BC anticipates exploring equivalency at a later date, when the Province has some experience with substitution.

Substitution is in its early days of implementation but generally proponents have been supportive. Various environmental non-governmental organizations and First Nations are opposed to the *Canadian Environmental Assessment Act 2012* (CEAA 2012) in general, and some groups have expressed concerns about substitution specifically.

Details on the MOU

BC had to meet a number of federal legislative and ministerial requirements to be eligible for substitution (e.g. consideration of specific environmental factors in CEAA 2012; opportunity for public participation; public access to records; inviting federal technical experts to participate).

The MOU sets out an administrative framework that addresses how the substituted process will unfold – before, during and after a substituted EA.

The MOU is signed by the President of the Agency and the Associate Deputy Minister of EAO.

Aboriginal consultation is largely dealt with in an annex, which sets out the procedural delegation of Aboriginal consultation to BC for purposes of substitution. The Agency will continue to provide funding for Aboriginal groups participating in substituted EAs. This funding will be transferred from the Agency to EAO, and EAO will distribute it to Aboriginal groups.

A joint implementation steering committee will develop operational procedures, monitor implementation and address key issues.

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**CONFIDENTIAL
ISSUES NOTE**

Environmental Assessment Office
Updated: August 16, 2013
Minister Responsible: Mary Polak

**Compliance
and Enforcement
Re: OAG**

ADVICE AND RECOMMENDED RESPONSE:

- The government supports the recommendations of the Auditor General.
- The Environmental Assessment Office has made the enhancement of its compliance and enforcement efforts a top priority.
- The Environmental Assessment Office has fully or substantially implemented all six recommendations and is committed to continuous improvement of environmental assessments and the Compliance and Enforcement Program.
- The Environmental Assessment Office has made significant progress in addressing the issues identified in the Auditor General's report by developing and implementing a comprehensive Compliance and Enforcement Program that incorporates best practices from leading jurisdictions.
- The Environmental Assessment Office is engaging with other provincial agencies to coordinate and enhance oversight of projects that have received an environmental assessment certificate.

KEY FACTS REGARDING THE ISSUE:

In July 2011, the Office of the Auditor General (OAG) published a report on the Environmental Assessment Office's (EAO) oversight of certified projects and concluded that oversight was insufficient to ensure that potential adverse effects are avoided or mitigated.

In the spring of 2011, EAO established a Policy and Quality Assurance Unit to lead the development of a comprehensive Compliance and Enforcement (C&E) Program.

EAO developed the C&E Program based on leading practices from other jurisdictions and built on the expertise and resources of other agencies, such as the Ministries of Forests, Lands & Natural Resource Operations (FLNR), Environment (ENV) and Energy & Mines.

EAO ensures compliance management is addressed throughout the environmental assessment (EA) process. EAO's dedicated C&E staff provide guidance and support to project assessment staff throughout the course of an EA to ensure that compliance is properly addressed. This guidance includes assisting project assessment staff to draft measurable and enforceable environmental assessment certificate conditions.

Background:

EAO conducts site inspections of certified projects to promote compliance and enforce legally-binding certificate conditions:

- In March 2013, a third-party audit was conducted on the Dokie Wind Project.
- In 2013/14, EAO's service plan target is to conduct 17 site inspections.
- In 2011/12-2013/14 (to date), EAO conducted 30 inspections and 10 investigations on 19 projects.
- Out of the 30 inspections, EAO identified and addressed non-compliances on nine inspections and identified potential non-compliance on five inspections that require further assessment to determine compliance.
- In 2011/12-2013/14 (to date), EAO issued 13 warnings and advisories to address non-compliance. Enforcement actions to date include warning letters and advisories (both verbal and written). Additional enforcement actions have been issued by other agencies in response to non-compliance on EA-certified projects.

In addition to inspections of EA certificate (certificate) conditions, inspections of permit conditions of certified projects are also undertaken by other permitting agencies. Compliance staff within EAO work with other regulatory agencies to clarify inspection roles and responsibilities and ensure that the project is constructed and operated according to the EA certificate and subsequent authorizations.

Since May 2012, EAO develops Compliance Management Plans (CMPs) for all projects that are issued a certificate. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each certificate condition and are updated over the life of the project.

EAO has established a partnership with the C&E Branch of FLNR to assist in conducting inspections of the conditions for certified projects (approximately 160 FLNR staff have been delegated authority to enter and inspect certified projects on behalf of EAO). EAO is finalizing a memorandum of understanding with the Oil and Gas Commission that details, among other things, how the two organizations will work together on compliance and enforcement.

In October 2012, EAO submitted a follow-up report to the OAG, indicating substantial implementation of the 2011 recommendations (specifically that the first four recommendations have been implemented and are ongoing). A subsequent follow-up report will be published in October 2013 focusing on EAO's progress on Recommendation #5 relating to effectiveness and Recommendation #6 relating to accountability. EAO has provided a report to the OAG indicating full or substantial implementation of all recommendations.

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Appendix A: Summary of the OAG's audit of EAO's oversight of EA projects and EAO's progress at addressing issues identified.

OAG Audit Recommendation	EAO Progress	Status and Work Remaining (if any)
1. Ensure commitments are clearly written in a measureable and enforceable manner.	<ul style="list-style-type: none"> • EAO has revised its policy for drafting certificates and attached conditions. • All draft conditions that are referred to Ministers are reviewed by EAO's legal counsel and C&E staff to ensure that they are measurable and enforceable. 	Complete and on-going.
2. Continue to work with ENV to finalize a policy framework that will provide provincial guidance on environmental mitigation.	<ul style="list-style-type: none"> • EAO continues to participate in the development of this policy initiative being led by ENV. • ENV and EA certificate holders are conducting trial applications of the policy and its procedures. Trial applications are in progress for case studies on the Big Silver, Shovel Creek, Tretheway Creek and Upper Lillooet hydroelectric projects. These applications examine the effectiveness of mitigation measures and cumulative effects, and look for gaps in conditions. 	Complete and on-going.
3. Clarify the post-certification monitoring responsibilities and compliance mechanisms for each commitment.	<ul style="list-style-type: none"> • EAO is actively working with other agencies to clarify roles and responsibilities for compliance management of EA projects on an ongoing basis. • A Letter of Agreement with FLNR's C&E Branch was signed in May 2012 that identifies roles and responsibilities for compliance inspections of certified projects. • A similar agreement is being developed with the Oil and Gas Commission and partnerships are being enhanced with other agencies, such as the Environmental Protection Division of ENV. • CMPs are being developed for all projects that have been issued a certificate since May 2012. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each certificate condition. • In early 2013, EAO and other agencies participated in a LEAN process workshop on CMPs to further refine the tool and determine oversight for compliance during different phases of EA certified projects. 	Complete and on-going.

