



Advertising Standards Canada
Les normes canadiennes de la publicité

175 Bloor Street East
South Tower, Suite 1801
Toronto, Ontario M4W 3R8

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📠 416 961-7904
www.adstandards.com

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☎ 416 961-6311
📠 416 961-7904
www.normespub.com

Via email: s.22

December 22, 2016

s.22

Dear s.22

Re: Our Ref #141575 – Government of BC – LNG – Television Advertisement

Further to ASC's letter to you on December 21, we are writing today to clarify the matter. Our earlier letter inadvertently contained incorrect information, and does not accurately represent the sequence of events or the communication between ASC and the advertiser.

ASC had previously received a complaint about this advertisement, which was handled under its "Administratively Resolved" complaint handling procedure. The facts are as follows.

ASC contacted the advertiser to inform them that it had received a complaint. ASC requested that the advertiser provide it with the advertising, including its rationale to substantiate the advertising content. With this, ASC advised that a Standards Council meeting would be scheduled to review the ad and rule on the complaint. However, the proposed timing of the Standards Council meeting and the end date of the advertiser's planned media buy for the advertisement coincided closely.

On this basis, the advertiser removed the advertisement and ASC determined the matter to be administratively resolved. In effect, the substance of the complaint was not determined by ASC or Standards Council. However, the advertiser opted to remove the advertisement and ASC now considers the matter closed.

We apologize for any confusion or misunderstanding.

Yours sincerely,

Janet Feasby
Vice-President, Standards

Dila, Mary GCPE:EX

From: Dila, Mary GCPE:EX
Sent: December 1, 2016 2:50 PM
To: s.22
Subject: LNG question
Attachments: Investment Table.pdf

Dear s.22

Thank you for your email requesting information on the \$20 billion of investment as highlighted in the climate leadership information campaign.

Major global companies have shown a strong commitment to BC's natural gas sector and its future. To date, over \$20 billion is estimated to have been invested by industry to further B.C.'s LNG opportunity.

Please find attached a PDF outlining industry investments.

I trust this answers your question.

Regards,

Mary

Mary Dila
Executive Director
Communication Support Services
GCPE
T: 250 356-7823
C: 250 508-6478

| COMPANY | INVESTMENT | DETAILS | DATE |
|---------------------------|------------------------|--|---------------|
| Acquisition | | | |
| Mitsubishi Corp. (EnCana) | \$2.9 billion | Joint-venture deal, Mitsubishi 40% interest in EnCana's Cutbank Ridge (Montney) assets. EnCana remains operator https://www.encyana.com/pdf/communities/canada/cutbank-ridge-partnership-backgrounder.pdf | February 2012 |
| PetroChina (Shell Canada) | \$1 billion | Joint-venture deal with PetroChina purchasing 30% interest in Shell's Groundbirch assets (Montney) http://www.pipelinenews.ca/news/industry-news/shell-inks-deal-with-petrochina-1.1123248 | February 2012 |
| INPEX (Nexen) | \$1.14 billion | 40% participating interest in the shale gas projects in the Horn River, Cordova and Liard basins from Nexen Inc. http://www.jointinc.gc.ca/english/news/release/release0906.html | August 2012 |
| Chevron | \$1.3 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins http://www.phps.com/sites/news/natural-gas/conveyer-britishcolumbia/chevron-to-buy-50-of-kitimat-lng-physcat-as-it-6949196 | December 2012 |
| Progress Energy | \$1.5 billion | An agreement to acquire interest in two partnerships from Talisman Energy Inc. http://www.progressenergy.com/2013/11/08/progress-energy-agrees-to-purchase-talisman-montney-natural-gas-interests-in-british-columbia/ | November 2013 |
| JAPEX | \$0.54 billion | 10% interest in North Montney area http://www.jaguar.gc.ca/english/news/release/news_01_000003_in_01 | April 2013 |
| Woodside | \$1.07 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins http://www.woodside.com.au/investors/Media/announcements/Documents/10.04.2015%20Woodside%20%20%20Purchase%20of%20Aspetic%20Interest%20in%20Kitimat%20Asset.pdf | April 2015 |
| Expansion | | | |
| FortisBC | \$0.06 | More than \$60 million in committed local spending https://talkinenergy.ca/projects/fortis-bc-facility/economic-and-employment-benefits | June 2016 |
| Upstream | | | |
| Various (upstream) | \$3 billion | Total capital investments in upstream = \$5.2 billion ¹ 57% ² of \$5.2 billion = \$3 billion estimated for LNG | 2012 year |
| Various (upstream) | \$3.4 billion | Total capital investments in upstream = \$5.7 billion ¹ 60% ² of \$5.7 billion = \$3.4 billion estimated for LNG | 2013 year |
| Various (upstream) | \$3.2 billion | Total capital investments in upstream = \$7.3 billion ¹ 44% ² of \$7.3 billion = \$3.2 billion estimated for LNG | 2014 year |
| Various (upstream) | \$2.4 billion | Total capital investments in upstream = \$5.0 billion ¹ 48% ² of \$5.0 billion = \$2.4 billion estimated for LNG | 2015 year |
| TOTAL | \$21.5 BILLION+ | | |

