

**MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines and Minister Responsible for Core Review

**II ISSUE:** Meeting with Ms. Lynne Platt, United States Consul General in Vancouver.

**III BACKGROUND:**

The Consul General will be in Victoria the week of October 6, 2014, and has requested meetings with several government representatives, including the Minister of Energy and Mines, to discuss the scope of U.S.-B.C. partnerships across a number of portfolios.

Lynne Platt is the recently appointed United States Consul General in Vancouver. She began her new mandate on September 3, 2014, and these meetings are her first official engagements in the new role. Ms. Platt is a senior Foreign Service Officer who specializes in public affairs, and has served as a U.S. Embassy Spokesperson in London and Paris. She has also overseen large foreign assistance programs in Port-au-Prince and Baghdad. Her other Foreign Service assignments have been in Cairo, Casablanca, and Washington, DC.

The U.S. is, by far, B.C.'s largest trade and investment partner, and the Province works carefully to secure and align its interests around resource development. The future of the Columbia River Treaty (Treaty) and the trans-boundary implications of mining operations in the Southeast and Northwest of British Columbia are among important issues in B.C./Canada – U.S. relations. On March 13, 2014, the Government of British Columbia announced its decision to continue the Treaty, and to seek improvements within its existing framework. The decision includes 14 principles to guide the Province in discussions with Canada and the US on the future of the Treaty.

Several dozen U.S. environmental organizations, businesses, First Nations, communities and fishing groups have publicly expressed strong concerns regarding the impact of planned mine projects in Northwest B.C., following the imminent completion of the Northwest Transmission Line. They claim the proposed mine developments pose significant risks to trans-boundary watersheds, and could impact water quality, traditional, commercial and sport fishing, hunting, and tourism. Similar concerns have been expressed regarding the potential downstream impacts of existing and proposed mining operations in Southeastern B.C. Currently, all cross-border state concerns are fully managed at the provincial/state level.

There have been significant steps taken to collaborate with our U.S. neighbours in the area of energy efficiency. Agreements signed under the Pacific Coast Collaborative (PCC) in 2010, 2012, and 2013 by the Premier of B.C. and the Governors of California, Washington and Oregon, commit to joint action on energy efficiency and renewable and low carbon transportation fuels. The PCC is an innovative initiative that brings together Pacific leaders in a common front to address issues affecting Pacific North America.

The U.S. and Canada are also two of twelve current negotiating partners in the Trans-Pacific Partnership (TPP), a proposed Pacific Region free-trade agreement.

#### **IV DISCUSSION:**

##### Columbia River Treaty

Coordination under the Treaty enables the U.S. to effectively manage its flood control needs, environmental requirements, water supply for agriculture, communities and industry, as well as navigation of the river. The Government of B.C.'s view is that the benefits of the Treaty that the U.S. realizes are actually worth more than the Canadian Entitlement power the U.S. sends to B.C. Both countries need to recognize that for every cost associated with the Treaty provisions, there are some very important benefits that should, under the spirit of the Treaty, be shared by both parties.

##### U.S. Concerns Regarding Northwest and Southeast B.C. Mines

Under B.C.'s *Environmental Assessment Act*, large mining projects are required to undergo an environmental assessment process to ensure each project meets the goals of environmental, economic and social sustainability. The assessment includes: extensive public participation; filing of all documents on a public Project Registry; and opportunities for independent public hearings for controversial projects. The Ministry of Energy and Mines' oversight of existing mining operations includes a rigorous regime of inspections, audits, serious accident and fatality investigations, and mentoring and training programs. In 2013, inspectors made approximately 1,200 visits to mines. Mining remains one of the safest heavy industries in B.C., with less than one-third the injury rate of forestry or construction.

Presently, both a Ministry of Energy and Mines investigation and a separate, independent investigation are attempting to determine the causes of the recent Mount Polley tailings pond breach. The findings of both these investigations will be made fully public, and their recommendations will be implemented across the industry.

#### **V CONCLUSION:**

The natural resource sector represents a huge area of opportunity for the Province and its U.S. bordering States. At the same time, all jurisdictions recognize the importance of protecting the environment while developing this sector. B.C. continues to exercise strong support for cooperating with the U.S., particularly in the areas of; border management; transportation; the environment; climate change; and the TPP negotiations.

##### **DRAFTED BY:**

Mary Rathbone  
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##### **APPROVED BY:**

Guy Gensey, A/ED ✓  
Dave Nikolejsin, DM ✓

##### **ATTACHMENT:**

Bio of Lynne Platt

## BIOGRAPHY

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**Consul General Lynne Platt**  
**United States Consulate General in Vancouver**

Lynne Platt, a senior Foreign Service Officer, began her duties as U.S. Consul General Vancouver in September 2014.

Within the State Department, she specialized in public affairs, and served as the Embassy Spokesperson at U.S. Embassies in London and Paris, and at the U.S. Mission to NATO. She has also overseen large foreign assistance programs -- as head of the Law Enforcement and Narcotics Affairs section at U.S. Embassy Port-au-Prince, and as Deputy Director of the Provincial Reconstruction Team program at U.S. Embassy Baghdad. Her other Foreign Service assignments were in Cairo, Casablanca, and Washington, DC.

Lynne graduated Phi Beta Kappa from the University of Washington and subsequently received a Master's Degree from there. She is married to C. Judson Hamblett, a fellow Foreign Service Officer, and is stepmother to his three children.

**MINISTRY OF ENERGY AND MINES**  
**BRIEFING NOTE FOR INFORMATION**

- I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines
- II ISSUE:** Meeting with Peter Ostergaard, Michael Costello and R. Brian Wallace, Q.C., regarding the Independent Review of the British Columbia Utilities Commission Interim Report

**III BACKGROUND:**

During the 2013 Industrial Electricity Policy Review (IEPR), customer groups and utilities frequently raised concerns about the British Columbia Utilities Commission's (BCUC's) effectiveness and efficiency. As a result, the IEPR Task Force recommended an independent review of the BCUC to evaluate resource needs, review processes, and performance.

Government announced in the November 2013 10 Year Rates Plan for BC Hydro that they would be initiating a Core Review of the BCUC, to be led by an independent Task Force that would make recommendations on how to improve the BCUC's effectiveness and efficiency. The Task Force Terms of Reference were announced in April 2014 (Terms of Reference enclosed as Appendix #1). A Task Force comprising Peter Ostergaard (Chair), Michael Costello, and R. Brian Wallace, Q.C., were announced as undertaking the independent review.

The Terms of Reference for the review requests the Task Force review, evaluate and make recommendations on:

- Other jurisdictions' regulatory models and key benchmarks;
- BCUC processes;
- BCUC's structure, resource needs, and performance; and
- In consultation with Ministers, any other matters that were considered significant.

In mid-July 2014, the Minister of Energy and Mines asked the Task Force to investigate the potential efficiencies that could be gained from BCUC regulation of private sector water utilities, and four issues arising from the current regulatory model governing the relationship between the Province and the BCUC.

The Task Force held over 40 meetings and conference calls with 25 stakeholder groups, and received 37 submissions over three phases of consultation. A final consultation summary has been posted online. KPMG was also retained to complete a jurisdictional scan and suggest improvements to the BCUC.

Following this interim report (due October 1, 2014), the Task Force will be submitting a final report on or before November 17, 2014 as per its Terms of Reference.

**IV DISCUSSION:**

The Task Force's Interim Report is organized into four broad categories:

- Governance: topics affecting the BCUC that are largely established by the Province, mostly through the policy and legislative framework under which the BCUC must operate.
- BCUC Processes: topics that are mostly within the BCUC's control as a quasi-independent administrative tribunal, including the ways it manages its proceedings.



- BCUC Structure, Organization, and Performance: topics largely associated with the BCUC's management of itself, including capacity, resource needs, and organizational efficiency and effectiveness.
- Other Matters: a different regulatory approach for BC Hydro, the potential efficiencies gained from BCUC regulation of private water utilities, perspectives on the unique regulatory treatment of the Insurance Corporation of British Columbia, and public communications.

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## V CONCLUSION:

- The Task Force's interim report includes evaluations and/or recommendations aligning with the requests contained in the Independent Review of the BCUC Review Terms of Reference and the mid-July Minister's letter.
- Most Task Force recommendations do not require legislative or regulatory changes.
- The Task Force's recommendations should ensure that a more robust BCUC may resume the regulation of BC Hydro rates in 2016/17, as committed by Government in the 10 Year Rates Plan for BC Hydro.

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Chris Trumpy, Dir, EAED ✓  
Paul Wieringa, ED, EAED  
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Enclosures

## **TERMS OF REFERENCE**

### **INDEPENDENT REVIEW OF THE BRITISH COLUMBIA UTILITIES COMMISSION**

#### Background

The British Columbia Utilities Commission (BCUC) is an independent regulatory agency of the Provincial Government that operates under and administers the *Utilities Commission Act* (1980). Its primary responsibility is the regulation of British Columbia's natural gas and electricity utilities. It also regulates intra-provincial pipelines, many district heating systems and universal compulsory automobile insurance. The BCUC approves projects and costs, and sets rates, while ensuring utilities provide safe and reliable service. As a quasi-judicial tribunal, the BCUC makes decisions based on evidence, and abides by standards of procedural fairness. BCUC proceedings include expert testimony, cross-examination of evidence, and final arguments.

Like other utility regulators, the BCUC's mandate under the *Utilities Commission Act* is to ensure that ratepayers receive safe, reliable and non-discriminatory energy services at fair rates from the utilities it regulates, and that shareholders of those utilities are afforded a reasonable opportunity to earn a fair return on their invested capital.