<p>4. Develop and implement a comprehensive C&E Program that includes an integrated information management system to monitor project progress and ensure compliance.</p>	<ul style="list-style-type: none"> • EAO established a Policy and Quality Assurance Unit to lead EAO's C&E Program, including a compliance manager and two compliance staff who coordinate and implement inspections, investigations and enforcement measures. The compliance staff are supported by a 0.5 FTE program administrative assistant. • Certain EAO and FLNR staff are authorized under the <i>Environmental Assessment Act</i> to conduct inspections of certified projects. • EAO has provided funding to ENV and FLNR to add EAO inspection reports to an interagency database that tracks compliance inspections of projects in the natural resources sector. • In 2013, EAO contracted a compliance audit to a qualified third party for the Dokie Wind Project and will conduct additional audits in future years. 	<p>Complete and on-going.</p>
<p>5. Conduct post-certificate evaluations to determine whether EAs are avoiding or mitigating the potentially significant adverse effects of certified projects.</p>	<ul style="list-style-type: none"> • EAO and compliance partner agencies conduct inspections on certified projects to evaluate whether mitigation measures are being implemented as required by the certificate. • Through compliance inspections and third party audits, EAO gains knowledge about the effectiveness of mitigation measures. These findings inform current and future EAs. • EAO has initiated a multi-year review of the effectiveness of key conditions across multiple projects. • EAO discusses the effectiveness of mitigation measures at regular policy and practice forums. • EAO continues to participate in the development of the environmental mitigation policy framework, including examining the effectiveness of mitigation measures for the case studies outlined under recommendation two above. 	<p>Complete and on-going.</p>
<p>6. Provide appropriate accountability information for projects certified through the EA process.</p>	<ul style="list-style-type: none"> • Compliance reports submitted by proponents are published on EAO's website. • Summaries of compliance activities will be published in future, consistent with the natural resource sector. • Work is underway to increase the C&E presence on EAO's website in August 2013. • EAO has added two new performance measures to the Service Plan related to C&E: <ol style="list-style-type: none"> 1. The annual number of inspections conducted; 2. The percentage of compliance reports prepared by certificate holders reviewed by staff and posted online within six weeks. 	<p>Complete and on-going.</p>



Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: November 8, 2013

Project: Kinder Morgan's Trans Mountain Pipeline Expansion Project

Recommended Response:

- We have made it clear that BC will only support the Kinder Morgan pipeline expansion if it satisfies the five conditions for any heavy oil pipeline project.
- We are committed to ensuring that this project, if it does proceed, meets the highest standards of environmental protection and protects the people of British Columbia from financial and environmental risk.
- We will not pre-judge the project. We will consider the information that is submitted by Kinder Morgan and determine how we will follow up on that.
- We are satisfied that the National Energy Board environmental assessment process is thorough and rigorous and will serve the needs of the Province for an objective review of the potential impacts of the pipeline expansion.

Key Issues:

- Kinder Morgan Canada's proposed expansion of the existing oil pipeline from Edmonton to Burnaby triggers a National Energy Board (NEB) review process because it crosses an interprovincial border.
- A provincial environmental assessment is not likely required due to the agreement between the NEB and the BC Environmental Assessment Office (EAO) that allows an NEB assessment to be considered equivalent to a BC assessment.
- The Province is monitoring the NEB's environmental assessment process for the project to determine the appropriate level of provincial involvement.
- BC's minimum requirements for any heavy oil pipeline are:
 - Successful completion of an environmental assessment;
 - Establishment of world-leading marine oil spill response, prevention and recovery systems for BC's coastline and ocean;
 - Establishment of world-leading land oil spill prevention, response and recovery systems;
 - Legal requirements regarding Aboriginal and treaty rights are addressed,

- and First Nations are provided with the opportunities, information and resources to participate and benefit from the Project; and
- BC receives a fair share of the fiscal and economic benefits.
 - Kinder Morgan plans to file a Section 52 Facilities Application with the NEB in late 2013.
 - Potential issues associated with the Trans Mountain project include environmental risks including spills and First Nations concerns.

Background:

The existing Trans Mountain Pipeline system began operation in 1953. Kinder Morgan proposes to expand their 1,150 km pipeline between Strathcona County, AB (near Edmonton), and Burnaby, including new pump stations and storage tanks, an expanded Westridge Marine Terminal in Burnaby, increased nominal capacity of the system from 300,000 barrels per day to 890,000 barrels per day of refined products, synthetic crude oils, light crude oils and heavier products. The capital investment would be \$5.4 billion.

Federal Review

The Trans Mountain project triggers the NEB review process because it crosses an inter-provincial border. A provincial environmental assessment is not required under the NEB-EAO Equivalency Agreement, which allows the NEB process to be considered equivalent to a provincial environmental assessment.

Kinder Morgan filed a project description for the Trans Mountain project with the NEB on May 23, 2013. On July 29, 2013, the NEB released a list of issues that will be considered during the review process.

The NEB will notify EAO upon receipt of an application for a project that is covered by the Equivalency Agreement, and of the NEB decision on whether to approve a proposed project.

Provincial Involvement

The Province, led by the Associate Deputy Minister of EAO and supported by staff from EAO, the Ministry of Natural Gas Development and the Ministry of Justice and Attorney General, is monitoring the NEB process to determine the appropriate provincial involvement.

Contact:

Paul Craven
Executive Director, IGRS
250-387-6758

Alternate Contact:

Trish Balcaen
Executive Project Director
250-952-6507



Summary Issue Note Advice to the Minister

Date: November 12, 2013

Subject/Issue: Compliance and Enforcement Program: EAO's Completion of the 2011 Office of the Auditor General Recommendations

Recommended Response:

- Environmental Assessment Office has implemented all six of the Office of the Auditor General recommendations.
- Environmental Assessment Office continues to take further steps on its compliance program, including expanding public reporting of compliance activities and increasing collaboration with other agencies.
- The Environmental Assessment Office has completed 19 compliance inspections to date this year, exceeding our Service Plan target of 17 inspections.
- The Environmental Assessment Office also exceeded Service Plan target for compliance inspections in 2012. (22 completed ; 10 committed)

Key Issues:

In July 2011, the Office of the Auditor General (OAG) published an audit report that concluded that Environmental Assessment Office's compliance and enforcement oversight of certified projects was insufficient to ensure that potential adverse effects are avoided or mitigated.

