

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR DECISION

PREPARED FOR: Fazil Mihlar, Deputy Minister, Ministry of Energy, Mines and Petroleum Resources

ISSUE: Proposed changes to BC Hydro infrastructure projects in the BC – Canada Memo of Understanding

BACKGROUND:

Following the exchange of letters between Honourable John Horgan, Premier, and The Right Honourable Justin Trudeau, Prime Minister, and after a number of in-person Deputy Minister level meetings in Ottawa, British Columbia (BC) and Canada signed a Memorandum of Understanding (MOU) on the Electrification of Natural Gas and Liquefied Natural Gas sectors.

The purpose of the MOU is to advance natural gas and liquefied natural gas electrification, including:

- i. CleanBC Facilities Electrification Fund;
- ii. Bear Mountain to Dawson Creek Voltage Conversion project;
- iii. North Montney Power Supply project; and
- iv. Other natural gas electrification opportunities identified by the participants.

The MOU also allows the Clean Power Planning Committee (CPPC) to explore other electrification and transmission expansion opportunities.

At the outset, projects (ii) – (iii) had an estimated total cost of \$680 million (M),
s.13; s.16 s.13; s.16

Ministry of Energy, Mines and Petroleum Resources, BC Hydro and Natural Resources Canada (NRCan) staff are working with other provincial ministries and federal departments on the workplan content that will inform the CPPC interim report s.13
s.13

The \$160M Bear Mountain to Dawson Creek Voltage Conversion (BMT) project was identified in 2018 as a potential solution to transmission capacity constraints near Dawson Creek. Since the MOU was signed, BC Hydro has conducted a detailed review of alternatives and has concluded that expected load growth can be met by installing a fourth transformer at the Bear Mountain substation at a much lower cost (\$20M - \$22M). In May 2020, BC Hydro decided to move forward with the transformer project as the preferred alternative and has discontinued work on the voltage conversion project. s.13
s.13

DISCUSSION:

s.13; s.17; s.21

Project A: s.13; s.17; s.21

BC Transmission Upgrades

s.13; s.17; s.21

s.13; s.17; s.21 The project, which could require more than 100 MW of additional power and result in significant GHG emission reductions, would likely not be implemented until 2026 or later. The cost of the project is estimated at s.13; s.17; s.21

Transmission upgrades in this region may provide electricity trade benefits by strengthening the existing intertie between BC and Alberta. Currently, the intertie does not operate at its full capacity as a result of constraints largely on the Alberta side of the border. Alberta is required to restore the intertie to its full capacity and Alberta's Electricity System Operator (AESO) has identified a number of potential reinforcements to the Alberta system that would increase the transfer capability of the intertie. It is possible that if BC Hydro were to build a new substation on the BC side, there would be some potential for increased transfers between the provinces. This opportunity would need to be assessed in conjunction with AESO.

The restoration of the BC-Alberta intertie was studied under the NRCan-led Regional Electricity Cooperation and Strategic Infrastructure initiative. The results of study showed a net positive

environmental benefit for the project. The federal government has demonstrated a strong interest in interprovincial projects, particularly with respect to electricity transmission.

s.13; s.17; s.21

Project B:

Electrification

s.13; s.17; s.21

s.13; s.17; s.21

s.13; s.17; s.21 BC Hydro's initial analysis indicates that major system reinforcements will be required at an estimated cost of s.13; s.17; s.21 and could avoid 23,000 tonnes per year of carbon emissions. The transmission upgrades required to service s.13; s.17; s.21 would have the ancillary benefit of reinforcing electricity service for s.13; s.17; s.21 the south-central part of BC.

Project C: Prince Rupert Area Transmission System Upgrade

The transmission system in the Prince Rupert area is largely constrained. With interest from loads from s.13; s.17; s.21 industrial customers in the area s.13; s.17; s.21

s.13; s.17; s.21) the system is at its limit, and depending on how many loads request connection, the system will need to be upgraded.

Other electrification/transmission infrastructure opportunities include:

s.13; s.17; s.21

If they proceed, the two mining projects (Projects A and B) would result in significant GHG reductions and could support increased interprovincial electricity. A portion of Teck and/or Copper Mountain's connection costs could be addressed through the CleanBC Facilities Electrification Fund. However, neither of these projects support electrification of the natural gas and liquefied natural gas sectors, which is the focus of the MOU.