During the recent Industrial Electricity Policy Review (IEPR), customer groups and utilities frequently raised concerns about the BCUC. As a result, the IEPR Task Force recommended an independent review of the BCUC to evaluate resource needs, review processes, and performance. Government is initiating a review of the BCUC, through the Core Review process, with the goal of increasing the BCUC's effectiveness and efficiency.

#### Independent Task Force

The Minister of Justice and the Minister Responsible for Core Review hereby authorize a Review of the BCUC as set out in these Terms of Reference.

Further, the Minister Responsible for Core Review appoints a Task Force consisting of three members to implement the Review:

- Michael Costello
- Peter Ostergaard
- Brian Wallace

## Scope

The Task Force will review, evaluate and make recommendations respecting the following:

1. A review of comparable utility regulators and models in other jurisdictions, along with key benchmarks.
2. BCUC processes:
  - a. Existing levy funding model and possible alternatives;
  - b. Timeliness, effectiveness, efficiency and cost of reviews;
  - c. Standing/funding for interveners;
  - d. Review processes:
    - d.i. Conventional oral and written public hearings;
    - d.ii. Alternative review processes, including expedited hearing processes and negotiated settlement processes;
    - d.iii. Involvement of the BCUC in alternative regulatory processes;
    - d.iv. Generic proceedings on specific issues that apply to more than one utility;
    - d.v. Opportunities to make hearing processes more efficient and more focused;
    - d.vi. The role, effectiveness and use of guidelines and policies;
    - d.vii. Application cycle (turnaround) times and establishing timelines for reviews and decisions; and
    - d.viii. Coordinated regulatory processes.
3. Structure, resource needs and performance of the BCUC (including but not limited to):
  - a. Review the use of stakeholder representation models in other jurisdictions and implications on the role of staff;
  - b. Recruitment, retention and compensation of BCUC staff and Commissioners, and staffing levels;
  - c. Organizational structure and BCUC composition, including:
    - c.i. Potential Vice-Chair and Executive Director positions;
    - c.ii. Full-time versus part-time Commissioners;
    - c.iii. Experience and knowledge;
    - c.iv. The need for regulatory process and utility expertise; and
    - c.v. Use of BCUC Counsel.
  - d. Efficiency (value for money) and effectiveness of operations and performance, including:
    - d.i. Identify standard (reported) performance measures to be reviewed or recommend measures to be developed;
    - d.ii. Identify operational impediments; and
    - d.iii. Identify specific opportunities for improvements.

4. In consultation with the Minister of Justice and the Minister Responsible for Core Review, any other matters arising over the course of the review that the Task Force considers significant.

### Task Force Operations and Procedures

The Task Force will solicit input from stakeholders with an interest in the BCUC, including regulated utilities, interveners and current and former BCUC staff and Commissioners. While the Task Force has discretion over how it chooses to engage stakeholders, a consultation record is to be kept and will be made public unless input is explicitly requested to be kept confidential.

The Task Force will have access to technical expertise from the Ministry of Energy and Mines, and has the discretion to create any consultative bodies and/or retain independent technical advice it deems necessary to ensure it receives the information it requires to meet the objectives set out in these Terms of Reference, subject to available budget.

### Reporting

The Task Force will report back to the Minister of Justice and the Minister Responsible for Core Review with the following:

1. A summary of consultations with stakeholders on matters contained in these Terms of Reference;
2. A summary of submissions from stakeholders;
3. An interim Report, due October 1, 2014; and
4. A final Report, due November 17, 2014, including suggestions for legislative and regulatory amendments.

### Secretariat Support

The Ministry of Energy and Mines will provide secretariat support to the Task Force.

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## MINISTRY OF ENERGY AND MINES

### BRIEFING NOTE FOR INFORMATION

**I PREPARED FOR:** Dave Nikolejsin, Deputy Minister of Energy and Mines

**II ISSUE:** Phase Out of Burrard Thermal for Electricity Generation and Implications to Affected Municipalities

#### III BACKGROUND:

In accordance with the authorization for Burrard Thermal Electricity Regulation, direction No 6, and the 2013 Integrated Resource Plan, BC Hydro is expected to stop generating electricity at Burrard Thermal Generating Station (Burrard) in 2016/17, but will continue providing grid support to the system in the Lower Mainland. Burrard's generation capacity will no longer be required following completion of the two new generating units at Mica dam, completion of the Interior to Lower Mainland transmission project and a new transformer at Meridian Substation in Coquitlam.

Once generation is shut down, BC Hydro will no longer be required to pay certain grants in lieu of taxes to the City of Port Moody, the Village of Belcarra and the Village of Anmore. The Ministry of Finance has completed estimates of the financial impacts to affected municipalities resulting from the phase out of Burrard generation.

Affected municipalities have expressed interest in exploring options to address the expected loss of revenue and have suggested that this may be ameliorated if the Burrard site can be utilized in other capacities. However, any future developments must be considered against the fact that despite shutdown of generation, the Burrard facility will continue operations required to provide grid support for the Lower Mainland transmission system for at least the next 10 years.

#### IV DISCUSSION:

The table below provides an overview of BC Hydro's current and projected electricity generation grant payments to affected municipalities.

Municipality	2014 Actual	2015 Projected*	2016 Projected*	Estimated Proportion of Total Municipal Revenue (2014)**
City of Port Moody	\$1,287,797	\$1,318,704	\$1,371,452	2.0%
Village of Anmore	\$12,747	\$13,053	\$13,575	0.5%
Village of Belcarra	\$11,018	\$11,282	\$11,733	0.9%

\* Projections provided by BC Hydro - not verified by Ministry of Finance.

\*\* Estimated proportions to municipal revenues were completed by Ministry of Finance based on 2014 actual grant amounts and budgets provided by municipalities.

BC Hydro pays an additional grant to Port Moody in respect of the large parcel of land owned at the site (\$236,434 in 2014). According to the Ministry of Finance, this grant will continue to be payable after the shutdown of generation. The grant for provision of electricity transmission and distribution services to municipalities will not be affected by the shutdown.

BC Hydro advise that the facility is required to operate as a synchronous condenser, (i.e. rather than generate electricity, four of the facility's turbines function as large electric motors) in order to balance and adjust conditions on the transmission grid in the Lower Mainland. This operation requires a large part of the facility to remain intact, thus constraining the footprint available for alternative development. Grid support operations are planned to continue until at least 2025. The Burrard Thermal Substation is also located on the site and BC Hydro plans to operate the substation permanently.

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## **V CONCLUSION:**

Following shutdown of generation at Burrard in 2016/17, BC Hydro will no longer be required to pay electricity generation fees in lieu of taxes to the City of Port Moody, the Village of Anmore and the Village of Belcarra. BC Hydro will continue to pay a land grant of approximately \$250,000 annually to the City of Port Moody in addition to transmission and distribution grants.

The facility's turbines and substation will be required by BC Hydro for grid management operations until at least 2025. Further study is required to conclusively determine the suitability of the site for alternative industries **s.13** It is unlikely that the site can accommodate a second facility while BC Hydro grid support infrastructure remains in place.

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**APPROVED BY:**

Julie Chace, Director, TIB ✓  
Paul Wieringa, ED, EPB ✓  
Dan Green, A/ADM, EAED ✓ \_\_

**MINISTRY OF ENERGY AND MINES**

**BRIEFING NOTE FOR INFORMATION**

- I PREPARED FOR:** Honourable Dr. Terry Lake, Minister of Health
- II ISSUE:** Meeting with Sargent Hydro Canada director Lucas de Haro on Friday, October 10, 2014, to discuss Run-of-River Hydro Projects in the North Thompson-Nicola Regional District
- III BACKGROUND:**

Sargent Group is a 15-year old Italian investment company that specializes in renewable energy, mainly hydroelectric projects. Sargent Group operates as a group holding company, owner of Sargent Hydro Canada (Sargent). It entrusts strategic and operational decisions to individual associated companies. Sargent was established in Vancouver in 2012 to support the development of hydroelectric projects acquired in British Columbia.

Sargent's British Columbia portfolio includes 18 project sites, four fully permitted, with a total capacity of 179 megawatts (MW), although none are currently in operation. In April 2013, Sargent purchased the following projects from TransAlta Corporation (TransAlta):

- Two fully permitted run-of-river projects on Clemina and Serpentine Creeks, near Blue River; and
- A project in the early stages on Dominion Creek that is not actively being moved forward at this time.

The projects previously owned by TransAlta received electricity purchase agreements (EPAs) from BC Hydro in the 2006 Clean Power Call, although the EPAs were subsequently terminated by mutual agreement in September 2009. The projects are fully permitted and agreements with local First Nations are in place.

**IV DISCUSSION**

On May 22, 2012, BC Hydro announced it would fund up to \$50 million of upgrades to the Valemount substation provided commercial terms could be reached with Robson Valley independent power producer (IPP) developers, including a contribution to the transmission line and the development of an eco-industrial park in McBride. BC Hydro negotiated a binding term sheet (with several conditions) with the three IPP proponents in the Robson Valley. On November 26, 2013, BC Hydro's Board of Directors authorized entering into the Transmission Development Agreement and the various EPAs subject to, among other things, BC Hydro being satisfied that there is a substantial likelihood that the project proponents would achieve financial close by December 31, 2013. The IPP proponents were unable to achieve financial close by year-end 2013 and negotiations with proponents was terminated.