In October 2012, EAO submitted a follow-up report to the OAG, indicating that four of six recommendations had been implemented and action was underway on the remaining two.).

In the OAG's October 2013 Follow-Up Report, the EAO self-assessed as having fully or substantially implemented all six recommendations.

Background information:

In the spring of 2011, EAO established a Policy and Quality Assurance Unit to lead the development of a comprehensive Compliance and Enforcement (C&E) Program.

EAO developed the C&E Program based on leading practices of other jurisdictions, building on the expertise and resources of other agencies, such as the Ministry of Forests, Lands and Natural Resource Operations (FLNR), the Ministry of Environment and the Ministry of Energy, Mines and Natural Gas.

EAO ensures compliance management is addressed throughout the environmental assessment (EA) process. EAO's compliance and enforcement staff provide guidance and support to project assessment staff throughout the course of an EA to ensure that compliance is addressed. This includes assisting in the development of measurable and enforceable EA certificate conditions, should Ministers choose to issue a conditional EA certificate.

In collaboration with agency partners, EAO conducts site inspections of certified projects to promote compliance and enforce legally-binding certificate conditions. Since May 2012, EAO develops Compliance Management Plans (CMPs) for all projects that are issued a certificate that are proceeding to construction. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each certificate condition and are updated over the life of the project.

EAO has established a partnership with the C&E Branch of FLNR to assist in conducting inspections of the conditions for certified projects. EAO and the Oil and Gas Commission have a memorandum of understanding that details, among other things, how the two organizations will work together on compliance and enforcement.

Summary of the OAG's audit of EAO's oversight of EA projects and EAO's progress at addressing issues identified.

OAG Audit Recommendation	EAO Progress	Status and Work Remaining (if any)
<ul style="list-style-type: none"> Ensure commitments are clearly written in a measureable and enforceable manner. 	<ul style="list-style-type: none"> EAO has revised its policy for drafting certificates and attached conditions. All draft conditions that are referred to Ministers are reviewed by EAO's legal counsel and C&E staff to ensure that they are measurable and enforceable. 	Complete and on-going.
<ul style="list-style-type: none"> Continue to work with the Ministry of Environment (ENV) to finalize a policy framework that will provide provincial guidance on environmental mitigation. 	<ul style="list-style-type: none"> EAO continues to participate in the development of this initiative being led by ENV. ENV and EA certificate holders are conducting trial applications of the policy and its procedures. Trial applications are in progress for case studies on the Big Silver, Shovel Creek, Tretheway Creek and Upper Lillooet hydroelectric projects. These applications examine the effectiveness of mitigation measures and cumulative effects, and look for gaps in conditions. 	Complete and on-going.
<ul style="list-style-type: none"> Clarify the post-certification monitoring responsibilities and compliance mechanisms for each commitment. 	<ul style="list-style-type: none"> EAO is working with other agencies to clarify roles and responsibilities for compliance oversight of EA projects on an ongoing basis. EAO signed a Letter of Agreement with FLNR's C&E Branch in May 2012 that identifies roles and responsibilities for compliance inspections of certified projects. EAO and the Oil and Gas Commission have a memorandum of understanding that details, among other things, how the two organizations work together on compliance. Compliance Management Plans (CMPs) are being developed for all projects that have been issued a certificate since May 2012. CMPs clarify interagency roles and responsibilities for inspecting and enforcing compliance with each certificate condition. In early 2013, EAO and other agencies 	Complete and on-going.

OAG Audit Recommendation	EAO Progress	Status and Work Remaining (if any)
	participated in a LEAN process workshop on CMPs to further refine the tool and determine oversight for compliance during different phases of EA certified projects.	
<ul style="list-style-type: none"> Develop and implement a comprehensive Compliance and Enforcement Program that includes an integrated information management system to monitor project progress and ensure compliance. 	<ul style="list-style-type: none"> EAO established a Policy and Quality Assurance Unit to lead EAO's C&E Program, including a compliance manager and two compliance staff who coordinate and implement inspections, investigations and enforcement measures. Certain EAO and FLNR staff are authorized under the <i>Environmental Assessment Act</i> to conduct inspections of certified projects. EAO has provided funding to ENV and FLNR to add EAO inspection reports to an interagency database that tracks compliance inspections of projects in the natural resources sector. In 2013, EAO contracted a compliance audit to a qualified third party for the Dokie Wind Project. To date, EAO has completed 19 compliance inspections during fiscal 2013, exceeding the current Service Plan target of 17 inspections. During fiscal 2012, EAO conducted 22 inspections, exceed the previous service plan target of 10 compliance inspections. 	Complete and on-going.
<ul style="list-style-type: none"> Conduct post-certificate evaluations to determine whether EAs are avoiding or mitigating the potentially significant adverse effects of certified projects. 	<ul style="list-style-type: none"> EAO and compliance partner agencies conduct inspections on certified projects to evaluate whether mitigation measures are being implemented as required by the certificate. Through compliance inspections and third party audits, EAO gains knowledge about the effectiveness of mitigation measures. These findings inform current and future EAs. EAO regularly reviews the effectiveness of mitigation measures at internal policy and practice forums. EAO continues to participate in the development of the environmental mitigation policy framework, including examining the effectiveness of mitigation measures for the case studies outlined under recommendation two above. 	Complete and on-going.

OAG Audit Recommendation	EAO Progress	Status and Work Remaining (if any)
<ul style="list-style-type: none"> • Provide appropriate accountability information for projects certified through the environmental assessment process. 	<ul style="list-style-type: none"> • EAO publishes compliance reports submitted by proponents on EAO's website. • EAO will publish summaries of compliance activities in the future, consistent with the natural resource sector. • EAO has increased C&E info on EAO's website. • EAO has added two new performance measures to the Service Plan related to C&E: <ol style="list-style-type: none"> 1. The annual number of inspections conducted; 2. The percentage of compliance reports prepared by certificate holders reviewed by staff and posted online within six weeks. 	Complete and on-going.