Note: the list above does not include major acquisitions that have occurred since the LNG Strategy was released: PETRONAS's corporate acquisition of Progress Energy (\$6 billion in December 2012) and CNOOC's acquisition of Nexen (\$15 billion in February 2013).

¹ Annual capital investments in upstream sourced from CAPP's Statistical Handbook and only includes expenditures for exploration and development (excludes operating expenditures and royalties)

² Estimated from B.C. Oil and Gas Commission's drilling statistics and considers rigs released by companies involved in the development of the LNG industry in British Columbia

Dila, Mary GCPE:EX

From: Dila, Mary GCPE:EX
Sent: December 2, 2016 10:41 AM
To: s.22
Subject: RE: LNG question

Dear ^{s.22}

Thank you for your follow up email regarding the \$20 billion of investment highlighted in the climate leadership information campaign.

As mentioned, major global companies have shown a strong commitment to BC's natural gas sector and its future, and as such, have made large capital investments in the Province.

Specific details of these investments vary, however, in most cases investments have been directed to early stages of design and development of proposed liquefied natural gas facilities, and to secure natural gas reserves.

For more detailed information regarding proponent investments and partnerships, I encourage you to visit the resource links provided in the previous email.

Kind regards,

Mary

From: ^{s.22}
Sent: November 30, 2016 3:25 PM
To: Dila, Mary GCPE:EX
Subject: Re: LNG question

Thank you.

Do these figures not just show sales of shares from one company to another? I don't see how this is investment in BC. I only see companies – some of which are not BC companies – selling part of themselves to other companies, not companies investing here?

A bit of a "misnomer" because the impression the advertisement gives is that the investment is new money going into BC, not a simple change in ownership of assets.

From: Dila, Mary GCPE:EX
Sent: Wednesday, November 30, 2016 10:38 AM
To: ^{s.22}
Subject: RE: LNG question

Dear ^{s.22}

Thank you for your email requesting information on the \$20 billion of investment as highlighted in the climate leadership information campaign.

Major global companies have shown a strong commitment to BC's natural gas sector and its future. To date, over \$20 billion is estimated to have been invested by industry to further B.C.'s LNG opportunity.

Please find attached a PDF outlining industry investments.

I trust this answers your question.

Regards,

Mary

Mary Dila
Executive Director
Communication Support Services
GCPE
T: 250 356-7823
C: 250 508-6478

From: s.22

Sent: Tuesday, November 22, 2016 8:30 AM

To: OfficeofthePremier, Office PREM:EX

Subject: LNG

Good morning.

Would you please tell me as precisely as possible, where the 20 Billion dollars "so far invested" has actually been invested?

I'm very curious.