As a result of the termination of the McBride initiative, the interconnection queue for the McBride area has been adjusted and there is now sufficient transmission capacity for other projects to proceed. This change resulted in sufficient transmission capacity for Clemina and Serpentine, the two Sargent.e-owned run-of-river hydroelectric projects (10.5 MW each).

BC Hydro has not recommended any calls for power in its Integrated Resource Plan (IRP) approved by Government in November 2013. The IRP demonstrates that BC Hydro has adequate energy supply to meet the initial electricity requirements of liquefied natural gas facilities – about 3,000 gigawatt-hours a year – through to the 2021 fiscal year. BC Hydro has indicated that contingency plans are in place to meet demand should current forecasts underestimate future needs.

As a result of the limited need for power, BC Hydro's Standing Offer Program (SOP), for projects of less than 15 MW capacity, is the only avenue available for Sargent.e to pursue an EPA. Individually, Sargent.e's two projects fall within the SOP's limits. s.13.s.1  
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## V CONCLUSION

British Columbia welcomes Sargent.e's interest in renewable energy projects and the Government is committed to working with the clean energy sector to ensure that there are opportunities for new developments in the Province.

There are a variety of economic and technical issues at play. It is important that Sargent.e continue to work directly with BC Hydro.

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Paul Wieringa, Executive Director, EPB ✓  
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Dave Nikolejsin, DM \_\_\_\_

**MINISTRY OF ENERGY AND MINES**  
**BRIEFING NOTE FOR DECISION**

- I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines
- II ISSUE:** The Ministry of Aboriginal Relations and Reconciliation (MARR) has requested Ministry of Energy and Mine's (MEM) assistance, through the ICE Fund, in providing \$50,000 to support Clean Energy BC's Generate 2014 Conference.

**III BACKGROUND:**

Clean Energy BC (CEBC), at the request of Aboriginal Affairs and Northern Development Canada, has submitted a three-year, \$150,000 funding request to MARR to support its "Generate" conferences and workshops. For 2014, the funding is intended to be focussed on encouraging First Nations attendance at the conference and for a planned one-day workshop that will focus on First Nations youths. CEBC wants to facilitate First Nations being able to send delegates, of which at least one will be a youth – either a young employee or a student – to participate in the conference. Of particular interest to youth delegates will be an 'Opportunities and Skills and Training' unit during the one-day workshop.

CEBC's stated goals within their funding proposal are:

1. Support long term sustainable First Nations economic development built around clean energy as an industry sector.
2. Support development of clean energy options for off-grid First Nations communities.
3. Build trusting, transparent, and long term relationships between First Nations, industry, and government.
4. Support First Nations to become owners and operators of local clean energy projects and dominant players in the Clean Energy industry.

CEBC proposes a significant increase in the level of First Nations involvement and participation at Generate 2014. In addition to the one day short course, they would also like to have an additional day of round table discussions. These discussions will be of benefit to not only First Nations, but industry as well. Proposed topics for dialogue include financing, lenders, capacity building, and markets. Additionally, while BC Hydro has been consulting on the proposed changes to its Standing Offer Program over the past few months, more work needs to be done on what the implications are for both industry and First Nations.

**IV DISCUSSION:**

The ICE Fund has been approached to contribute \$50,000 for 2014/15 because MARR's First Nation Clean Energy Business Fund cannot support the expenditure this year.

Driven mainly by the early termination of the Metro Vancouver biogas project, the ICE Fund will have a projected 2014/15 underspend of approximately \$650,000 against the \$2.0 million authorized expenditure. While MEM will be looking to also use a portion of this to offset an under-accrual in the 2013/14 LiveSmart Residential Incentives Program (i.e., ~ \$225,000 estimated), there is room to assist MARR and CEBC.

MEM's Budget 2014 letter stipulates the following with regard to STOB 80 expenditures:

"8. STOB 80 (Transfers-Shared Cost Arrangements): Expenditures from this STOB are to be no more than *Budget 2014* amounts. Ministries can only enter into STOB 80 funding commitments for ongoing base service delivery (renewal or replacement of existing agreements) on an annual basis and only when costs are fully managed within a ministry's STOB 80 allocation. Ministries are not to enter into any multi-year agreements. Please advise Treasury Board Staff if the ministry is considering requesting an exemption to this direction."

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## V OPTIONS:

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**VI RECOMMENDATION:**

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Approved / Not Approved

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Honourable Bill Bennett  
Minister of Energy and Mines

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Date

**DRAFTED BY:**

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**APPROVED BY:**

Les MacLaren, ADM, EAED ✓  
Dave Nikolejsin, DM ✓

## **MINISTRY OF ENERGY AND MINES**

### **BRIEFING NOTE FOR INFORMATION**

- I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines
- II ISSUE:** Meeting with Mr. Peter Lantin and Mr. Trevor Russ of the Council of Haida Nation and Mr. Joe Houssian from Naikun Energy to discuss development of the Naikun offshore wind project.
- III BACKGROUND:**

In July 2011, the Ministry and BC Hydro completed the work with Coastal First Nations (CFN), including the Haida Nation, to implement the energy chapter of a Reconciliation Agreement signed in 2009. The Province since then has signed a framework agreement on regional liquefied natural gas (LNG) development with the CFN. One of the key topics identified for discussion with the Province is regional renewable electricity supply for LNG.

The CFN has proposed a term sheet to the Province that builds on the framework agreement. The CFN have proposed that all of the ancillary needs of LNG projects be supplied with clean and renewable power.

Haida Gwaii is served by diesel generation plants rather than the main grid due to its relatively low electricity consumption and remoteness from the main grid. From 2008 through 2012, BC Hydro has investigated a number of options for bringing additional power online on Haida Gwaii. From 2008 to 2011, they investigated a request for proposals for cost-effective clean energy on the islands, but the Council of Haida Nation (CHN) ultimately did not support this approach. From 2011 through Spring 2012, BC Hydro was in discussions with the CHN about bilateral negotiations for the direct award of an electricity purchase agreement. There was a lack of support for this approach as well, and BC Hydro abandoned it. BC Hydro proceeded with a Request for Expressions of Interest in 2012 and received submissions for 29 projects. None was found to be technically or economically viable.

BC Hydro continues to consult with the Haida Nation regarding a power procurement approach, and in April 2014 BC Hydro put forward a draft Letter of Understanding to enter into a procurement process where the Haida Nation would select project partners to undertake pre-feasibility study work. As of early July this had not received a response, and currently no progress has been made.

#### **IV DISCUSSION:**

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#### **V KEY MESSAGES:**

- The Province believes that electricity based on clean or renewable resources is an important part of the energy solution for LNG development.
- The Province is continuing to engage with the CFN on LNG power requirements.
- Uncertainty with regards to how much power will be required from BC Hydro for LNG still exists. As the amount of power needed by LNG developers becomes known the Province is committed to working with CFN and BC Hydro to identify cost-effective opportunities to supply that demand.
- Provincial LNG policy requires that there be no adverse impact on domestic rates as a result of LNG development, and this will be reflected in the final solutions for LNG power supply.

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## MINISTRY OF ENERGY AND MINES

### BRIEFING NOTE FOR DECISION

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Innovative Clean Energy (ICE) Fund: Metro Vancouver's BC Bioenergy from Biogas Project is at risk as its partner, Paradigm Environmental Technologies Inc., has gone into receivership.

### III BACKGROUND:

The Greater Vancouver Sewerage and Drainage District (Metro Vancouver) was one of the successful applicants in the ICE Fund's First Call, and was approved to receive funding of \$3 million for an \$11.35 million BC Bioenergy from Biogas Project.

ICE Funding was targeted to support Paradigm Environmental Technologies (Paradigm) in demonstrating its proprietary, made-in-British Columbia, MicroSludge® technology, a process to pre-treat wastewater sludge prior to anaerobic digestion thereby increasing biogas output by between

10 to 20 percent. The project is being situated at Metro Vancouver's Lulu Island wastewater treatment plant in Richmond, British Columbia.

Metro Vancouver signed a Contribution Agreement with the ICE Fund in December 2013. As of March 31, 2014, \$1.35 million has been disbursed to Paradigm, excluding a 10 percent holdback of \$135,000.

In June 2014, Paradigm was placed into creditor-initiated receivership. Paradigm's employees and directors have been let go and the Receiver, Wolrige Mahon Limited, has assumed operations and appointed new directors. s.13

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### IV DISCUSSION:

The *BC Bioenergy from Biogas Project* was being planned with two phases:

1. The application of the MicroSludge technology to pre-treat wastewater sludge prior to anaerobic digestion thereby increasing the plant's biogas output by an estimated 10 to 20 percent, and also decreasing the truckloads of sludge for disposal by about 20 percent; and
2. The addition of biogas upgrading equipment and pipeline interconnection systems to efficiently convert biogas into renewable natural gas for sale to British Columbian residents via FortisBC.

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**MINISTRY OF ENERGY AND MINES**

**BRIEFING NOTE FOR INFORMATION**

- I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines
- II ISSUE:** Meeting with Councilor Garry Feschuk, Sechelt First Nation, and First Nations Clean Energy Working Group, on Wednesday, October 15, 2014, to discuss progress on initiatives with BC Hydro
- III BACKGROUND:**

Councilor Garry Feschuk (former Chief) of the Sechelt First Nations will likely wish to discuss BC Hydro's consultation process with respect to First Nations participation in the Standing Offer Program (SOP). These consultations are a result of BC Hydro's implementation of the Clean Energy Strategy in the Government-approved Integrated Resource Plan (IRP).