Contact:

Paul Craven
Executive Director, Policy and Quality Assurance
250 387-6758

Alternate Contact:

Autumn Cousins,
Manager, Policy and Compliance
250 888-2020



Environmental Assessment Office

Summary Issue Note Advice to the Minister

Date: September 4, 2013

Subject/Issue: Substitution with the Canadian Environmental
Assessment Agency

Recommended Response:

- BC's environmental assessment process is rigorous and comprehensive. BC is focused on carrying out robust and effective environmental assessments to ensure that potential impacts of proposed projects are avoided or mitigated.
- Many proposed projects that require a provincial environmental assessment also require federal assessment.
- BC has pursued substitution and equivalency with the federal government for a number of years. Both of these tools were enabled through the recently amended *Canadian Environmental Assessment Act, 2012*.
- Substitution means that where both federal and provincial environmental assessments are triggered, there would be one process – the provincial one – and two decisions – federal and provincial.
- In March 2013, the Environmental Assessment Office and the Canadian Environmental Assessment Agency signed a Memorandum of Understanding on the substitution of environmental assessments in BC.
- To date, the federal Minister of the Environment has approved substitution for the environmental assessments of five proposed projects.
- BC is the first jurisdiction in Canada to request substitution. Other provinces are also pursuing substitution agreements with the federal government.
- In some cases, the Environmental Assessment Office and the Canadian Environmental Assessment Agency will continue to conduct coordinated federal-provincial assessments. This may be the case where a proposed project has inter-jurisdictional impacts or impacts to key areas of federal interest.

Key Issues:

The federal Minister of the Environment has approved substitution for the environmental assessments (EA) of the following projects:

- Carbon Creek Coal Mine, near Hudson's Hope;
- Sukunka Coal Mine, near Chetwynd and Tumbler Ridge;
- Echo Hill Coal Mine, near Tumbler Ridge;
- LNG Canada Export Terminal Project, near Kitimat; and
- Arctos Anthracite Coal Project, near Iskut.

Four of the five substituted projects are coal mines, due largely to the types of projects entering EA following the completion of the substitution MOU. The Environmental Assessment Office (EAO) anticipates requesting substitution for projects in other sectors in the near future.

Substitution requests are likely to be a common occurrence, and, in most cases requests are likely to be granted. Some situations where a request for substitution would not be appropriate include where the project involves transboundary effects and where the project is primarily located on federal lands.

BC anticipates exploring equivalency at a later date, when the Province has some experience with substitution.

Substitution is in its early days of implementation but generally proponents have been supportive. Various environmental non-governmental organizations and First Nations are opposed to the *Canadian Environmental Assessment Act 2012* (CEAA 2012) in general, and some groups have expressed concerns about substitution specifically.

Background:

Additional Substitution Requests:

- EAO is conducting ongoing analysis to identify future substitution requests, and anticipates requesting substitution regularly.
- The Canadian Environmental Assessment Agency (the Agency) is conducting 20-day public comment periods on each request for substitution, following which, the federal Minister of the Environment makes individual decisions on each request.

Responses to Substitution and EAO Outreach:

- Various environmental non-governmental organizations and First Nations are opposed to CEAA 2012 in general, and some groups are concerned about substitution and equivalency specifically.

- A number of proponents have requested that EAO seek substitution from the federal government. EAO has communicated that it will consider the views of proponents; however, decisions about whether to pursue substitution will be based on a range of factors. These may include likelihood of trans-boundary effects, proximity to federal lands, number of federal authorizations likely to be required post-EA, and the Aboriginal consultation context.
- During late March – April 2013, EAO conducted outreach with key stakeholders regarding a range of issues, including the substitution MOU. These stakeholders included the BC Business Council, Union of BC Municipalities, West Coast Environmental Law and the Canadian Association of Petroleum Producers.
- EAO is arranging meetings with a number of First Nations with an interest in substitution, including First Nations in close proximity to projects where substitution has been approved.

Meeting the Conditions for Substitution:

- CEAA 2012 contains a number of conditions that must be met in order for a jurisdiction to pursue substitution. These conditions include:
 - Consideration of specific environmental factors (e.g. impacts to fish and fish habitat, migratory birds, aquatic species);
 - Provision of an opportunity for public participation;
 - Provision of public access to records; and
 - Provision of an assessment report to the Agency at the conclusion of a substituted EA.
- In addition, the federal Minister of the Environment has established additional conditions for substitution, including the invitation of federal technical experts to participate in substituted EAs, the provision of Aboriginal capacity funding, and meeting federal 365-day timelines.
- The MOU includes a number of specific EAO commitments that demonstrate how British Columbia meets these conditions for substitution.

Key Details about the MOU:

- The MOU sets an administrative framework that addresses how the substituted process will unfold – before, during and after a substituted EA.
- The MOU is signed by the President of the Agency and the Associate Deputy Minister of EAO.
- The focus of the MOU is on substitution, both on a project basis and for classes of projects, and states that the Parties will explore equivalency at a later date.
- Aboriginal consultation is largely dealt with in an annex, which sets out the procedural delegation of Aboriginal consultation to BC for purposes of substitution.
- The Agency has agreed to continue to provide funding for Aboriginal groups participating in substituted EAs. The details of the funding mechanism are being determined, but it has been agreed that EAO will administer the distribution of federal funding on behalf of the Agency.

- The MOU creates the role of an Agency Liaison to work with EAO Project Leads managing substituted EAs to ensure the federal government is aware of key issues with respect to the EA and Aboriginal consultation.
- The Agency commits to timelines in considering substitution requests from British Columbia.
- A joint implementation steering committee will develop operational procedures, monitor implementation and address key issues.

Contact:

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Executive Director, Federalism and Canadian
Intergovernmental Policy
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Alternate Contact:

Natasha Horsman
Policy & Legislation Advisor
250 356-5305

**ENVIRONMENTAL ASSESSMENT OFFICE
INFORMATION NOTE**

Date: June XX, 2013
Date of previous note: N/A
File:
CLIFF/tracking #:

PREPARED FOR: The Honourable Mary Polak, Minister of Environment

ISSUE: Hatfield Consultant's Review of Federal Habitat Monitoring of Independent Power Projects

BACKGROUND:

In the BC Government's Energy Plan 2002, government committed to ensuring that clean or renewable electricity generation such as run-of-river would be used for energy generation. Over the last ten years environmental groups and the public have been raising concerns about the potential environmental and cumulative impacts to streams and rivers from these types of projects.