OPTIONS:

Option 1: Bring forward Projects A and B (BC Hydro's leading two transmission projects) to the CPPC for funding consideration

s.13; s.17; s.21

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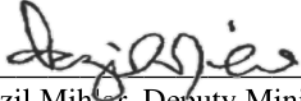
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s.13; s.17; s.21

RECOMMENDATION:

Option 1: Bring forward Projects A and B (BC Hydro's leading two transmission projects) to the CPPC for funding consideration

☒ Approved / ☐ Not Approved



Fazil Mihtar, Deputy Minister
Ministry of Energy, Mines and Petroleum Resources

June 17, 2020
Date

Attachment: Potential BC Hydro Electrification Projects

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Paul Wieringa, Exec. Director, EPB ✓
Les MacLaren, ADM, EAED ✓

Attachment: Potential BC Hydro Electrification Projects

s.13; s.17; s.21

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s.12; s.13; s.17

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

PREPARED FOR: Deputy Minister Fazil Mihlar, Ministry of Energy, Mines and Petroleum Resources

ISSUE: Strategic Initiatives Branch Intergovernmental Relations Activities

BACKGROUND:

The Strategic Initiatives Branch (SIB) leads the research, analysis, development, relationship building, and implementation of strategic policies and intergovernmental relations on behalf of the Ministry of Energy, Mines and Petroleum Resources (EMPR). SIB staff provide recommendations and advice to senior executives on intergovernmental initiatives and cooperation, in addition to initiatives from other provinces or the federal government. In addition, the branch coordinates EMPR's responses to requests from international organizations and delegations. The most active intergovernmental files are described below.

DISCUSSION:

Clean Grid Initiative

As part of ongoing work to expand regional collaboration on clean energy innovation, Washington Governor Jay Inslee and B.C. Premier John Horgan announced a joint Clean Grid Initiative (CGI) in October 2019. The CGI brings together experts from both jurisdictions to identify gaps and vulnerabilities and propose solutions to achieving a clean electricity future in the Cascadia region.

A planning committee consisting of staff from EMPR, Intergovernmental Relations Secretariat (IGRS), Climate Action Secretariat, and a representative from the Washington State Department of Commerce meet weekly to coordinate and oversee the initiative. B.C. and Washington State co-chairs and members for the four workstreams (Regional Electricity Policy; Reliability & Resilience; Electrification; Clean Technology and Innovation) have been selected.

As a first step, workstreams are identifying existing policies, programs and initiatives in both jurisdictions that would benefit from greater alignment and/or profile. s.13

s.13

Energy and Mines Ministers' Conference 2020

The Energy and Mines Ministers' Conference (EMMC) is an annual gathering of federal, provincial and territorial ministers responsible for energy and mining portfolios.

Due to the impacts of the COVID-19 pandemic, EMMC has been postponed from an in-person conference from July 25 - 28, 2020 in Whitehorse, Yukon, to a virtual meeting in the fall. The exact dates of the teleconference and final agenda are yet to be determined. Key areas of focus for EMMC prior to the pandemic included energy transitions; environmental, social, and governance investment criteria; and workforce planning. However, COVID-19 and the economic response to the pandemic is now likely to be the main discussion topic.

Council of the Federation - Economic Corridors Report

At the Council of the Federation (COF) meeting on August 21, 2019 provinces and territories agreed to study and report back on the development of pan-Canadian economic corridors, both east-west and north-south consisting of roads, railway, telecommunication, energy, and electrical infrastructure. An inter-provincial Corridor Working Group lead by Alberta coordinated this effort during the spring.

SIB has reviewed, in addition to our inter-ministerial partners, two draft reports from Alberta and have submitted comments and direction. SIB has also drafted principles, agreed to by all provinces on the working group, which guide further work and prevent B.C. from agreeing to anything that goes counter to provincial policy. s.13; s.16

s.13; s.16

NEXT STEPS:

1. SIB staff will be briefing EMPR and IGRS ADMs on the proposed CGI workstreams areas of focus in August.
2. SIB staff will continue to guide the development of the EMMC 2020 agenda in preparation for the all-Ministers' virtual meeting in the fall.
3. Due to the impacts of the COVID-19 pandemic, the upcoming COF meeting has been postponed to the fall. The timing of a Corridors report to Premiers is not certain, but SIB will continue to monitor and advocate for B.C.'s interests as this file progresses.