Councilor Feschuk is part of the First Nations Clean Energy Working Group (FNCEWG) executive who have been working with BC Hydro on improvements to the SOP. Other members of the executive who may be in attendance at the meeting include:

Chief Calvin Craigan (Sechelt Indian Band);  
Chief James Delorme (Klahoose First Nation);  
Chief Counselor Clint Williams (Sliammon First Nation);  
Chief Ian Campbell (Squamish Nation);  
Chief Bill William (Squamish Nation);  
Chief Lucinda Phillips (Lil'wat Nation); and  
Chief Willie Charlie (Sts'ailes Nation).

In November 2013, Government approved BC Hydro's IRP, a 20-year power plan for the future. Chapter 8 of the IRP presents a Clean Energy Strategy to maintain the clean energy diversity of the provincial electricity supply, support the clean energy sector in British Columbia, and promote clean energy opportunities for First Nations communities. The Clean Energy Strategy advances a number of actions to be completed over the next two years that will broaden opportunities for small projects (0.1 to 15 megawatts (MW)) through BC Hydro's SOP and Net Metering Program.

BC Hydro's SOP for small-scale, permit ready, clean energy projects began in 2008. A Net Metering Program for residential and commercial customers started in 2003. The IRP Clean Energy Strategy committed to the following program changes:

- The SOP annual target will increase from 50 gigawatt hours per year (GWh/year) to 150 GWh/year to enable more small-scale projects in communities, without unduly impacting electricity rates (implemented);

- A "micro-SOP" component within the overall SOP annual target will enable projects in the range of 100 kilowatts (kW) to 1 MW (under development);
- Gas-fired cogeneration will be removed from SOP eligibility (removed by regulation in June 2014); and
- Increase the Net Metering Program project size cap from 50 kW to 100 kW (the British Columbia Utilities Commission approved the new cap in July 2014).

The Clean Energy Strategy promotes First Nations participation in clean energy projects through the following actions:

- Engaging First Nations and the clean energy sector on how to introduce new elements to the SOP to encourage First Nations participation (in progress);
- Engage First Nations and the clean energy sector on how to assess the adequacy of First Nations participation in any new call for power (to be undertaken when the need for a new call emerges);
- BC Hydro is continuing to give weight to maintaining or improving relations with First Nations as it manages its clean energy portfolio (ongoing); and
- BC Hydro is continuing to honour the commitments in Impact Benefit Agreements to explore clean energy development with First Nations and agreements to negotiate Electricity Purchase Agreements (EPAs) with First Nations (ongoing).

Implementation of the above actions will occur over the next two years, with progress reviewed with Government annually. BC Hydro is also continuing to work with independent power producers and industry experts to update its resource options. Under the Clean Energy Strategy, BC Hydro will undertake an IRP Review starting in 2015.

#### **IV DISCUSSION**

##### Status of Encouraging First Nations Participation in the SOP:

In December 2013, BC Hydro began an internal assessment of the SOP based on feedback received through developer comments, letters, First Nations and stakeholder input into the IRP, and First Nations and stakeholder input on specific SOP projects. In April 2014, BC Hydro held a number of regional engagement sessions with First Nations and stakeholders on ten areas of potential change to the current rules. Starting in June 2014, BC Hydro hosted a series of focus groups to determine how to operationalize some of the key topics coming out of the April engagement, including how to manage the 150 GWh/year SOP target and how to promote First Nations participation in the SOP.

With respect to promoting First Nations participation in the SOP, BC Hydro has been working with the FNCEWG, the First Nations Energy and Mining Council, and Clean Energy BC to define an acceptable participation criterion. To date, this group has met on three occasions. At the last meeting (September 26, 2014), the FNCEWG offered to draft participation language that would become part of the SOP Rules for BC Hydro's comment.

BC Hydro expects to review this language in mid-October 2014. Once BC Hydro has an approved (by BC Hydro, Ministry of Energy and Mines, and Ministry of Aboriginal Relations and Reconciliation) draft of the First Nations participation criterion, BC Hydro will share the draft SOP Rules, EPA and other revised program documents for stakeholder feedback in late November 2014.

The Micro-SOP is also being developed in response to feedback from First Nations and stakeholder comment as well. The design of the Micro-SOP began in January 2014 with an internal working group. More formal engagement with First Nations and stakeholders on how the Micro-SOP program should be developed was initiated in June 2014.

Feedback from engagement meetings, along with technical and financial information, has been considered in developing the draft Program Rules and draft EPA. BC Hydro is targeting late November 2014 to share the draft Rules and EPA for stakeholder feedback.

## **V CONCLUSION**

BC Hydro is undertaking the Clean Energy Strategy actions and is on track to complete the actions as per their implementation plan.

First Nations are taking a leadership role in establishing the framework for First Nations participation under the SOP.

The FNCEWG should continue its engagement and collaboration with BC Hydro on increasing First Nations participation in clean energy opportunities in British Columbia.

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## MINISTRY OF NATURAL GAS DEVELOPMENT

### BRIEFING NOTE FOR INFORMATION

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** The value-added natural gas opportunity in British Columbia

**III BACKGROUND:**

s.12,s.13

**Petrochemicals** are chemical products created from petroleum, coal or natural gas. B.C.'s supply of natural gas presents opportunities for natural gas-based petrochemical production, including methanol, ammonia and ethylene. **Gas-to-liquids** refers to the process of converting natural gas to liquid products such as diesel, jet fuel and lubricants. Together these can be referred to as "value-added" natural gas products.

The *Natural Gas Strategy* directs government to "encourage value-added industries through innovative government programs that reward industry for creating new applications for B.C.'s natural gas".

s.12,s.13

Methanol is a base feedstock chemical used in the production of a wide range of energy, consumer, industrial and construction products. Projected global growth in methanol demand is very high at 12.7 per cent cumulative annual growth rate (CAGR) to 2017. This is led by an exceptional 20.6 per cent CAGR in China for this time period. s.12,s.13  
s.12,s.13

**DISCUSSION:**

s.12,s.13

.../3

**CONCLUSION**

s.12,s.13

**APPROVED BY:**

Linda Beltrano, A/ADM, OSI  
Steve Carr, DM-MNGD

✓  
✓

Date: September 8, 2014

Cliff No.: 86596

**MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Christy Clark, Premier

**II ISSUE:** Information on mining-related issues in Tsilhqot'in Nation traditional territory.

**III BACKGROUND:**

On June 26, 2014, the Supreme Court of Canada (SCC) granted to the Tsilhqot'in Nation a declaration of Aboriginal title to a portion of the Tsilhqot'in traditional territory. The SCC clarified the test for Aboriginal title, the requirements on the Province to justify any infringement on Aboriginal title, and the continuing requirements for consultation and accommodation in relation to claimed and established Aboriginal title. Provincial agencies, including the Ministry of Energy and Mines (MEM), are coordinating efforts to address the implications of the decision across the province, including in the remaining (unproven) portion of the Tsilhqot'in asserted traditional territory.

**IV DISCUSSION:**  
s.13,s.16



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Withheld pursuant to/removed as

s.16;s.13

**V CONCLUSION:**

s.13,s.16

**PREPARED BY:**

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## **MINISTRY OF ENERGY AND MINES**

### **BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Meeting with Taseko Mines Ltd. regarding New Prosperity

### **III BACKGROUND:**

The original Prosperity project received a provincial environmental assessment (EA) certificate in 2010; however, the federal government rejected it following a federal panel review. In 2011, Taseko proposed changes to the project (called "New Prosperity") that it said would address the significant adverse effects found by the original federal review. These changes required both a new federal panel review and a proposal to amend the provincial EA certificate.

The proposed EA certificate 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. Taseko has stated that the route of the transmission line and access road, and the pit and other mine infrastructure, would not be changed.

The federal panel report was released on October 31, 2013. The panel found that New Prosperity would result in several significant adverse effects. On February 26, 2014, the federal Minister of Environment issued a decision on New Prosperity, concluding that "the New Prosperity Mine project is likely to cause significant adverse environmental effects that cannot be mitigated. The Governor in Council has determined that those effects are not justified in the circumstances; therefore, the project may not proceed."

In November 2013, Taseko filed a judicial review application with the Federal Court seeking a declaration that certain findings of the federal panel are invalid and that the panel "failed to observe principles of procedural fairness" in its conduct of the public hearing process. In March 2014, Taseko filed a second judicial review application asking the Federal Court to set aside the federal government's New Prosperity decision due to "a failure to observe the principles of natural justice and procedural fairness." In late August 2014, Taseko filed an application asking that both previous judicial review applications be set for a single trial.

On June 11, 2014, Taseko applied to the Executive Director of the Environmental Assessment Office (EAO) for a five-year extension to its EA certificate, which will expire in January 2015 if it is not extended. The EAO is currently reviewing the extension request, including consultation with First Nations.

#### **IV DISCUSSION:**

The EAO has advised Taseko that in light of the need to consider the EA certificate extension request, as well as the pending federal court case, it is not practical to advance the review of the proposed EA certificate amendment (New Prosperity) at this time. The EAO has indicated a willingness to review and consider the appropriate next steps on the requested amendment after a decision is made on the extension request (if one is granted). Taseko has expressed concerns about the EAO not actively reviewing the proposed amendment at this time and has asked the EAO to reconsider and resume the amendment review immediately. The EAO has not yet responded to this request.

Decisions on EA certificate amendment and extension applications are made by either the Executive Director of the EAO or the Minister of Environment, if the Executive Director refers the application to the Minister.