The former Minister of the Environment was particularly interested in ensuring compliance on run-of-river projects whether they went through environmental assessment under the BC *Environmental Assessment Act* (Act), or not. Over the last year the Environmental Assessment Office and the BC Ministry of Forest, Lands and Natural Resource Operations (FLNRO) worked together on run-of-river compliance related issues and this work has largely been completed.

In November of 2012 Fisheries and Oceans Canada (DFO) announced that Hatfield Consultants (Hatfield) had been retained to assess Independent Power Producer (IPP) industry compliance with project *Fisheries Act* Authorizations as well as recently developed federal "Long-Term Aquatic Monitoring Protocols for New and Upgraded Hydroelectric Projects (Lewis et al. 2012)".

Hatfield reviewed monitoring reports for 23 run-of-river hydropower facilities in the BC/Yukon region for compliance with the DFO Authorizations based on reports provided by DFO, FLNRO and the project proponents.

DISCUSSION:

The June 17, 2013 Vancouver Sun article on the Hatfield report that private hydro plants fall short on monitoring may raise concerns with the public and environmental groups with IPPs not being in compliance.

Of the 23 Projects fully referenced in the report, only eight of them (constituting 5 Projects) went through an environmental assessment under the Act: Kwojek Creek, Kokish River, East Toba River and Montrose Creek, Forrest Kerr and Upper Harrison (Lamont Creek, Tipella Creek and Upper Stave River) projects.

Three of the eight projects, Forrest Kerr, Kokish and Kwoiek Creek, are under construction and therefore the majority of Authorization conditions are not applicable until operations begins. However, Hatfield noted the following for monitoring during construction for these projects:

- Forrest Kerr details of construction sequence, photo-documentation and description of mitigation measures were well documented;
- The Kokish Project's weekly reports are available and sufficient; however, monthly summaries were not provided for review;
- Kwoiek Creek had four construction phase conditions of which three met with full compliance while the fourth condition requirement was not available at the time of this review.

The Toba River project has only been operational since June 2011 and the first monitoring reports were not due at the time review. However, Hatfield did assess the conditions pertaining to the construction phase, noting that information had been submitted but the format of the submissions made it difficult to assess whether or not all contingency measures/incidents have been reported.

For the Upper Harrison projects a common problem associated with these projects was the late submission of post-construction monitoring reports, and the lack of information regarding water quality and fish assessment results. Weekly environmental monitoring reports were being produced; however, only one independent audit reports was sent to DFO, two years after the commissioning of these facilities.

Hatfield concluded that all projects typically complied more to their respective Authorization than they aligned with the long-term monitoring protocols that had recently been developed.

SUMMARY:

- The public may inquire into the new Minister of Environment's stance on these types of projects.
- The media report relates to Authorizations specific to the federal *Fisheries Act*.
- Provincial authorizations under an Environmental Assessment Certificate or the BC FLNRO Water Licences will have different monitoring/compliance conditions attached to them based on the review of the project and provincial statutory requirements.

Contact:

Name:

Title:

Phone:

Prepared by:

Name:

Title:

Phone:

Reviewed by	Initials	Date
ED/EPD		
ELO (if required):		

Associate DM		
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REF

**ENVIRONMENTAL ASSESSMENT OFFICE
DECISION NOTE**

Date: July 5, 2013
Date of previous note: N/A
File: 30050-20/SCCE - 10
CLIFF/tracking #: 103177

PREPARED FOR: Honourable Mary Polak, Minister of Environment

ISSUE: Approval and appointment of the chairperson and the provincial Panel member for the Joint Review Panel (Panel) for the proposed Site C Clean Energy Project (proposed Project) environmental assessment (EA).

BACKGROUND:

On February 12, 2012, the Honourable Peter Kent, federal Minister of the Environment, and Honourable Terry Lake, former British Columbia Minister of Environment, issued an Agreement to conduct a Cooperative EA of the proposed Project (Agreement). The Agreement includes the establishment of an independent Joint Review Panel appointed by both Environmental Assessment Office (EAO) and the Canadian Environmental Assessment Agency (Agency).

The Joint Review Panel will consist of two Panel members and a chairperson. The Agreement provides for the federal Minister of the Environment and the provincial Minister of Environment each appointing one Panel member. The chair of the Panel will be jointly appointed by the federal and provincial Ministers of Environment.

EAO has worked with officials of the Agency to identify potential candidates for the Panel.

DISCUSSION:

Candidate Selection

Both candidates proposed for your approval have been interviewed by EAO and the Agency to determine whether they meet the criteria set out in the joint Agreement and paragraph 42(2)(d) of the *Canadian Environmental Assessment Act* (Act):

- unbiased and free of any conflict of interest relative to the proposed Project;
- not employed by the Public Service or Crown Corporations of British Columbia or of Canada; and
- have knowledge and experience relevant to the anticipated effects of the proposed Project.

EAO recommends Mr. James Mattison for the provincial Panel member. The Agency fully supports this recommendation. Mr. Mattison is a professional engineer and senior natural resources expert with extensive experience and knowledge of hydroelectric projects in British Columbia and public review processes. During his tenure with the Government of British Columbia he served as Assistant Deputy Minister and Comptroller of Water Rights with the Ministry of Environment. He has served on the International Joint Commission and has made significant contributions to both policy and legislative initiatives in BC. He was a finalist for the Premiers Award for contribution to the public service in 2010. Mr. Mattison holds a Bachelor's degree in Applied Science from the University of British Columbia and a Masters of Natural Resources Management from Simon Fraser University. He currently resides in Victoria, BC.

EAO and the Agency are recommending that Dr. Harry Swain be considered as Panel chair. Dr Swain was initially proposed by EAO as the preferred candidate for chair. He is currently Senior Research Associate, Centre for Global Studies, University of Victoria. He served for 22 years in the federal government, concluding his federal career as Deputy Minister of Indian and Northern Affairs and later Industry. His experience includes chairing the Research Advisory Panel for the Walkerton Inquiry and the subsequent Ontario Expert Panel on Water and Wastewater. Dr. Swain holds a PhD in economic geography and currently resides in Victoria, BC.

Ms. Jocelyne Beaudet is a member of the federal Panel roster and the Agency has recommended her for federal Panel member. EAO has expressed a preference for Ms. Beaudet over other federal roster members as she has served on 29 panels.