DRAFTED BY:

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Chris Fleming, Director, SPIGR, SIAD ✓
Ryan Forman, A/ADM, SIAD ✓

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

PREPARED FOR: Fazil Mihlar, Deputy Minister, Ministry of Energy, Mines and Petroleum Resources

ISSUE: Strategic and Indigenous Affairs Division's Inter-ministerial Policy Work

BACKGROUND:

Due to the many inter-ministry initiatives being developed by multiple ministries and government agencies, Ministry of Energy, Mines and Petroleum Resources (EMPR) requires a strategic lens to coordinate efforts and ensure that Ministry interests are well represented. The Strategic and Indigenous Affairs Division (SIAD) supports the Ministry by coordinating divisional responses to cross-ministry policy/regulatory/ and legislative development and reforms (e.g., Ministry of Environment and Climate Change Strategy's Species at Risk policy development). SIAD advocates for EMPR priorities on files led by other ministries through active participation in planning and providing strategic policy advice to executives.

DISCUSSION:

Below are two examples of high priority inter-ministerial files SIAD has been coordinating on behalf of the ministry:

Environmental Assessment Revitalization

The new *Environmental Assessment Act* (the *Act*) was brought into force on December 16, 2019. The *Act* made changes to B.C.'s Environmental Assessment process in order to:

- a) enhance public confidence by improving the inclusion of First Nations, communities, governments and the broader public in the process;
- b) advancing reconciliation with First Nations through inclusion of Indigenous knowledge and active participation and the development of enhanced consensus-seeking and dispute resolution processes; and
- c) protecting the environment while offering clear pathways to sustainable project approvals.

SIAD has been working with the Environmental Assessment Office (EAO) to review regulations, policy and guidance materials of the past year. This is done by conducting an initial analysis within SIAD and then discussing potential concerns with EMPR's Divisional subject matter experts and agency staff which are then asked to provide further input. SIAD then collates those reviews and works with EAO to address the concerns identified. SIAD, in coordination with other Divisions and agency partners, has mitigated or clarified EMPR's concerns regarding 22 documents released so far and is waiting on EAO to release 14 more documents. (See Appendix A for the full list).

Modernized Land Use Planning (MLUP)

In 2018, the Province committed \$16 million over three years to work collaboratively with Indigenous governments, communities and stakeholders to MLUP and reduce conflicts on the land base. The Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) is leading the MLUP initiative in partnership with the Ministry of Indigenous Relations and Reconciliation (MIRR). s.13

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NEXT STEPS:

- SIAD will continue to review new environmental assessment regulations, policies and guidance materials with Divisional leads and agency staff to provide feedback to the EAO.
 - SIAD is currently waiting on comments from EMPR Divisions and agency partners related to seven new documents released. SIAD will send the review to EAO by July 10, 2020.
- SIAD will maintain active participation on several key MLUP tables s.13; s.17
s.13; s.17
- s.13

Attachments:

Appendix A: Policies Reviewed by Strategic and Indigenous Affairs Division
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Appendix A: Policies Reviewed by Strategic and Indigenous Affairs Division (SIAD)

The following regulations, policy and guidance materials have been reviewed by SIAD, and coordinated though other EMPR divisions since the new Environmental Assessment Act was brought into force:

s.12; s.13

Regulations & Agreements

- Reviewable Projects Regulation
- Protected Areas Regulation
- Proponent Fees Regulation
- Administrative Monetary Penalties Regulation
- Impact Assessment Cooperation Agreement

Policies & Guidance

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- Early Engagement Policy
- Readiness Decision Policy
- Compliance & Enforcement Policy and Procedures
- User Guide
- Project Notification Policy
- Indigenous Knowledge Guidance
- Consensus & Consent Seeking
- Regulatory Continuum Project Plan Draft
- Process Planning Policy
- Application Information Requirements Guideline
- Advisory Committees Guidelines
- Effects Assessment Policy
- Human and Community Well-being Guidelines
- Indigenous Knowledge Guide
- Consensus Seeking with Indigenous Nations
- Certificate Exemption Guidance
- Certificate Extensions Policy

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MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

PREPARED FOR: Fazil Mihlar, Deputy Minister, Ministry of Energy, Mines and Petroleum Resources

ISSUE: Clean Energy BC's Executive Director, Laureen Whyte, has requested a call to introduce herself

BACKGROUND:

Laureen Whyte was announced as Clean Energy BC's new Executive Director on April 30, 2020. Previous to this position, she worked in Community & Regional Affairs at Westcoast Energy/Enbridge, and has also served as Vice President for the Association of Mineral Exploration BC.