First Nations, including Tsilhqot'in National Government, Esk'etemc and Canoe Creek Band, continue to strongly oppose the development of this mine.

#### **V CONCLUSION:**

The Province is not involved in the ongoing judicial review process of the federal panels and decisions. The EAO is currently reviewing Taseko's request for a five-year extension to the EA certificate it was granted in 2010 for Prosperity. Taseko has expressed concerns about the EAO not actively reviewing the proposed amendment to its EA certificate (New Prosperity) at this time, and has asked the EAO to reconsider and resume the amendment review immediately. The EAO has not yet responded to this request.

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#### **REVIEWED BY:**

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✓

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**MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Meeting with District of Tumbler Ridge Mayor and Councillors

**III BACKGROUND:**

**Community History**

The housing and municipal infrastructure of Tumbler Ridge, along with regional infrastructure connecting the new town to other municipalities, were built simultaneously beginning in 1981 by the provincial government to service the coal industry as part of the British Columbia Resources Investment Corporation's Northeast Coal Development.

By the late 1970s, a number of coal deposits had been identified in the Tumbler Ridge area. These deposits were lucrative, but remote. In 1981, representatives of Denison Mines, Teck Corporation, the Province and the Japanese steel industry signed an agreement that committed a consortium of Japanese steel mills to purchasing 100 million tonnes of coal over 15 years for US \$7.5 billion from Denison and Teck. This agreement allowed the Northeast Coal Development to proceed, and in the space of three years, the town of Tumbler Ridge, infrastructure, and two mines (Quintette and Bullmoose) were built from scratch.

**Mining Projects**

Teck's Quintette mine originally operated from 1982 to 2000, when it closed 2.5 years earlier than planned due to low coal prices. Nearly 600 workers were affected. The Bullmoose mine was also operated by Teck and closed in 2003 after its coal resources were exhausted.

Today, metallurgical coal prices are hovering around \$120/tonne. This represents a drop of over 30 percent since 2012, and almost 60 percent since 2011, when the average price of metallurgical coal was \$277/tonne. Low prices, coupled with decreased demand, has resulted in all northeast BC coal mines entering care and maintenance.

Walter Energy closed its Willow Creek mine, located near Tumbler Ridge, in April 2013. In April 2014, the company closed its Wolverine mine (located closer to Chetwynd), and it idled operations at its Brule mine, also located near Tumbler Ridge, in July 2014. About 1,000 Walter Energy employees were affected by these closures.

Teck's Quintette re-start project is located about 20 kilometres south of Tumbler Ridge and received a *Mines Act* permit amendment in June 2013. In October 2013, Teck

announced that it had decided to delay the final stage of development until there is a sustained improvement in the demand for steelmaking coal.

Peace River Coal Inc. (a wholly owned subsidiary of Anglo American) received a *Mines Act* permit amendment allowing construction of its Roman coal project to begin in August 2013. Roman is located approximately 25 kilometres south of Tumbler Ridge, and operations were to be integrated with Peace River Coal's existing Trend mine. In September 2014, the company announced it was putting Trend-Roman into care and maintenance and that more than 360 workers would be affected.

### **Energy Projects**

As part of the 2008 Clean Power Call, there are four wind power projects located near Tumbler Ridge that were awarded BC Hydro electricity purchase agreements (EPAs):

- Quality Wind Project, 142 megawatts (MW); 477 gigawatt-hours per year (GWh/yr);
- Tumbler Ridge Wind, 47 MW; 153 GWh/yr;
- Bullmoose Wind, 60 MW; 158 GWh/yr; and
- Meikle Wind Energy (Meikle), 117 MW; 362 GWh/yr.

The Quality Wind Project, owned by Capital Power, has been completed and is supplying power to BC Hydro.

The Meikle, Tumbler Ridge Wind and Bullmoose Wind projects were proposed by Finavera Wind Energy (Finavera). Over the last two years, Finavera has been in the process of selling the Meikle project to Pattern Energy (Pattern). In March 2014, the Environmental Protection Assessment (EPA) for Meikle was transferred to Pattern and in April 2014, the terms of the \$28 million sale of Meikle to Pattern were completed. In June 2014, the Meikle project received its Environmental Assessment (EA) certificate.

The proposed Thunder Mountain wind energy project is also located near Tumbler Ridge. The project received its EA certificate in December 2009, but does not have an EPA with BC Hydro. The EA certificate allows development of up to 320 MW of capacity in a 160 turbine layout. The project was initially developed by Aeolis Wind and sold to Brookfield Renewable in 2011. The EA certificate will expire in December 2014; Brookfield recently indicated to the Ministry of Energy and Mines staff that it intends to renew it.

### **IV DISCUSSION:**

Tumbler Ridge representatives wish to discuss the issues their community is facing and what their plans are to get through the current downturn. At the 2014 UBCM Convention, Tumbler Ridge officials expressed a strong interest in renewable power projects to diversify the community's employment base.

BC Hydro has been in negotiations with Finavera and Pattern regarding the completion of the remaining Tumbler Ridge EPAs in order to reduce its energy purchases from these

projects. The project proponents and BC Hydro have agreed to terminate the Bullmoose Wind and Tumbler Ridge Wind EPAs. The Meikle EPA has been amended to increase the project capacity from 117 MW to 185 MW, increasing the total annual energy from 362 GWh/yr to 588 GWh/yr.

In total, the wind energy projects located near Tumbler Ridge were reduced from a planned 224 MW of capacity to 185 MW, and 673 GWh/yr to 588 GWh/yr. Finavera's 77 MW (224 GWh/yr) Wildmare Wind Energy project, located near Chetwynd, was also terminated in addition to the projects located near Tumbler Ridge.

The Meikle project has a planned in-service date of November 2016 and has an estimated total capital investment of \$400 million. Construction is estimated to generate 175 person years of employment over 14 to 20 months. Nineteen full-time jobs are expected over the 25 years of operation.

BC Hydro's Integrated Resource Plan (IRP) introduced a Clean Energy Strategy that includes an action to increase the Standing Offer Program (SOP) annual procurement target from 50 GWh/year to 150 GWh/year enabling more small-scale projects (<15 MW) in communities, without unduly impacting electricity rates.

## **V RECOMMENDED RESPONSE:**

- Counselling and outplacement services for all employees affected by the Trend-Roman shutdown will be provided by Peace River Coal; staff from the Ministry of Jobs, Tourism and Skills Training have been on the ground working with the company to support affected workers;
- Current coal prices are the cause of the recent coal mine closures in the northeast, but these sites remain high-value assets. We hope that these closures are only temporary and that people will be able to get back to work in these mines in the near future, once coal prices improve;
- The mining industry experiences its ups and downs; the recent layoffs are extremely unfortunate, and the Province is supportive of Tumbler Ridge's economic diversification efforts;
- BC Hydro's Integrated Resource Plan (IRP) sets out how the utility proposes to meet future electricity demand and mitigate the near-term energy surplus;
- BC Hydro has worked with existing project proponents to reduce its power acquisition to mitigate electricity rate increases and manage its electricity surplus; and
- There are electricity purchase agreement (EPA) opportunities through the Standing Offer Program for smaller clean or renewable power projects.

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### **REVIEWED BY:**

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David Morel, ADM ✓  
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MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Minister's travel October 9, 2014 to the 2014 NE BC Community Coal and Energy Forum, Chetwynd, BC.

**III BACKGROUND:**

s.13,s.16,s.17



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Withheld pursuant to/removed as

s.16;s.13;s.17

**Next Steps**  
s.13,s.16,s.17

**IV CONCLUSION:**  
s.13,s.16,s.17

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**MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** October 7, 2014 meeting with Jeff Lowe and Peter Baird of Avanti Mining Inc. to discuss the Kitsault mine project

**III BACKGROUND:**

Avanti Mining Inc.'s Kitsault project is located in northwestern BC within the traditional territory of the Nisga'a Nation in the Nass Wildlife Area, about 140 kilometres north of Prince Rupert and near the head of Alice Arm.

Kitsault received an environmental assessment (EA) certificate in March 2013 and a *Mines Act* permit in June 2014. A decision on Avanti's *Environmental Management Act* (EMA) permit for Kitsault is expected in the near future. *Mines Act* and EMA permit amendments will be required before Kitsault can begin production.

Kitsault's EA certificate includes 34 conditions, among them that Avanti complete management and mitigation plans in consultation with the Nisga'a Lisims Government. The Nisga'a Nation filed a Notice of Disagreement with BC and Canada under the Nisga'a Final Agreement concerning the approval of Kitsault's EA certificate; the dispute resolution process concluded in June 2014 when Avanti and the Nisga'a Lisims government entered into an agreement on Kitsault.

Construction of the mine has begun and is expected to take 2.5 years to complete. Full-fledged construction is scheduled to begin in summer 2015, at which point up to 600 workers will be on site. Avanti expects that Kitsault will begin production in early 2017.

Avanti has been in discussions with the Environmental Assessment Office (EAO) regarding a potential EA certificate amendment to allow for marine transport of non-hazardous materials (e.g., aggregate, steel) for use in construction of the Kitsault mine. Avanti has also been in contact with Ministry of Energy and Mines staff regarding a larger than anticipated volume of potentially acid-generating (PAG) materials encountered during mine access road construction; the company is developing a plan to mitigate risk associated with these PAG materials.

Kitsault is being developed at an estimated capital cost of \$812 million. Once it reaches production, this 45,000 tonnes/day operation will employ about 300 people full time over an estimated mine life of 14 years.

Avanti would like to update the Minister on what it is doing in response to the Mount Polley incident.