Panel candidate biographies are contained in Attachment 1.

Timing of Appointment

The Agreement sets out a number of Pre-Panel Stage process steps. These steps must be completed prior to formal establishment of the Panel. The date of completion of these steps is dependent on the proponent submitting an amended EIS to the Agency and EAO. At this time, it is anticipated this will be submitted in late July 2013. The appointment of the two Panel members now is not formally establishing the Panel only approving them as Panel members.

OPTIONS:

Option 1: Appoint Mr. Mattison as the provincial member of the Panel and Dr. Swain as Panel chair.

Implications:

- Appointment of Mr. Mattison as the provincial member of the Panel and Dr. Swain as Panel chair would fulfil the responsibility of the Province as per the Agreement. The federal Minister of Environment will also appoint Dr. Swain as well in a separate letter since it is a joint appointment.

- Appointment of these candidates would ensure that EAO's selection of preferred candidates meets the criteria set out in the joint agreement and paragraph 42(2)(d) of the Act.
- To implement this action, your signature is required on the attached letters of appointment (Attachment 2).

Option 2: EAO and the Agency identifies alternative preferred candidates for the provincial member of the Panel and Panel chair.

Implications:

- EAO will need to identify an alternative preferred candidate for the provincial member of the Panel and will need to work with the Agency to identify an alternative preferred candidate for the Panel chair.
- Mr. Mattison and Dr. Swain have indicated they are available for appointment to the Panel. Finding alternative preferred candidates that are available may result in a delayed Panel review process until available preferred candidates are found.

RECOMMENDATION:

Option 1: Appoint Mr. Mattison as the provincial member of the Panel and Dr. Swain as Panel chair.

Option: /

DECISION & SIGNATURE

DATE SIGNED

Mary Polak
Minister of Environment

ATTACHMENTS:

Attachment 1: Biographies for proposed Panel members

Attachment 2: Letters of appointment to proposed Panel members

Contact:

Name: Brian Murphy
Title: Executive Project Director
Phone: 250-387-2402

Prepared by:

Name: Sean Moore
Title: Project Assessment Officer
Phone: 250-387-9401

Reviewed by	Initials	Date
ED/EPD	BM	July 5/13
ELO (if required):	JM	July 5/13
Associate DM:	DC	July 5/13



Reference: 103177

The Honourable Peter Kent, PC, MP
Minister of the Environment
10, rue Wellington
Gatineau QC K1A 0H3

Dear Minister Kent:

I am writing with respect to the appointment of members to the Joint Review Panel (Panel) for the proposed Site C Clean Energy Project.

In keeping with the Agreement to Conduct a Cooperative Environmental Assessment, including the establishment of the Panel of the Site C Clean Energy Project (Agreement), I wish to inform you that I concur with the joint appointment of Dr. Harry Swain as chair of the Panel and will notify Dr. Swain of his appointment.

Further, I wish to notify you that I will appoint Mr. Jim Mattison as a member of the Panel. I also understand that you intend to appoint Ms. Jocelyn Beaudet as a member of the Panel, and I am supportive of this appointment.

All of these members meet the criteria for review panel membership as set out in the Agreement.

Sincerely,

Mary Polak
Minister of Environment

cc: Brian Murphy, Executive Project Director
Environmental Assessment Office

Dr. Harry Swain

Dr. Harry Swain is an acknowledged expert in public environmental policy with extensive experience in both the public and private sector. He is currently President, Trimbelle Investments Limited, serves as an active member on a number of Advisory Boards and is Senior Research Associate, Centre for Global Studies, University of Victoria. Dr. Swain holds a PhD in economic geography from the University of Minnesota and an LLD from the University of Victoria. He currently resides in Victoria, BC.

Dr. Swain served for 22 years in the federal government, working in nine federal departments between 1971 and 1995. He concluded his government career as Deputy Minister of Indian and Northern Affairs and later Industry Canada. His experience includes chairing the Research Advisory Panel for the Walkerton Inquiry and the subsequent Ontario Expert Panel on Water and Wastewater. The Research Advisory Panel played a key role in the expert and public meetings that were part of the Walkerton Inquiry. Dr. Swain also chaired the Expert Panel on Safe Drinking Water for First Nations that conducted a series of public hearings across Canada in 2006.

Upon leaving government, Dr. Swain became CEO of Hambros Canada later founded the Toronto office of Sussex Circle, a policy consulting firm. Dr. Swain has also worked for the International Institute for Applied Systems Analysis in Austria, and the province of British Columbia. In addition, he has served as a director of Canadian Bank Note Limited and Canadian Geographic Enterprises, along with several philanthropic organizations.

Mr. James S. Mattison

Mr. Mattison is a professional engineer and senior natural resources expert with thirty years of experience, including twenty-five years with British Columbia's water program within the Ministry of Environment. He holds a Bachelor's degree in Applied Science from the University of British Columbia and a Masters of Natural Resources Management from Simon Fraser University. He currently resides in Victoria, B.C.

Mr. Mattison has extensive experience and knowledge of hydroelectric projects in British Columbia and public review processes. During his tenure with the Government of British Columbia he served as Assistant Deputy Minister and Comptroller of Water Rights with the Ministry of the Environment. In this latter position he was responsible for reviewing licensed rights and managing a \$50 million per year compensation fund. He has also chaired a panel to conduct public consultation and recommend options for a \$100 million trust fund to enhance the environment of the Nechako River.

He has served on the International Joint Commission and has made significant contributions to both policy and legislative initiatives in B.C. He was a finalist for the Premiers Award for contribution to the public service in 2010.

Ms. Jocelyne Beaudet

Jocelyne Beaudet is a communications consultant with more than twenty years of experience in various fields related to the environment and public participation. She holds a Bachelor's degree in physical anthropology from the University of Montréal and a Master's degree in cultural anthropology from McGill University. She resides in Lunenburg, Nova Scotia.

Ms. Beaudet has developed communications plans and public consultation strategies for numerous environmental initiatives. As a consultant, she has advised the Office of the Auditor General of Canada on issues related to the Canadian North, organized strategies on climate change and air pollution, and advised the Task Force on Sustainable Transportation for the National Round Table on the Environment and the Economy. While working for Tecsub Inc., she developed communications and public consultation plans for transportation and mining projects in Quebec and Africa.