Thank you.

s.22

Dila, Mary GCPE:EX

From: Dila, Mary GCPE:EX
Sent: December 19, 2016 2:37 PM
To: s.22
Cc: Manahan, Suzanne MNGD:EX
Subject: FW: BC Programs and Job Creation
Attachments: FS_LNG Project list_Dec 2016.pdf; Investment Table.pdf

Dear s.22

Thank you for your inquiry.

Please find attached a table that provides how the \$20 billion has been spent by industry in the development of natural gas assets necessary to deliver the feedstock required for a successful LNG industry in British Columbia. We anticipate that billions more will be spent in the coming years, as projects like PNW LNG, Woodfibre and LNG Canada, to name a few, complete their due diligence and make their final investments, some of which would be the largest single capital investment by industry in British Columbia and perhaps Canada.

Attached you will also find a list of the proposals presently various stages of development.

For context, you may wish to note that in establishing a new LNG industry in British Columbia, companies must first invest in the development of an upstream industry to ensure the necessary resource is available for liquefaction once export facilities have been constructed.

In terms of jobs, the natural gas industry presently employs approximately 13,000 people in upstream development, plus another 800 people who are working on individual LNG proposals.

Moving forward, based on our independent research we anticipate that if industry built five LNG plants in B.C., it could create a total investment of \$175 billion and increase provincial GDP by up to \$1 trillion. This level of investment would create up to 100,000 jobs, including 58,700 direct and indirect construction jobs, 23,800 permanent direct and indirect jobs for operations, and thousands of induced jobs as a result of households having more income.

I trust this information helps answer your questions.

Regards,

Mary Dila
Executive Director
Communication Support Services
GCPE
T: 250 356-7823
C: 250 508-6478

> -----Original Message-----

> From: s.22

> Sent: Tuesday, December 6, 2016 1:04 PM

> To: MNGD LNG in BC MNGD:EX

> Subject: BC Programs and Job Creation

>
> Mr Hansen
> I have been watching the governments commercials on money spent and jobs created from LNG The number of 20 Billion spent on LNG is amazing considering no plants have been built or under construction.
> Would you be so kind as to clarify and give me a detailed listing of how many jobs have been created , where the 20 Billion dollars has gone.
> I would expect the government has detailed accounting of money spent and on what to claim 20 billion spent to date.
> Thank you for taking the time to read and respond to my email regarding the above. Looking forward to hearing from you in the near future.
>
> Regards
> s.22
>
>
>
>
>
>
>

FACTSHEET

December 2016

Ministry of Natural Gas Development

LNG project proposals in British Columbia

These are the export projects in various stages of development as of September 2016:

Aurora LNG

Proponent: Nexen Energy (subsidiary of CNOOC Ltd.)/ INPEX Corporation / JGC Corporation

Location: Digby Island

Cedar LNG

Proponent: Cedar LNG Export Development Ltd.

Location: Douglas Channel, Haisla project lands

Discovery LNG

Proponent: Quicksilver Resources Canada

Location: Campbell River

Douglas Channel LNG

Proponent: AIJVLP, a limited partnership between AltaGas Ltd. and Idemitsu Kosan Co., Ltd.,
EDFT Trading and EXMAR

Location: Kitimat (floating facility)

Grassy Point LNG

Proponent: Woodside Energy

Location: Grassy Point, north of Prince Rupert

Kitimat LNG

Proponent: Chevron Canada and Woodside Energy

Location: Kitimat

Kitsault Energy project

Proponents: Kitsault Energy Ltd.

Location: Kitsault

LNG Canada

Proponent: Shell Canada and their co-venture partners – KOGAS, Mitsubishi, and PetroChina

Location: Kitimat

NewTimes Energy

Proponent: NewTimes Energy Ltd.

Location: Prince Rupert area

Nisga'a LNG

Proponent: Nisga'a Nation

Location: Nasoga Gulf

Orca LNG

Proponent: Orca LNG Ltd.