#### **IV DISCUSSION:**

In response to the Mount Polley incident, Avanti has convened an independent expert panel to review all aspects of geotechnical engineering and waste management practices of its environmental management program at the Kitsault mine. This independent review panel will examine aspects such as tailings technology selection; design basis including dam classification; embankment construction method; embankment stability and seepage control; seismic design considerations; impoundment constructability including seasonal construction challenges; tailings deposition methods; and management of PAG materials if applicable; and numerous others.

#### **V CONCLUSION:**

Through this independent oversight program, Avanti is pro-actively seeking to reassure the public that Kitsault will be built and operated to the highest environmental standard.

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**MINISTRY OF ENERGY AND MINES**

**BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** October 7, 2014 teleconference with Alaska Senator Coghill and Chad Hutchinson, Legislative Counsel, to discuss Mt. Polley, KSM and Related Water Issues

**III BACKGROUND:**

Early in the morning of August 4, 2014, the tailings pond dam at the Imperial Metals Mount Polley mine site failed, releasing 25 million cubic metres of water and tailings into Polley Lake. Following the immediate response to this event, three separate investigations began to determine the cause and the extent of the impact from the tailings pond breach.

British Columbia's Chief Inspector of Mines has issued an order to all mining companies to conduct a Dam Safety Inspection for every tailings storage facility at a permitted mine in the province by December 1, 2014. Under the order, those inspections must be reviewed by an independent, qualified, third-party, professional engineer from a firm not associated with the tailings facility. All information obtained under this order will be provided to First Nations and made public.

The tailings pond failure at Mt. Polley has raised questions about other mining projects in BC, and specifically the potential for tailings pond failures at other projects to have downstream and cross border implications.

Representatives from the State of Alaska participated in the Environmental Assessment for KSM.

**IV DISCUSSION:**

s.16

**V KEY MESSAGES:**

s.16

Attachment: Alaska News Release

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**FOR IMMEDIATE RELEASE**

**August 6, 2014**

**Contact: Heather Handyside**

**(907) 350-4846**

**Begich Steps Up to Protect Alaska Fisheries**

***State Department Should Demand Investigation of Mount Polley Dam Failure***

U.S. Senator Mark Begich issued the following statement today in a letter sent to U.S. Secretary of State John Kerry about the Mount Polley dam failure in British Columbia, Canada.

"This week's failure of the Mount Polley tailings pond dam in British Columbia validates fears Alaska fishermen have regarding Canada's proposed development of large-scale hardrock mineral mines near trans-boundary rivers with Alaska.

"I was shocked by the video of this massive breach which released billions of gallons of water and millions of cubic yards of contaminated soil. The fact the dam failure followed repeated warnings from the B.C. Ministry of Environment raises serious questions about provincial permitting and oversight of this industry.

"A similar failure at mines proposed the near Unuk, Stikine and Taku Rivers would be devastating to fish stocks which Alaska commercial and recreational fishermen depend on, as well as the subsistence and cultural needs of the Alaska Native residents of Southeast.

"Today I wrote Secretary of State John Kerry asking him to demand a thorough investigation into the cause of this disaster and its aftermath. Additionally, with approval now pending for the Kerr Sulphurets Mitchell (KSM) mine near Ketchikan, I asked he urge the Canadian federal government to conduct a Panel Review of this proposed development before final approval.

"I remain supportive of responsible mining activities in Southeast Alaska, including existing operations at the Greens Creek and Kensington mines as well as the proposed Niblack and Bokan projects. Yet this massive tailings pond failure raises serious questions that must be addressed. As Chair of the Senate Commerce subcommittee on Oceans, Atmosphere, Fisheries and Coast Guard I intend to hold a hearing on this matter."

The full text of the letter to Secretary Kerry is below.

## MINISTRY OF ENERGY AND MINES

### BRIEFING NOTE FOR INFORMATION

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Funding for Cross-Government Mount Polley response

#### **III BACKGROUND:**

The Province's response to Mount Polley includes a number of activities that involve reallocating existing staff, temporary additional staff, overtime, travel and accommodation, legal services, engaging contractors, as well as supporting First Nations engagement and capacity. These are unforeseen costs not accounted for in existing operational budgets in the NR sector.

Ongoing investigations into the incident include the Ministry of Energy and Mines (MEM) led by Chief Inspector (*Mines Act*); Ministry of Environment (MOE) Conservation Officer Service (*Environmental Management Act* and federal *Fisheries Act*); Independent expert engineering review panel (appointed under *Energy and Mines Act*).

The Ministry of Energy and Mines has also ordered all mining companies to conduct a Dam Safety Inspection for every tailings storage facility at a permitted mine by December 1, 2014. There are currently 98 permitted tailings impoundments at 60 operating and closed metal and coal mines in B.C. While the costs of undertaking these Dam Safety Inspections rests with the companies, the order creates a distinct pressure on the Ministry of Energy and Mines resources to review and action all incoming reports in a timely manner following submission in December.

A key part of the provincial response has been to engage First Nations. A Letter of Understanding with Williams Lake and Soda Creek bands ensures directly affected First Nations are fully engaged and includes establishing a principals table of Ministers and Chiefs, a senior officials committee, and providing capacity funding. The Province has also committed to engaging in a dialogue on the adequacy of existing laws, regulations and policies in relation to Mount Polley incident.

#### **IV DISCUSSION:**

s.13,s.17



The company (Imperial Metals) is responsible for all costs of cleanup and remediation from the storage facility failure. Under the *Environmental Management Act* Spill Cost Recovery Regulation, government can recover the direct costs of control, clean-up or recovery. Under Section 8 of the *Ministry of Energy and Mines Act*, the Minister can ensure that the company pays the costs of the independent panel investigation. However,  
s.13

**V Estimates to date for FY 2014/15**

s.13,s.17

**PREPARED BY:**

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**REVIEWED BY:**

David Morel, ADM  
Dave Nikolejsin, DM

**Attachments:**

1. Mt Polley costing all ministry estimates
2. MPMS Spill Audit, Soda Creek and Williams Lake Bands

Page 48 to/à Page 49

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s.16;s.13;s.17

## **MINISTRY OF ENERGY AND MINES**

### **BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** RFP for Follow-up to Chief Inspector's Orders of August 18, 2014

#### **III BACKGROUND:**

The Chief Inspector of Mines has ordered all mining companies to conduct a Dam Safety Inspection for every tailings storage facility at a permitted mine by December 1, 2014. Under the order, those inspections must be reviewed by an independent qualified third-party professional engineer from a firm not associated with the tailings facility. All information obtained under this order will be provided to First Nations and made public.

The order also includes a requirement for a third-party review of the dam consequence classifications by Dec. 1, 2014. Under the order, mines with high, very high or extreme consequence classifications will be required to have their Emergency Preparedness and Response Plans reviewed by an independent third-party.

There are currently 98 permitted tailings impoundments at 60 operating and closed metal and coal mines in B.C.

#### **IV DISCUSSION:**

The Ministry does not have the existing capacity to undertake an expedited review of all reports to be submitted by December 1, 2014. There will be a high degree of public and media interest in the results and timely review and response will be needed.

The Ministry is proposing to engage a qualified contractor to manage this review from planning through implementation and follow up. The Request for Proposals would be a competitive process. The expected cost of the contract would range from \$500-750k.

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Attachment: RFP DSI Description of key components of project

## **RFP MEM Follow-up to Chief Inspector's Orders of August 18, 2014**

The Chief Inspector of Mines has ordered all mining companies to conduct a Dam Safety Inspection for every tailings storage facility at a permitted mine by December 1, 2014. Under the order, those inspections must be reviewed by an independent qualified third-party professional engineer from a firm not associated with the tailings facility. All information obtained under this order will be provided to First Nations and made public.

The order also includes a requirement for a third-party review of the dam consequence classifications by Dec. 1, 2014. Under the order, mines with high, very high or extreme consequence classifications will be required to have their Emergency Preparedness and Response Plans reviewed by an independent third-party.

There are currently 98 permitted tailings impoundments at 60 operating and closed metal and coal mines in B.C. The Ministry is seeking a qualified contractor to manage this review from planning through implementation and follow up.

Key components include:

- 1) Develop and implement with MEM a communications strategy for public engagement. Establish a platform and protocols for the public release of all submissions.
- 2) Develop and implement, with MEM and First Nations Energy and Mining Council, a mechanism to engage First Nations with regard to the dam safety inspection reports.
- 3) Consistent high-level review of all submissions:
  - a. Dam Safety Inspection (DSI) Reports – to be reviewed for consistency with the Dam Safety Inspection Guidelines (MEM Internal Document) and good engineering practice.
  - b. 3<sup>rd</sup> Party Review of DSI Reports – to be reviewed for consistency with the spirit of the Chief Inspector's Orders and good engineering practice.
  - c. Commitment from Mine Manager to complete recommended works, and proposed schedule for these works - to be reviewed for consistency with the DSI and 3<sup>rd</sup> party review recommendations. May require follow-up with the engineers who conducted the reviews to gauge the "reasonableness" of the proposed mitigation schedule for any particular recommendations.
  - d. Dam Break Inundation Study – to be reviewed for consistency with good engineering practice.
  - e. Emergency Preparedness and Response Plan – to be reviewed for consistency with the CDA Dam Safety Guidelines and good engineering practice.
  - f. Summary of the Emergency Preparedness and Response Plan Test – to be reviewed for consistency with standard industry practice. Tests may range from table top exercises to full mock emergency exercises.