Clean Energy BC (CEBC) is the industry association for Independent Power Producers (IPPs) in British Columbia (B.C.). CEBC was founded in 1991, as the Independent Power Producers Association of British Columbia before renaming in 2010. CEBC regularly promotes the IPP industry to the public, advocates for additional IPP procurement when communicating with government, and regularly participates as an intervenor on behalf of the IPP sector at British Columbia Utility Commission (BCUC) proceedings.

BC Hydro currently has 123 energy purchase agreements (EPAs) for a total of over 21,000 GWh/yr, mainly with IPPs. In fiscal 2019, BC Hydro purchased 14,248 GWh of its total 59,414 GWh domestic supply from IPPs, or roughly one quarter of its energy supply. In total, this energy cost \$1.25 billion in fiscal 2019, approximately 27 per cent of BC Hydro's operating costs that year.

In 2018, government commissioned Ken Davidson to report on IPP purchases. His report, "Zapped", released on February 12, 2019, concluded that policy direction by the previous government led BC Hydro to procure too much lower-value intermittent energy from IPPs. When comparing EPA prices with current export market prices, Mr. Davidson determined that the previous government's policies cost BC Hydro's rate payers at least \$16 billion over 20 years; equivalent to roughly \$4,000 per residential ratepayer over the same period.

BC Hydro has a significant surplus of energy. B.C. has been a net exporter of energy for 7 of the last 10 years. In its October 2019 20-year load forecast, BC Hydro projects that it will remain in surplus until fiscal 2038 after committed and planned resources are accounted for. Surplus energy is primarily sold in the Mid-C market in the US Pacific Northwest, at prices below the cost of procuring IPP energy.

The report on Phase 1 of the Comprehensive Review (Phase 1) of BC Hydro recommended limiting IPP purchase costs through two measures:

1. Indefinitely suspending BC Hydro's Standing Offer Program (SOP), which purchased energy from clean energy projects of up to 15 MW in size; and
2. Renewing seven existing biomass EPAs set to expire before January 2022 at lower prices and volumes relative to their existing contracts but higher than the forecast assumptions used in BC Hydro's 2013 Integrated Resource Plan.

BC Hydro also manages its IPP energy costs by reducing the volume of IPP energy when there are cost savings to BC Hydro and pursuing the renewal of some existing IPP contracts at lower price to meet future long-term energy needs.

On June 28, 2020 Clean Energy BC published a "Media Backgrounder" on Bill 17. This backgrounder argues that:

- B.C. should have carried the costs of IPP energy development on the Provincial books rather than BC Hydro's;
- Abandoning self-sufficiency puts B.C. at risk from potential spikes in export market prices;
- Wind and solar are cheaper than Site C and the IPP industry is uniquely positioned to develop these projects;
- Wind and solar are necessary to meet CleanBC goals; and
- Clean energy development is important for reconciliation with First Nations.

DISCUSSION:

CEBC represents its members' interest in selling energy to BC Hydro. They tend to advocate for increased procurement and may advocate for favourable renewal terms for their members' projects with expiring EPAs.

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An RPS typically prescribes that utilities purchase a certain percentage of their energy from clean or renewable resources to meet their customers' needs and are typically not prescriptive of where that generation comes from. Under the *Clean Energy Act*, BC Hydro effectively faced a 93% RPS with the added restriction of self-sufficiency. The changes proposed in Bill 17 are essentially to convert this 93% RPS to a 100% RPS allowing BC Hydro to purchase energy from any number of sources as long as they meet clean or renewable criteria.^{s.13}

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Government decided in

2017 to continue to developing Site C. Terminating the project would have constituted an unacceptable burden to ratepayers on top of the need to purchase additional energy because of the capital already investment in the project and the cost of site remediation. Site C will also provide energy storage and capacity benefits that wind and solar do not. Future procurement decisions, based on the 20-year Integrated Resource Plan (IRP) that BC Hydro will submit to the BCUC in 2021, will compare domestic renewable resources and alternatives on the market.

BC Hydro has no need for energy at this point absent larger load increases than modeling to support development of CleanBC suggests will be necessary to meet CleanBC's 2030 targets.