Ms. Beaudet has extensive experience undertaking public consultation as a panel member for federal, provincial and municipal environmental agencies. She served as a member of the Joint Review Panel for the Darlington New Nuclear Plant Project (2009-2012), the joint federal-provincial review panel for the Eastmain 1-A/Rupert hydroelectric project (2004 – 2006) in Quebec, and the Provincial Executive Co-Secretary of the joint review panel for the Lachine Canal Decontamination project (1995). She has served both as a member and as a chair for panels for the Bureau d'audiences publiques sur l'environnement du Québec. Several of her mandates addressed Aboriginal issues. She has also served as ad hoc member with the Office of Public Consultation of Montreal.



Reference: 103177

Dr. Harry Swain

s.22

Dear Dr. Swain:

The Agreement to Conduct a Cooperative Environmental Assessment, including the establishment of a Joint Review Panel (Panel), of the Site C Clean Energy Project (proposed Project) includes the Panel and after having considered your credentials, I believe that you would bring valuable skills and knowledge to the review of this proposed Project. Accordingly, with the concurrence of the federal Minister of the Environment, the Honourable Peter Kent, I am pleased to approve your appointment as chair of the Panel. You will receive separate notification from Minister Kent, informing you of the approval of your appointment under the *Canadian Environmental Assessment Act*.

Formal establishment of the Panel will not occur until the completion of the pre-panel stage of this environmental assessment. It is anticipated this will occur in the coming weeks. Your appointment will not take effect until the necessary pre-panel stage steps are completed, at which point you will be notified by Environmental Assessment Office (EAO) of the official establishment of the Panel.

EAO attaches considerable importance to the Panel as a key component of the environmental assessment process for the proposed Project, in particular to the actual and perceived impartiality and neutrality of the Panel members. You will be contacted by EAO concerning the terms and conditions of your appointment and the Panel's responsibilities. In the meantime, if you have questions or concerns, you can contact Mr. Brian Murphy, Executive Project Director, EAO at 250-387-2402 or at Brian.Murphy@gov.bc.ca

I wish you every success in this important assignment and look forward to receiving the Panel's report and recommendations from EAO's Executive Director at the conclusion of the environmental assessment.

.../2

Thank you again for putting your name forward in consideration of membership on the Panel for the proposed Project.

Sincerely,

Mary Polak
Minister of Environment

cc: The Honourable Peter Kent, PC, MP
Minister of the Environment

Brian Murphy, Executive Project Director
Environmental Assessment Office



Reference: 103177

Mr. James Mattison

s.22

Dear Mr. Mattison:

The Agreement to Conduct a Cooperative Environmental Assessment, including the establishment of a Joint Review Panel (Panel), of the Site C Clean Energy Project (proposed Project) includes the Panel and after having considered your credentials, I believe that you would bring valuable skills and knowledge to the review of the proposed Project. I am pleased to approve your appointment as a member of the Panel.

Formal establishment of the Panel will not occur until the completion of the pre-panel stage of this environmental assessment. It is anticipated this will occur in the coming weeks. Your appointment will not take effect until the necessary pre-panel stage steps are completed, at which point you will be notified by Environmental Assessment Office (EAO) of the official establishment of the Panel.

EAO attaches considerable importance to the Panel as a key component of the environmental assessment process for the proposed Project, in particular to the actual and perceived impartiality and neutrality of the Panel members. You will be contacted by EAO concerning the terms and conditions of your appointment and the Panel's responsibilities. In the meantime, if you have questions or concerns, you can contact Mr. Brian Murphy, Executive Project Director, EAO, at 250-387-2402 or at Brian.Murphy@gov.bc.ca

I wish you every success in this important assignment and look forward to receiving the Panel's report and recommendations from EAO's Executive Director at the conclusion of the environmental assessment.

.../2

Thank you again for putting your name forward in consideration of membership on the Panel for the proposed Project.

Sincerely,

Mary Polak
Minister of Environment

cc: Brian Murphy, Executive Project Director
Environmental Assessment Office

ENVIRONMENTAL ASSESSMENT OFFICE INFORMATION NOTE

Date: July 2, 2013
Date of previous note: NA
File: 30200-20/AMIN
CLIFF#: 103182

PREPARED FOR: Honourable Mary Polak

ISSUE: Proposed Ajax Mine - Community Advisory Group

BACKGROUND:

The proposed Ajax copper/gold mine is located partially within the City of Kamloops. Expected issues related to the proposed Project include: dust, noise, social and economic impacts.

In response to the location of the proposed Project, high public interest, and a high potential for adverse effects, EAO has enhanced public consultation opportunities for the environmental assessment (EA) process for the proposed Project.

Key among them was the formation of the Community Advisory Group (CAG) in February 2012. There are about 17 special interest group represented on CAG, most of which are opposed to the proposed Project. The purpose of CAG is to discuss issues and provide a local perspective on the EA of the proposed Project. CAG has provided input into the proposed Project through much of the pre-Application stage of the EA.

Input from CAG has provided useful information that has enhanced the EA process. As the Proponent prepares to submit an EA Application to EAO, the role of CAG during Application Review stage of the EA needs to be confirmed.

DISCUSSION:

The role of CAG, as set out in the Terms of Reference for the group, is one of input/consultation, with EAO determining how to best incorporate that input. CAG members have invested significant time and energy to provide input into the EA, and EAO has similarly required significant time to manage the input.

CAG is frustrated that their input has been only partially accepted, and they expect a more collaborative involvement in the EA process. These expectations are not practical for EAO to manage.

s.13

Contact:

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Title: Executive Lead, EA
Phone: 250-387-9408

Prepared by:

Name: Scott Bailey
Title Executive Project Director
Phone: 250-356-1124

Reviewed by	Initials	Date
<i>ED/EPD</i>	SB	2013/06/26
<i>ELO (if required):</i>	JM	2013/07/02
<i>Associate DM</i>		

**ENVIRONMENTAL ASSESSMENT OFFICE
INFORMATION NOTE**

Date: June 11, 2013
Date of previous note: N/A
File: N/A
CLIFF/tracking #: 103151

PREPARED FOR: Honourable Mary Polak, Minister of Environment and Doug Caul, Associate Deputy Minister, EAO

ISSUE: Update and status of the proposed Pacific NorthWest LNG Project

BACKGROUND:

Pacific NorthWest LNG Limited Partnership (Proponent) proposes to construct and operate a liquefied natural gas export facility, primarily located on federal lands on Lelu Island at the Port of Prince Rupert, BC (proposed Project). The facility would be supplied by the Prince Rupert Gas Transmission Project developed by TransCanada, and would produce up to 18 million tonnes per year of liquefied natural gas and shipped by up to 150 LNG vessels per year. A temporary camp for up to 3,000 workers would be required for the construction phase, and would likely be located off federal land on Provincial Crown or private lands. The proposed Project has a capital cost investment of \$18 billion (US) and will result in 200 to 300 full-time jobs during operation. Progress Energy (owned by Petronas of Malaysia) and Japex are the major partners of the proposed Project.

