

BRIEFING NOTE FOR INFORMATION

DATE: December 9, 2015

PREPARED FOR: Premier Christy Clark, Minister Rich Coleman and Minister John Rustad

MEETING: Lax Kw'alaams and BC Representatives – December 11, 2015

ISSUE: Liquefied Natural Gas Development in Lax Kw'alaams Territory

KEY MESSAGES:

 The Province is committed to working with Lax Kw'alaams to ensure that the community shares in the benefits of LNG development in general, and the PNW LNG project in particular, and that those benefits do not come at the cost of the environment.

- The Province is only supportive of the PNW LNG project as long as there is no significant adverse effect to Flora Banks or the Skeena fishery.
- The Province, Lax Kw'alaams and Pacific NorthWest LNG all share a common goal to increase economic development in the region – and we all agree this can and must be done in a way that protects the marine environment and fish habitat.

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BACKGROUND:

New Lax Kw'alaams mayor, John Helin, along with councillors and representatives of the Lelu Island protest camp are meeting with BC representatives to discuss LNG development. s.16 s.16

The PNW LNG facility is proposed to be built on Prince Rupert Port Authority lands on Lelu Island. Lelu Island is located in the Skeena River estuary and concerns have been raised that Flora Bank, extending to the west of Lelu Island, will be damaged by the construction of the PNW LNG facility. Details of the proposed project are provided in Appendix 1. Lax Kw'alaams members are concerned that damage to Flora Bank will have a significant impact on Skeena river salmon populations. The CEAA review of the project was suspended in June 2015 to allow PNW LNG to provide additional information requested by the CEAA to inform its consideration of potential impacts to Flora Bank.

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s.13,s.16 As result of the November 19, 2015 election, John Helin was elected as the new Mayor of Lax Kw'alaams.

Lelu Island is also within the claimed territories of the Metlakatla, Gitxaala, Gitga'at, Kitsumkalum and Kitselas First Nations. s.16 s.16

DISCUSSION

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Gitga'at First Nation filed a Judicial Review of the EA certificate granted to the pipeline project servicing the PNW LNG project. Gitga'at are contesting the assessment of the BC EAO of their asserted rights and title and the accompanying determination that Gitga'at were only entitled to notification on the project, not consultation.

On Sept. 28, 2015, B.C. was served with a title claim from Lax Kw'alaams for areas including Flora Bank and Lelu Island. Lax Kw'alaams has concerns about the facility's planned location and its potential effects on the Skeena fishery. Other reasons cited include concerns over Aboriginal title claims by other First Nations in the area, and indifference shown by the federal government regarding their obligations to the First Nation on the project. The Province has not yet responded. s.13,s.16 s.13,s.16



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this association are included in Appendix 3.

The formation of TESA is a positive step in uniting the various shared environmental interests of Tsimshian communities and as a potential entity with which to partner in the emerging development of the LNG Environmental Stewardship Initiative.

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PREPARED BY: REVIEWED BY: INITIALS:

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Attachments:

Appendix 1 – PNW LNG Project Summary

Appendix 2s.16

Appendix 3 – Tsimshian Environmental Stewardship Authority (TESA) Overview

Appendix 4 -s.16

Appendix 5 s.16

Appendix 6 – Prince Rupert Area Map

Appendix 1 – PNW LNG Project Summary

Project Summary

PNW LNG is proposing a 12 MMTPA LNG facility on Federal Port Authority lands on Lelu Island, with potential expansion of up to 18MMTPA. The facility along with the required pipeline and upstream activity is estimated to require \$36B in capital investment over the life of the project.

PNW LNG received its BC Environmental Assessment (BC EAO) certificate in November 2014 and in April 2015 the National Energy Board (NEB) approved its export license application.

In June 2015, subsequent to passage of the Project Development Agreement (PDA) between the Province and PNW LNG, the company announced a conditional Final Investment Decision (FID) on the project. In June 2015, the Canadian Environmental Assessment Office (CEA) suspended its review of the project pending further information about environmental impact on the Flora Bank area. s.13,s.16

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Appendix 3 – Tsimshian Environmental Stewardship Authority (TESA) Overview

Tsimshian Environmental Stewardship Authority (TESA)

On November 9, 2015 five Tsimshian communities (Metlakatla, Gitxaala, Kitselas, Kitsumkalum and Gitga'at) joined together to form TESA. The mandate of TESA is:

- Providing expert advice regarding the establishment of baseline studies and monitoring programs;
- Providing information to the members of our communities about potential project impacts and proposed mitigation measures;
- Working to develop the conditions by which our Nations would address environmental concerns regarding proposed projects in our territories;
- Strengthening oversight of federal and provincial environmental assessment processes, by supporting the engagement of our First Nations in these processes; and
- Maintaining a regional forum where impacts of common concern and proposed mitigation measures can be discussed and implemented together.

The five founding members of TESA recognized the importance of seeking participation of Lax Kw'alaams, the Province, the Federal Government and project proponents. The Province views the formation of TESA as a positive step in uniting the various shared environmental interests of Tsimshian communities and as a potential entity with which to partner in the emerging development of the LNG Environmental Stewardship Initiative.

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