Location: Prince Rupert

Pacific Northwest LNG

Proponent: PETRONAS / JAPEX / Petroleum Brunei / Indian Oil Corporation / Sinopec / Huadian

Location: Prince Rupert

Prince Rupert LNG

Proponent: BG Group

Location: Prince Rupert

Steelhead LNG (Sarita LNG and Malahat LNG)

Proponent: Steelhead LNG Corp.

Location: Vancouver Island

Stewart Energy LNG

Proponent: Canada Stewart Energy Group Ltd.

Location: near Stewart, British Columbia

Triton LNG Limited Partnership

Proponents: AltaGas Ltd. and Idemitsu Canada Corporation

Location: No site has been chosen, but Kitimat and Prince Rupert are under consideration.

Watson Island LNG

Proponent: Watson Island LNG Corporation

Location: Watson Island near Prince Rupert

WCC LNG Ltd.

Proponents: ExxonMobil Canada Ltd. and Imperial Oil Resources Limited

Location: Tuck Inlet, Prince Rupert

WesPac LNG

Proponent: WesPac Midstream - Vancouver LLC

Location: Delta

Woodfibre LNG Project

Proponent: Woodfibre LNG Limited

Location: Squamish

In addition to the export projects above, these domestic LNG facilities are operating or proposed in the province:

AltaGas

Proponent: AltaGas Ltd.

Location: proposal to build small LNG facilities throughout northern B.C.

Ferus

Proponent: Ferus Natural Gas Fuels Inc.

Location: proposal to build in the vicinity of Fort Nelson

Mt. Hayes Natural Gas Storage Facility

Operator: FortisBC

Location: Ladysmith

Tilbury LNG facility

Operator: FortisBC

Location: Tilbury Island in Delta

*Note: this facility is undergoing an expansion. WesPac LNG is proposing to export supply from the facility following the expansion project.

Contact: Lindsay Byers
Media Relations
Ministry of Natural Gas Development
250 952-0617

Connect with the Province of B.C. at: www.gov.bc.ca/connect

| COMPANY | INVESTMENT | DETAILS | DATE |
|------------------------------|----------------------------|--|---------------|
| Acquisition | | | |
| Mitsubishi Corp. (EnCana) | \$2.9 billion | Joint-venture deal. Mitsubishi 40% interest in EnCana's Cutbank Ridge (Montney) assets. EnCana remains operator https://www.encana.com/pdf/communities/canada/cutbank-ridge-partnership-backgrounder.pdf | February 2012 |
| PetroChina (Shell Canada) | \$1 billion | Joint-venture deal with PetroChina purchasing 20% interest in Shell's Groundbirch assets (Montney) http://www.pipelinenewsouth.ca/news/industry-news/shell-inks-deal-with-petrochina-1.1123248 | February 2012 |
| INPEX (Nexen) | \$1.14 billion | 40% participating interest in the shale gas projects in the Horn River, Cordova and Liard basins from Nexen Inc. http://www.jugra.co.jp/english/newsrelease/release0096.html | August 2012 |
| Chevron | \$1.3 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins http://www.platts.com/latest-news/natural-gas/suncoyco-british-columbia/chevron-to-buy-50-of-kitimat-lng-project-asset-6949790 | December 2012 |
| Progress Energy | \$1.5 billion | An agreement to acquire interest in two partnerships from Tahsman Energy Inc http://www.progressenergy.com/2013/11/08/progress-energy-agrees-to-purchase-tahsman-montney-natural-gas-interests-in-british-columbia-3/ | November 2013 |
| JAPEX | \$0.54 billion | 10% interest in North Montney area http://www.japaneseeconomicenglishnews.release/news_01_00000314.html | April 2013 |
| Woodside | \$1.07 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins http://www.woodside.com.au/investors-media/announcements/Documents/10%of2015%20Woodside%20Losses%20Purchases%20of%20Apache%20Interests%20in%20Kitimat%20Asset.pdf | April 2015 |
| Expansion | | | |
| FortisBC | \$0.06 | More than \$60 million in committed local spending https://talksenergy.ca/project/shillony-lng-facility/economic-and-employment-benefits | June 2016 |
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| TOTAL | \$21.5 BILLION+ | | |

Note: the list above does not include major acquisitions that have occurred since the LNG Strategy was released: PETRONAS's corporate acquisition of Progress Energy (\$6 billion in December 2012) and CNOOC's acquisition of Nexen (\$15 billion in February 2013).