- 4) Synthesis Report – to include factual data surrounding the review process, # of submissions, any outstanding reports (with proposed submission dates), common themes or recommendations, anticipated Q & A to assist the public in absorbing the vast quantity of material, and any other significant factors relevant to the Chief Inspector's Orders and Industry Response.
- 5) Data-entry of all report submissions to the MEM report inventory spreadsheet.
- 6) Follow-up with mining companies to ensure compliance with all submission requirements. This would have two components:
  - a. Phase 1 – to ensure that submission requirements are satisfied and to communicate to the mine that follow-up will occur to ensure mine commitments resulting from report recommendations are satisfied
  - b. Phase 2 – to ensure that commitments by the Mine Manager to satisfy report recommendations are completed. It is envisioned that Phase 2 follow-up would occur in the summer or fall of 2015.
- 7) To respond to public/media inquiries surrounding the content of the released documents. This component of the proposed work would require coordination with the Ministry of Energy and Mines, Mine Owners, Mine Consultants, and Sub-consultants contracted to review the submissions on behalf of MEM.
- 8) Provide a summary of activities undertaken as part of the contract mandate and recommend a cost and resource effective approach to making future dam safety inspection reports publicly available including a framework for receipt, filing, review, synthesis, and managing public and First Nations engagement.

The reviews as outlined in (3) above are not intended to be an additional third-party technical review but rather high level general reviews to confirm the documents are complete and satisfy the guidelines and standards as described.

It is envisioned that the successful proponent would have on staff, or the ability to procure, experienced professional geotechnical engineers to undertake all reviews. Engineers from several consulting companies may be required to avoid actual or perceived conflicts of interest. Any particular sub-consultant should not be tasked with reviewing reports for mines where they or their firm have been involved in the design, construction, or review of any aspect of the Tailings Storage Facility (TSF) at that mine. Further, the successful proponent must ensure that all report reviews, whether performed by staff or sub-consultants, are conducted in a consistent manner. To this end, it is envisioned that the successful proponent may hold a one-day workshop to ensure consistency among all reviewers.

**MINISTRY OF ENERGY AND MINES**

**BRIEFING NOTE FOR INFORMATION**

- I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines
- II ISSUE:** Amendment of Panel Terms of Reference to clarify First Nation liaison role
- III BACKGROUND:**

s.16

**IV DISCUSSION:**

s.16

## **V CONCLUSION**

s.16

### **PREPARED BY:**

Nathaniel Amann-Blake  
250-952-0868

### **REVIEWED BY:**

David Morel, ADM  
Dave Nikolejsin, DM

s.16

## **Terms of Reference for Independent Expert Engineering Investigation and Review Panel**

### **Establishment of the Panel**

Pursuant to the Mount Polley Investigation and Inquiry Regulation, issued pursuant to section 8 (2) of the *Ministry of Energy and Mines Act*, I direct that an independent expert engineering investigation and review Panel (the Panel) be established, in accordance with these Terms of Reference, to investigate into and report on the breach of the tailings storage facility (TSF) at the Mount Polley mine on August 4, 2014.

For the purposes of conducting the investigation into the breach of the tailings storage facility at the Mount Polley mine on August 4, 2014, I confer upon the Panel members the powers and authorities as set out in section 8.2 and 8.4(1) of the *Ministry of Energy and Mines Act*.

I further confer upon the Panel members the protection set out in section 8.5 of the *Ministry of Energy and Mines Act*.

### **Purpose of the Panel**

The purpose of the Panel is to investigate into and report on the cause of the failure of the tailings storage facility that occurred on August 4, 2014 at the Mount Polley mine in BC.

The Panel will report on the cause of the failure of the tailings storage facility at the Mount Polley mine. In addition, the Panel may make recommendations to government on actions that could be taken to ensure that a similar failure does not occur at other mine sites in BC.

The Panel is authorized, as part of its investigation and report, to comment on what actions could have been taken to prevent this failure and to identify practices or successes in other jurisdictions that could be considered for implementation in BC.

### **Scope of Review**

In its report, it is expected the Panel will:

- a) identify any mechanism(s) of failure of the tailings storage facility;
- b) identify any technical, management, or other practices that may have enabled or contributed to the mechanism(s) of failure. This may include an independent review of the design, construction, operation, maintenance, surveillance and regulation of the facility;
- c) identify any changes that could be considered to reduce the potential for future such occurrences.



In conducting its investigation and in order to prepare its report into the cause of the failure of the tailings storage facility at the Mount Polley mine, the Panel may, at its discretion, and as it deems necessary, examine some or all of the following in respect of the Mount Polley mine in BC:

- geotechnical designs of the dams and structures associated with the TSF, including both intact and breached embankments, and including both the original design and all lifts of the embankment structure;
- the adequacy of geotechnical investigations completed throughout design and operation of the facility;
- interpretation of results of geotechnical investigations and associated laboratory testing;
- patterns, trends, and relationships in instrumentation behaviour;
- interpretation of instrumentation and performance data in relation to dam behaviour;
- whether or not dam instrumentation and monitoring was consistent with standards of practice;
- appropriateness of methods and input parameters for geotechnical analyses;
- materials, methods, procedures, and quality assurance/quality control practices for dam construction and modification, and a determination with respect to whether or not construction was completed in general conformance with the design;
- water balance and water quality as they relate to the TSF breach;
- operational procedures and planning for tailings deposition and water management;
- inspection and surveillance procedures and implementation;
- the Engineer of Record's field reviews to ensure that construction was in conformance with design;
- regulatory oversight by the Ministry of Energy and Mines and the Ministry of Environment; and
- other matters the Panel deems appropriate to be examined.

### **Panel Members**

The Panel shall determine the process and procedures of its investigation, except that:

- The Panel shall, at the request of the First Nation Liaison, direct the Secretariat to provide to the First Nation Liaison for his review, information, including technical information, supplied to the Panel.
- The Panel shall permit the First Nation Liaison to attend site visits with the Panel and all Panel meetings whether such meeting is held in person, teleconference or electronically.

The Panel members are:

- Norbert Morgenstern
- Steven G. Vick
- Dirk Van Zyl

The Panel will be chaired by Norbert Morgenstern.

A liaison will be appointed in consultation with the Williams Lake Indian Band and the Soda Creek Indian Band.

### **First Nation Liaison**

A First Nation Liaison will be appointed in consultation with the Williams Lake Indian Band and the Soda Creek Indian Band. The First Nation Liaison will respect the independence of the Panel. The First Nation Liaison is not a Panel member. The role of the First Nation Liaison is to observe the Panel process and support and provide liaison to the Chiefs of the Soda Creek Indian Band and Williams Lake Indian Band.

The First Nation Liaison will keep any information received from the Panel strictly confidential until such time as the investigation is complete and the Panel's Report and Recommendations are released.

The First Nation Liaison will communicate with the Chiefs of the Soda Creek Indian Band and Williams Lake Indian Band to provide them with feedback about the Panel's Report and Recommendations when the Panel's Report and Recommendations are released. The First Nation Liaison will assist the Chiefs of the Soda Creek Indian Band and the Williams Lake Indian Band, if requested to do so, in communicating the results of the Panel's Report and Recommendations to band members.

### **Secretariat to the Panel**

Administrative, technical and procedural support required by the Panel shall be provided by a secretariat.

Kevin Richter will manage the secretariat in support and under the direction of the Panel.

### **Information to be provided to the Panel**

The Panel will be supplied with all available information necessary for achieving its purpose and performing its functions.

### **Timeline**

The Panel will submit a final report to the Minister of Energy and Mines and the Williams Lake Indian Band and the Soda Creek Indian Band on or before January 31, 2015.

### **Limitations**

The Panel shall perform its duties without expressing any conclusions or recommendations regarding the potential civil or criminal liability of any person or organization. The Panel shall further ensure that the conduct of the inquiry does not in any way impede or conflict with any other ongoing investigation or proceeding related to these matters. Specifically, the Panel's review will not in any way impede investigations conducted by Mines Inspectors, Conservation Officers or other regulatory agencies and any related proceedings.

The First Nation Liaison will ensure that, when exercising the privileges accorded to him, he does not in any way impede or conflict with any other ongoing investigation or proceeding related to these matters, specifically the investigations conducted by Mines Inspectors, Conservation Officers or other regulatory agencies and any related proceedings.

Original issued August 18, 2014.

Update [additions underlined] issued September \_\_, 2014

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Honourable Bill Bennett  
Minister of Energy and Mines  
and Minister Responsible for Core Review

**MINISTRY OF ENERGY AND MINES  
BRIEFING NOTE FOR INFORMATION**

**I PREPARED FOR:** Honourable Bill Bennett, Minister of Energy and Mines

**II ISSUE:** Meeting with Her Excellency Norma Ester Nascimbene, Ambassador of Argentina to Canada

**III BACKGROUND:**

Argentina, with a population of 41.5 million, has the second largest economy in South America. In 2013, Argentina had a GDP of \$628 billion, compared to Canada's \$1881 billion.

Also in 2013, bilateral trade was \$2.1 billion. Canadian exports were a modest \$281 million, and made up of industrial products, electronics and pharmaceuticals. Canadian imports, primarily precious metals, dropped 17 percent to \$1.8 billion in 2013 (\$2.2 billion in 2012). The stock of Canadian direct investment in Argentina stood at \$3.44 billion in 2013.

Argentina's next presidential and legislative election will take place in October 2015.