The proposed Project is within the traditional territory of the Lax Kw'alaams and Metlakatla First Nations. Three other First Nations assert Aboriginal Rights in the vicinity and are represented on the Working Group.

The proposed Project triggers a federal environmental assessment (EA) under the *Canadian Environmental Assessment Act 2012* which commenced on April 8, 2013. To date Canadian Environmental Assessment Agency (CEAA) has had a Working Group meeting and two Public Comment Periods for the proposed Project. CEAA issued a copy of the final EIS Guidelines on June 7, 2013.

The proposed Project constitutes a reviewable project pursuant to Part 4 of the *Reviewable Projects Regulation* (B.C. Reg. 370/02), since the proposed Project includes a new energy storage facility with the capability to store an energy resource in a quantity that can yield by combustion ≥ 3 PJ of energy. Provincial interests for assessment in the EA include the Project impacts that go beyond federal lands, and/or go beyond the scope of CEAA, including such issues as air quality, greenhouse gases, spill response, and socio-economic impacts of the temporary work camp.

DISCUSSION:

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s.21 BC EAO and CEAA have agreed to work together to carry out a coordinated review. Coordination means that EAO and CEAA will align their two separate EA processes, but with each respective government making its own decisions on the issuance of an EA certificate.

Since the proposed Project location is primarily on federal lands, CEAA will be the lead agency for the environmental assessment of the Project as outlined in the *Canada-British Columbia Agreement on Environmental Assessment Cooperation*.

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SUMMARY:

EAO is awaiting the Proponent's formal submission of a Project Description. Once received, EAO is prepared to issue a section 10 Order and to continue coordinating with CEAA to align timeframe for application review by both agencies.

s.16

Contact:

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Phone: 250-387-1624

Prepared by:

Name: Ken Howes
Title Project Assessment Manager
Phone: 250-387-2445

Reviewed by	Initials	Date
<i>author</i>	KH	11.06.13
<i>ED/EPD</i>	TB	
<i>Associate DM</i>		

ENVIRONMENTAL ASSESSMENT OFFICE INFORMATION NOTE

Date: June 21, 2013
Date of previous note: N/A
File: 30050-20/FCGP-10
CLIFF/tracking #:103171

PREPARED FOR: the Honourable Mary Polak, Minister of Environment

ISSUE: Dene Tha' First Nation (DTFN) concerns regarding the environmental assessment (EA) process and proposed Fortune Creek Gas Project

BACKGROUND:

The proposed Fortune Creek Gas Project (proposed Project) would be located approximately 110 km north of Fort Nelson. The Project is proposed without a committed pipeline route to transport gas from the facility to market. The Application for an EA certificate will be submitted to the Ministers for decision by July 19, 2013.

The proposed Project is located in Treaty 8 territory. The DTFN wrote a letter dated June 18²⁰¹³ to the Environmental Assessment Office (EAO), copying the Minister of Environment, with concerns about the EA process related to the proposed Project.

DISCUSSION:

Issue #1: Aboriginal Valued Components and Significance Analysis

Issue: The DTFN states that the Proponent's Application does not contain a full analysis of Aboriginal valued components, as required in the Application Information Requirements (AIR). The DTFN further states that the Application does not contain sufficient information to undertake a significance analysis of the proposed Project's potential impacts on Aboriginal interests (including treaty rights).

Response: The DFTN correctly identifies a potential discrepancy between the AIR and the Application. EAO's position is that the AIR did not clearly reflect the intended EA practice for the valued components.

Additionally, EAO has advised the DFTN on several occasions, through correspondence and discussions, that in addition to the Proponent's conclusion, EAO will provide a conclusion on the degree to which the proposed Project potentially impacts Aboriginal interests (including treaty rights).

Issue # 2: Lack of Delivery Pipeline for Gas from Proposed Project

Issue: The DFTN has concerns that the Nova Gas Transmission Line, which was planned to deliver gas to market, was denied approval by the National Energy Board. The DFTN asserts that the proposed Project should therefore include a delivery pipeline in the scope of the EA.

Response

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Should the Proponent propose building a delivery pipeline associated with the Project, it would require an amendment to any EA Certificate that would be issued. Should another proponent propose a delivery pipeline, it would follow the appropriate regulatory process. In either case, First Nation consultation would be undertaken appropriate to the regulatory process. EAO has responded to the DFTN on this subject by way of letters dated March 21, May 15, and June 6, 2013.

Issue # 3: Inaccurate Consultation Report

Issue: DFTN has concerns that EAO's draft Consultation Report inaccurately captures their concerns.

Response: It is EAO practice to share the First Nation Consultation Report with First Nations for comment. Comments may be incorporated into a revised document, if appropriate. EAO is of the view that the assertions of inaccuracies by the DFTN are incorrect and the consultation record is accurately reflected by EAO. EAO advised the DFTN that they can provide their own report directly to the Ministers as part of the EA process. EAO will also capture the DFTN comments in the final Consultation Report that will be provided to Ministers as part of the Assessment Report.

NEXT STEPS:

The Application Review process will continue as planned. EAO is satisfied that DFTN's concerns have been accurately captured and the responses from EAO are appropriate from a legal and EA process perspective.

Ministers will receive the EA Application for the proposed Project, along with the EAO Assessment Report, by July 19, 2013.

ATTACHMENTS:

June 6, 2013 letter from EAO to Matthew Munson, Dene Tha' First Nation

June 18, 2013 letter from Matthew Munson, Dene Tha' First Nation, to EAO

Contact:

Name: Scott Bailey

Title: Executive Project Director

Phone: 250-356-1124

Prepared by:

Name: Sandra Baan

Title: Project Assessment Manager

Phone: 250-751-7301

Reviewed by	Initials	Date
<i>ED/EPD</i>	SB	06/21/13
<i>ELO (if required):</i>	JM	06/21/13
<i>Associate DM</i>		