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As a result, with the exception of a small number of projects associated with Impact Benefit Agreements (IBAs), and potential projects to displace fossil fuels in remote locations, BC Hydro is not purchasing energy from projects that do not already have EPAs. Its most recent procurement program, the SOP, was indefinitely suspended in response to the Phase 1 recommendations. Beyond 2030, BC Hydro may or may not need additional energy resources in response to CleanBC and will assess potential need in the course of its resource planning processes.

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Through Phase 2 of the Comprehensive Review of BC Hydro, and other processes, BC Hydro is considering options to increase domestic demand for electricity. s.13
s.13

BC Hydro is currently developing its next IRP, which will look at potential long-term (20-year) demand for electricity from their customers, including as a result of CleanBC. Based on this demand, BC Hydro will look at resource options such as market purchases, demand-side measures, infrastructure investments and purchases from IPPs to meet its customers' needs. BC Hydro will consult on its IRP, and it will ultimately be submitted to the BCUC which will decide whether or not to approve it. s.13

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SUGGESTED MINISTRY RESPONSE:

- We understand that BC Hydro has a surplus of clean electricity, and that this surplus should be adequate to meet energy demands resulting from CleanBC in the medium term.
- A significant obstacle to electrification is the relatively high cost of electricity versus natural gas. Buying additional electricity during surplus has the potential to undermine the load growth that would drive need for additional generation in B.C.
- Industrial electrification is a significant focus of Phase 2 of the Comprehensive Review of BC Hydro. s.13

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- In addition, government is committed to enhancing electrification through the Memorandum of Understanding between the Government of Canada and the Government of British Columbia to electrify the natural gas industry.
- The focus of these initiatives is making it easier to connect to BC Hydro utilizing existing and in-development generating resources.
- BC Hydro is in the process of preparing its new Integrated Resource Plan, and we understand that Clean Energy BC is represented on the technical advisory committee. We encourage you to continue participating in this process.

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MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

PREPARED FOR: Fazil Mihlar, Deputy Minister of Energy, Mines and Petroleum Resources

ISSUE: Meeting with Bryan Cox from the Canadian LNG Alliance regarding the Alliance's rebranding and its economic report commissioned through the Conference Board of Canada

BACKGROUND:

- The BC LNG Alliance (BCLNGA) was founded in 2014 to foster the growth of a safe, environmentally responsible and globally competitive LNG industry in British Columbia.
- Initially the BCLNGA was supported by Kitimat LNG, LNG Canada, Pacific NorthWest LNG, Prince Rupert LNG, Triton LNG and Woodfibre LNG.
 - While Pacific NorthWest LNG and Prince Rupert LNG have both been cancelled, their support has since been replaced by Woodside Energy, FortisBC, Enbridge and ExxonMobil.
- In February 2019 the Board of Directors of the BCLNGA appointed Bryan Cox as president and CEO of the alliance. Prior to this appointment, Mr. Cox was President and CEO of the Mining Association of British Columbia (MABC).
- On June 15, 2020, the BCLNGA was rebranded as the Canadian LNG Alliance (CLNGA) to reflect the critical role LNG can play in Canada's COVID-19 economic recovery, economic reconciliation with Indigenous communities and Canada's clean energy transition.
 - CLNGA advocates that Canadian LNG, produced within Canada's world-leading regulatory framework and aligned with global Environmental, Social, and Governance (ESG) metrics, will play an outsized role in providing a solution for global emissions reductions. Continuing to develop the Canadian LNG industry will also provide the critical infrastructure to advance Canada's net zero emissions goal, including opportunities like the evolution to hydrogen, while supporting jobs and climate action today.

DISCUSSION:

Re-branding to the Canadian LNG Alliance

- Initially the BCLNGA had come into being as a response to policies and regulations being considered by the Province in 2013/14. This included increases to the province's carbon tax as well as the introduction of an LNG income tax.
- Since the introduction of the LNG Fiscal Framework and its implementation following the sanctioning of LNG Canada in 2018, the focus of the BCLNGA pivoted more to promotion of the industry to domestic and international audiences.
- The need to broaden the scope and project to a more national perspective has resulted in the re-branding to the CLNGA.