**Minerals, Oil and Natural Gas**

Argentina is a mineral rich country which produces and exports metals, including copper, gold, lead, silver, and zinc; energy resources, including natural gas, crude petroleum, and uranium; and a wide variety of industrial minerals. As of October 2012, 43 percent of the mining companies working in Argentina were headquartered in Canada.

Argentina holds the world's second largest technically recoverable shale gas resources after China (Canada is ranked fifth). However, the country's energy sector is heavily regulated which limits its attractiveness to private investors while shielding consumers from rising costs. Demand for energy in Argentina's rapidly growing economy continues to rise while production of both oil and gas are in decline, leading Argentina to depend increasingly upon imports.

**Electricity**

Electricity is generated by dozens of private and state-owned companies in a relatively liberalized marketplace, while the transporters and distributors of electricity are regulated as natural monopolies. Argentina generated 121,216 GWh from installed power sources in 2011, two-thirds of which was from conventional thermal plants that primarily burn natural gas, and the remainder from hydroelectricity generation (39,339 GWh in 2011). Argentina's most significant hydroelectric capacity exists in Neuquén, followed by border provinces that share hydroelectric output with surrounding countries. Argentina maintains transmission interconnections and trade in electricity with Brazil, Chile, Paraguay and Uruguay.

**Renewables**

The Argentine Government is actively supporting the deployment of non-hydro renewable sources of electricity, including through a feed-in tariff for qualifying technologies, a mandatory connection policy that obligates utilities to purchase wind-generated electricity, and an 8 percent

Renewable Portfolio Standard by 2016. Patagonia, a remote region of southern Argentina and Chile, has been assessed as one of the world's most promising areas for wind power.

Argentina is among the world's largest producers of biodiesel, and the largest exporter. Biodiesel production, largely from soybeans, has increased dramatically over the past five years and exports increased by almost 20 percent to nearly 30,000 bbl/d in 2011.

#### **IV DISCUSSION:**

BC has not had meaningful relations with Argentina mainly because we do not have representation in the region and Argentina does not have a consulate in BC. However it is likely that the Argentine Secretary of Mining, Mr. Jorge Mayoral, will attend the Vancouver Resource Investment Conference, January 18-19, 2015. This is the world's largest investment conference dedicated to resource exploration.

#### **Mining in British Columbia**

There are a significant number of BC mining companies active in Argentina (Attachment 2). BC's *Mineral Exploration and Mining Strategy* and *BC Jobs Plan* committed to the eight new mines and nine expansions by 2015. Exploration spending in BC reached \$476 million in 2013, down from the record-setting \$680 million in 2012, but the second highest on record.

BC is Canada's largest exporter of coal, largest producer of copper and only producer of molybdenum. The Province's rich geology, abundant, low-cost power, world-class infrastructure, stable political climate and competitive taxation help make it attractive to investors. Vancouver is a world center of mining expertise, with more than 800 exploration and mine development companies headquartered in Vancouver. Every January, the city welcomes thousands of people who come from countries around the globe to attend Mineral Exploration Roundup, the world's largest technical conference on mineral exploration.

BC is committed to sharing incremental mineral tax revenue generated by new mines and mine expansions with First Nations. These agreements provide First Nations with direct benefits from mine development in their traditional territories and provide financial capacity to help them meet the social and economic goals of their communities.

#### **V CONCLUSION:**

BC's natural resource sectors are key job creators and play a pivotal role in the successful implementation of the *BC Jobs Plan*, growing our economy and ensuring First Nation and non-First Nation communities alike can benefit from environmentally responsible management of land use opportunities and remain resilient through changing economic conditions.

#### **ATTACHMENTS:**

1. Biography of Ambassador Nascimbene
2. BC Mining Companies Active in Argentina

#### **DRAFTED BY:**

Guy Gensey  
952-0283

#### **APPROVED BY:**

Karen Koncohrada, ED, CIB ✓  
Dave Nikolejsin, DM ✓



*Embassy of the Argentine Republic  
Ottawa*

***NORMA ESTER NASCIMBENE***

*Born in Buenos Aires, Argentina.*

*Married to Ambassador Alberto Juan DUMONT. Two daughters.*

***Studies.***

*1974. Lawyer. National University of Buenos Aires*

*1978. National Institute of the Foreign Service. Graduated with honors.*

***Languages.***

*English, French, Italian.*

***Diplomatic career.***

*April 2014 Extraordinary and Plenipotentiary Ambassador of the Argentine Republic to Canada*

*2012/2013: Advisor to the Secretary for Foreign Relations. Ministry of Foreign Affairs and Worship. Buenos Aires*

*2012. Special Envoy of the Argentine Minister for Foreign Affairs and Worship to several Caribbean Countries.*

*2010/2011. Undersecretary for Foreign Policy. Ministry of Foreign Affairs, International Trade and Worship.*

*2010. General Director for Foreign Policy.*

*2009. Promoted to full Ambassador.*

*2008/2010. Chargée d'Affaires. Argentine Embassy in Italy.*

*2005/2006. Administrative and Technical Secretariat. Ministry of Economy. Buenos Aires.*

*1999/2004. Deputy Permanent Representative. Argentine Permanent Mission to the International Organizations in Geneva.*

*1997/1999. Director of the Argentine Fund for Horizontal Cooperation and Bilateral Cooperation. Ministry of Foreign Affairs and Worship. Buenos Aires*

*1997. Promoted to Minister Plenipotentiary of First Class.*

*1995/1996. International Organizations Department. Ministry of Foreign Affairs and Worship. Buenos Aires.*

*1993. Promoted to Minister Plenipotentiary of Second Class.*

*1990/1995. Argentine Embassy at the United Kingdom*

*1989/1990. Cabinet of the Secretary of State for Foreign Relations. Buenos Aires*

*1989. Promoted to Counselor.*

*1987/1989. Antarctica Department. Ministry of Foreign Affairs and Worship. Buenos Aires.*

*1985. Promoted to First Secretary of Embassy.*

*1981/1986. Permanent Mission to the International Organizations in Geneva.*

*1981. Promoted to Second Secretary of Embassy.*

*1979/1981. Argentine Embassy in Lagos, Nigeria.*

*Mrs. Nascimbene has participated in numerous multilateral meetings as member of the Argentine delegation: International Labour Conference (1983/1986); the World Health Assembly (1982/1986); the Disarmament Commission of the U.N., the U.N. Special Conference on Disarmament (1982); the Ministerial Meeting of the Antarctic Treaty Consultative Parties (1986/1988); the International Maritime Organization (1990/1994); the International Organization on Migrations (1999/2003); the U.N. High Commission on Refugees (1999/2003). She took part in negotiations on Fisheries and on Hydrocarbons in the South Atlantic (1990/1995). She was Head of delegation to different Joint Commissions on Science and Technology (with Spain, Brazil and Russia among others).*

*Mrs. Nascimbene has specialized in matters related to Human Rights, in particular she was the leader of the Argentine delegation that participated in the negotiations of the Additional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment (1999/2002) as well in the negotiations held in the former UN Commission on Human Rights which concluded in the establishment of the Intergovernmental Group that drafted the Convention for the Protection of all Persons from Enforced Disappearance. She was VicePresident of the XVIII International Conference of the Red Cross and Red Crescent (2003).*

*In her capacity as Undersecretary for Foreign Policy she led the Argentine party to Bilateral Political Consultations with Poland, Bulgaria, Norway, Switzerland, among other countries. She presided the Argentine delegation to the High Level Political Consultations with Canada held in Buenos Aires, October 28<sup>th</sup>, 2011*

## **Attachment 2**

### **BC Mining Companies Active in Argentina**

#### **British Columbia Companies Mining in Argentina**

- Goldcorp Inc – Mining, Cu-Au, Au
- Silver Standard Resources Inc – Mining/Advanced Au, Ag exploration

#### **British Columbia Companies with Exploration Projects in Argentina**

- Argentex Mining Corporation – Advanced exploration, precious metals.
- Artha Resources Corp- Grassroots exploration, precious metals, Cu?
- AuEx Ventures Inc- Grassroots exploration
- Blue Sky Uranium Corp- Exploration uranium
- Cascadero Copper Corp- Grassroots exploration, Cu
- Meryllion Resources (formerly Concordia Resources) – Grassroots exploration Ag-Cu, Cu-Mo-Au
- Coro Mining Corp – Advanced exploration Cu-Au
- Dajin Resources Corp – Grassroots exploration, Potash, Li, Boron
- Goldrock (formerly Mansfield)– Vancouver/ Advanced Au exploration
- Golden Arrow Resources Corp- Advanced exploration Ag
- International Lithium Corp – Advanced exploration, Li
- Iron South Mining Corp. – Advanced exploration, Fe
- Marifil Mines Ltd – Intermediate exploration, potash, Au, base metals
- Mirasol Resources Ltd – Exploration, grassroots to advanced, Au-Ag
- NGEx Resources Inc –Advanced exploration, Cu, Au
- Pacific Bay Minerals Ltd – Grassroots exploration, uranium
- Pan American Silver Corp – Vancouver/Au Mining and exploration gold and base metals
- Regulus Resources Inc. – Advanced exploration Cu, Au
- Silver Wheaton Corp – Not a mining or exploration company. It is a purchaser of precious metals. It purchases from Barrick's operations in Argentina
- TNR Gold Corp – Advanced Exploration, Cu
- Wealth Minerals – Grassroots exploration Ag, uranium

Also of note, Mr. Joseph Grosso, the president of the Grosso group of companies which includes Golden Arrow Resources, Blue Sky Uranium, and Iron South Mining, was named Argentina's Mining Man of the Year 2005