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² Estimated from B.C. Oil and Gas Commission's drilling statistics and considers rigs released by companies involved in the development of the LNG industry in British Columbia

Dila, Mary GCPE:EX

From: Bennacer, Yamina <yamina.bennacer@adstandards.com>
Sent: December 1, 2016 8:19 AM
To: Dila, Mary GCPE:EX
Cc: Feasby, Janet
Subject: RE: Climate leadership plan / LNG spot

Hi Mary,

FYI, I have included the definition of "Advertising" set by the Code:

"Advertising" and "advertisement(s)" are defined as any message (other than those excluded from the application of this Code), the content of which message is controlled directly or indirectly by the advertiser expressed in any language and communicated in any medium (except those listed under Exclusions) to Canadians with the intent to influence their choice, opinion or behaviour.

Based on the fact that the advertisement in question has been permanently removed from all marketing materials, this complaint is now "administratively resolved" and we will close our file on this matter.

Your cooperation with this process is greatly appreciated.

Sincerely,

Yamina Bennacer
Manager, Standards
yamina.bennacer@adstandards.com

Advertising Standards Canada
175 Bloor Street East
South Tower, Suite 1801
Toronto, Ontario M4W 3R8
www.adstandards.com
Tel: 416 961-6311 x 249
Fax: 416-961-7904

Important notice: The information contained in this email is privileged and confidential. It is intended only for the person or entity named above and should not be read by or disclosed to any other person or entity. If you are not the intended recipient of this communication, please notify the sender immediately at 416-961-6311 or by reply email. Thank you in advance for your cooperation.

-----Original Message-----

From: Dila, Mary GCPE:EX [mailto:Mary.Dila@gov.bc.ca]
Sent: December-01-16 11:15 AM
To: Bennacer, Yamina
Cc: Feasby, Janet
Subject: Re: Climate leadership plan / LNG spot

Hi Yamina,

Thank you for your clarification re marketing including paid and unpaid forms of media.

With this definition, we will pull the video from the website, to satisfy the ASC's criteria.

Can you please confirm, that with this action, we have complied with ASC's requirement to consider the matter administratively resolved.

Regards,

Mary

Sent from my iPhone

> On Dec 1, 2016, at 7:54 AM, Bennacer, Yamina <yamina.bennacer@adstandards.com> wrote:

>

> Hi Mary,

>

> Thank you for your email.

>

> In order for ASC to "administratively resolve" this case, the ad needs to be permanently withdrawn from all marketing materials which include paid and unpaid advertising. Therefore, if the ad is still available on your website, we will need to adjudicate the complaints to Standards Council for its review.

>

> Please do not hesitate to contact me for any questions you may have.

>

> Sincerely,

>

> Yamina Bennacer

> Manager, Standards

> yamina.bennacer@adstandards.com

>

> Advertising Standards Canada

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> South Tower, Suite 1801

> Toronto, Ontario M4W 3R8

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>

>

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>

>

> -----Original Message-----

> From: Dila, Mary GCPE:EX [mailto:Mary.Dila@gov.bc.ca]