Conference Board of Canada's Economic Impact Analysis

- In the spring of 2020, the CLNGA commissioned the Conference Board of Canada to undertake an analytical overview of the economic impact the LNG industry could have on the post-COVID-19 economic recovery.
- The paper is anticipated to be finalized during the 3rd quarter of 2020 and could be published in coordination with the First Nations Climate Initiative's planned Summit.
- EMPR (OGD and SIAD) had been approached by the Conference Board during their initial information gathering portion of their analysis with a focus on initiatives related to First Nations communities.

CONCLUSION:

- CLNGA members are committed to building a safe, environmentally responsible, and inclusive LNG industry for Canadians.
- The Province looks forward to continuing to work collaboratively with the CLNGA in building an inclusive and positive dialogue around Canada's role and opportunity for leadership in the world's energy future.

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MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES

BRIEFING NOTE FOR INFORMATION

PREPARED FOR: Fazil Mihlar, Deputy Minister, Ministry of Energy, Mines and Petroleum Resources.

ISSUE: Meeting with Karen Ogen-Toews - First Nations LNG Alliance's Chief Executive Officer

BACKGROUND:

The First Nations LNG Alliance (FNLNGA) is a collective of First Nations who are participating in, and supportive of, sustainable and responsible LNG development in BC. The Alliance has been formed to provide education and information to First Nations interested in LNG and natural gas projects, and their benefits.

Karen Ogen-Toews is a founding member of FNLNGA and currently serves as its CEO. Other Board Members include:

- Crystal Smith - Chair of FNLNGA (Haisla Nation);
- Dan George (Chief of Burns Lake Band);
- Adele Gooding – Secretary of the FNLNGA (Skin Tyee Nation);
- John Jack -Treasurer of the FNLNGA (Huu-ay-aht First Nations); and
- Clifford White (Gitxaala Nation)

Karen previously served as the elected chief of the Wet'suwet'en First Nation for six years and currently sits on the nation's elected council, holding the Natural Resource/Energy and Economic Development portfolios. Karen earned her Master's degree in Social Work from the University of Northern British Columbia in 2007 and also graduated from the Indigenous Governance Certificate Program from the University of Victoria in 2010. In 2016 Karen was selected by BC Business magazine as one of B.C.'s 35 most influential women (among "women using their positions to effect change").

Karen also serves as a member of the following entities:

- Premier's First Nations Advisory Committee;
- Energy Roadmap Advisory Team for the Ministry of Energy, Mines and Petroleum Resources; and
- Yinka Dene Economic Development Limited Partnership board (the economic arm of the Wet'suwet'en First Nation).

DISCUSSION:

The FNLNGA acts as an advocate for First Nations with respect to LNG development issues. To do so they provide research and in-depth insight into the many issues and concerns surrounding LNG development in BC. FNLNGA also seeks to connect people with resources, information, support and materials to inform themselves and their members.

The FNLNGA works towards:

- Increasing positive LNG dialogue in First Nations communities;
- Communicating First Nations messages directly to First Nations audiences;
- Communicating balanced LNG information;
- Providing a venue for pro-development nations to interact, share knowledge and resources; and
- Discussing environmental issues and priorities.

The Alliance members believe that a pathway to successful development of LNG in BC is through consultations based on mutual trust and respect, and through accommodation of First Nations priorities, including environmental ones. In recent years, the process of consultations has already produced a number of approvals by First Nations of various LNG development initiatives.

The FNLNGA, through Karen, had actively been participating in the information gathering sessions hosted by the First Nations Climate Initiative (FNCI). FNCI is a forum for collaboration which includes the Nisga'a Nation, Lax Kw'alaams Band, Metlakatla First Nation and Haisla Nation. The FNCI has focused its efforts on understanding the challenges and opportunities associated with the development of LNG and other gas products on the north west coast of BC, based on their belief that the development of clean LNG promises to be one of the most meaningful contributions the province can make in the fight against climate change and poverty. FNCI members work together as governments to support the development of LNG projects in their territories, with an aim to:

1. advocate for, and implement actions that support exceeding Provincial and Federal emission-reduction targets;
2. alleviate poverty in their communities and the region; and
3. maximize the impact of Provincial LNG commodities on mitigating global climate change.

While the FNLNGA has been an active participant, no formal role within FNCI has been made public. The same also holds true for FNCI's role in FNLNGA.

CONCLUSION:

The Province will continue to collaborate with the FNLNGA on key opportunities that support the development of sustainable LNG industry in BC.

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