> Sent: December-01-16 10:34 AM

> To: Bennacer, Yamina
 > Subject: Re: Climate leadership plan / LNG spot
 >
 > Hi Yamina,
 >
 > Thanks for your response.
 >
 > The ad has been permanently pulled from all marketing material including all paid media (tv, online, social).
 >
 > As discussed, we consider the facts presented in the video to be accurate and informative, and as such we have left it on a website (it is not prominently featured).
 >
 > Please advise that this action is acceptable.
 >
 > Best,
 >
 > Mary
 >
 >
 >
 > Sent from my iPhone
 >
 > On Dec 1, 2016, at 6:22 AM, Bennacer, Yamina
 <yamina.bennacer@adstandards.com<mailto:yamina.bennacer@adstandards.com>> wrote:
 >
 > Hi Mary,
 >
 > I apologize for the delay, Janet was out of the office yesterday and I wanted to review this with her prior to responding to you.
 >
 > If the ad is permanently withdrawn from all marketing material (TV, YouTube), we will consider the case as "administratively resolved" and we will close our files on this matter. Could you please confirm that the ad in question is being withdrawn from all marketing material?
 >
 > Thank you for your cooperation.
 >
 > Sincerely,
 >
 > Yamina Bennacer
 > Manager, Standards
 > yamina.bennacer@adstandards.com<mailto:yamina.bennacer@adstandards.com>
 >
 > Advertising Standards Canada
 > 175 Bloor Street East
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 >
 > <image001.gif>
 >

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>

> From: Dila, Mary GCPE:EX [mailto:Mary.Dila@gov.bc.ca]

> Sent: November-30-16 5:50 PM

> To: Bennacer, Yamina

> Subject: RE: Climate leadership plan / LNG spot

>

> Hello Yamina,

>

> Can you please confirm that my understanding as outlined below aligns with yours.

>

> Thanks!

>

> Mary

>

> From: Dila, Mary GCPE:EX

> Sent: November 29, 2016 5:45 PM

> To: Bennacer, Yamina

> Subject: Re: Climate leadership plan / LNG spot

>

> Hello Yamina,

>

> I am confirming that we are pulling the ad. It will be replaced with a new spot by EOD November 30th/December 1st.

>

> It is my understanding that this action serves to resolve the matter of the complaints, and that the ASC will thereby consider this matter closed.

>

> Thank you for your assistance.

>

> Mary

>

> Sent from my iPhone

>

> On Nov 29, 2016, at 7:16 AM, Bennacer, Yamina
 <yamina.bennacer@adstandards.com<mailto:yamina.bennacer@adstandards.com>> wrote:

> Thanks Mary!

>

> Yamina

>

> From: Dila, Mary GCPE:EX [mailto:Mary.Dila@gov.bc.ca]

> Sent: November-28-16 5:30 PM

> To: Bennacer, Yamina

> Subject: RE: Climate leadership plan / LNG spot

>

> Thank you Yamina.

>

> We are taking action to replace the ad - I will confirm details with you.

>

> Regards,

>
> Mary
>
>
>
> From: Bennacer, Yamina [mailto:yamina.bennacer@adstandards.com]
> Sent: November 28, 2016 6:20 AM
> To: Dila, Mary GCPE:EX
> Subject: RE: Climate leadership plan / LNG spot
>
> Hello Mary,
>
> As per the Canadian Code of Advertising Standards (Code), ASC has the administrative discretion to resolve cases that involve an apparent contravention of either or both Clauses 1 and 3 without requiring formal adjudication by Council if the advertiser has remedied the contravention by permanently withdrawing or appropriately amending the advertisement in question. Therefore, if you pull the ad by that date and/or substitute it for another ad, we would consider this case resolved and we will close our files on this matter.
>
> Please feel free to contact me for any additional questions you may have.
>
> Thank you for your cooperation.
>
> Sincerely,
>
> Yamina Bennacer
> Manager, Standards
> yamina.bennacer@adstandards.com<mailto:yamina.bennacer@adstandards.com>
>
> Advertising Standards Canada
> 175 Bloor Street East
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> Tel: 416 961-6311 x 249
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>
> <image001.gif>
>
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Thank you in advance for your cooperation.
>
> From: Dila, Mary GCPE:EX [mailto:Mary.Dila@gov.bc.ca]
> Sent: November-25-16 4:54 PM
> To: Bennacer, Yamina
> Subject: Climate leadership plan / LNG spot
>
> Hello Yamina,
>
> Thanks again for the call this morning, and walking us through the process.
>

> As mentioned, we are considering our options with regard to the ad and our media buy.
>
> In the meantime I have a question of clarification:
>
> You (or Janet?) mentioned that if we pulled the ad from TV by November 30th, the ASC would consider the matter resolved, and not proceed with a council review. Can you confirm my understanding on this? Also, if we pulled the ad by that date, and substituted it for another ad (different message and creative), would the ASC similarly consider the matter resolved?
>
> I appreciate your consideration of this.
>
> Regards,
>
> Mary
>
> Mary Dila
> Executive Director
> Communication Support Services
> GCPE
> T: 250 356-7823
> C: 250 508-6478
>

Dila, Mary GCPE:EX

From: s.22
Sent: December 11, 2016 11:38 AM
To: Dila, Mary GCPE:EX
Cc: Manahan, Suzanne MNGD:EX
Subject: RE: LNG in BC television ads - information on \$20bn estimated investment - deceptive advertising - Complaint under Advertising Standards Council of Canada Code.

Hello,

Thank you for providing additional information, although it in itself is confusing.

Government advertising that tax dollars are paying for should be accurate, informative and easy to understand, not based on suppositions and estimates.

Approximately \$9Bn of the value comes from private sector investment in acquisition of other companies, mostly outside of Canada, and is not direct investment in BC.

Approximately \$12Bn is based on estimates of upstream capital investment not fully substantiated, and the rationale for selecting the percentage allocated to LNG not explained.

Clause 1 of the Advertising Standards Council of Canada's code states:

1. Accuracy and Clarity

In assessing the truthfulness and accuracy of a message, advertising claim or representation under Clause 1 of the Code the concern is not with the intent of the sender or precise legality of the presentation. Rather the focus is on the message, claim or representation as received or perceived, i.e. the general impression conveyed by the advertisement:

(a) Advertisements must not contain inaccurate, deceptive or otherwise misleading claims, statements, illustrations or representations, either direct or implied, with regard to any identified or identifiable product(s) or service(s).

(b) Advertisements must not omit relevant information in a manner that, in the result, is deceptive.

(c) All pertinent details of an advertised offer must be clearly and understandably stated.

(d) Disclaimers and asterisked or footnoted information must not contradict more prominent aspects of the message and should be located and presented in such a manner as to be clearly visible and/or audible.

(e) Both in principle and practice, all advertising claims and representations must be supportable. If the support on which an advertised claim or representation depends is test or survey data, such data must be reasonably competent and reliable, reflecting accepted principles of research design and execution that characterize the current state of the art. At the same time, however, such research should be economically and technically feasible, with due recognition of the various costs of doing business.

I am at this point going to be submitting a formal complaint to the Advertising Standards Council under my interpretation that the information you have advertised on television and on official BC Government websites is inaccurate and misleading.

In particular, as per item b) these ads omit relative information in a manner that, in the result, is deceptive.

These details you claim should be noted by a disclaimer or asterisk as per item d) and readily available to any citizen who chooses to look for more information without having to go to the lengths that I was required to do.

Further, I would like to make a formal request for the cost of producing and distributing these specific LNG ads.

Design/production costs of the ads, as well as the separate broadcast costs to promote over traditional media.

I'm personally aware of being displayed over several days on CTV Vancouver Island during the 6 o'clock news, but that would only be a limited portion of what was broadcast.

Please also provide a list of TV and/or radio and/or print publications that it is advertised in.

Regards
s.22

On Nov 29, 2016 11:13 AM, "Dila, Mary GCPE:EX" <Mary.Dila@gov.bc.ca> wrote:

Dear s.22

Please find listed below references for the company announcements noted in our earlier communication.

Mitsubishi – Encana

<https://www.encana.com/pdf/communities/canada/cutbank-ridge-partnership-background.pdf>

PetroChina

<http://www.pipelinenewsnorth.ca/news/industry-news/shell-inks-deal-with-petrochina-1.1123248>

INPEX

<http://www.jogmec.go.jp/english/news/release/release0096.html>

Chevron

<http://www.platts.com/latest-news/natural-gas/vancouver-britishcolumbia/chevron-to-buy-50-of-kitimat-lng-project-as-it-6949190>

Progress Energy

<http://www.progressenergy.com/2013/11/08/progress-energy-agrees-to-purchase-talismans-montney-natural-gas-interests-in-british-columbia-3/>

JAPEX

http://www.jogmec.go.jp/english/news/release/news_01_000003.html

Woodside

<http://www.woodside.com.au/Investors-Media/announcements/Documents/10.04.2015%20Woodside%20Closes%20Purchase%20of%20Apache%20Interests%20in%20Kitimat%20Asset.pdf>

FortisBC

<https://talkingenergy.ca/projects/tilbury-lng-facility/economic-and-employment-benefits>

Upstream

- Annual capital investments in upstream sourced from CAPP's Statistical Handbook and only includes expenditures for exploration and development (excludes operating expenditures and royalties)
- Estimated from B.C. Oil and Gas Commission's drilling statistics and considers rigs released by companies involved in the development of the LNG industry in British Columbia

I trust this additional information helps to answer your questions.

Regards,

Mary

From: s.22

Sent: November 25, 2016 6:29 PM

To: Dila, Mary GCPE:EX

Cc: Manahan, Suzanne MNGD:EX

Subject: Re: LNG in BC television ads - information on \$20bn estimated investment

Thank you.

- Please provide further details and breakdowns of sources of the estimates in the est \$12bn upstream benefits and how they directly relate to investment in BC LNG. This upstream section alone accounts for over half of the advertised commitment and is suspect and misleading without further details.

- Please advise if the 2 noted acquisitions by Chevron and Woodside for 50% operating interest of Kitimat LNG are for separate percentages or include any transfer of assets between them that is being accounted for twice.

- Please provide further details of FortisBC expansion and how it directly related to LNG alone vs other local spending

- Please provide confirmation that Progress Energy's agreement to acquire interests from Talisman actually resulted in a confirmed acquisition, and that those partnerships are directly related to LNG in BC.

Thank you.
s.22

On Nov 25, 2016 3:54 PM, "Dila, Mary GCPE:EX" <Mary.Dila@gov.bc.ca> wrote:

Dear s.22

Thank you for your email requesting information on the \$20 billion of investment as highlighted in the climate leadership information campaign.

Major global companies have shown a strong commitment to BC's natural gas sector and its future. To date, over \$20 billion is estimated to have been invested by industry to further B.C.'s LNG opportunity.

Below is a table that highlights the companies and their investments to date:

| COMPANY | INVESTMENT \$ | DETAILS | DATE |
|-------------------------------------|----------------|---|---------------|
| Acquisition | | | |
| Mitsubishi Corp. (EnCana) | \$2.9 billion | Joint-venture deal. Mitsubishi 40% interest in EnCana's Cutbank Ridge (Montney) assets. EnCana remains operator | February 2012 |
| PetroChina (Shell Canada) | \$1 billion | Joint-venture deal with PetroChina purchasing 20% interest in Shell's Groundbirch assets (Montney) | February 2012 |
| INPEX (Nexen) | \$1.14 billion | 40% participating interest in the shale gas projects in the Horn River, Cordova and Liard basins from Nexen Inc. | August 2012 |
| Chevron | \$1.3 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins | December 2012 |
| Progress Energy | \$1.5 billion | An agreement to acquire interest in two partnerships from Talisman Energy Inc. | November 2013 |
| JAPEX | \$0.54 billion | 10% interest in North Montney area | April 2013 |
| Woodside | \$1.07 billion | Acquired a 50% operating interest in Kitimat LNG, the proposed Pacific Trail Pipeline, and a 50% in natural gas rights in the Horn River and Liard Basins | April 2015 |
| Expansion | | | |
| FortisBC | \$0.06 | More than \$60 million in committed local spending | June 2016 |
| Upstream | | | |

| | | | |
|-----------------------|------------------------|---|-----------|
| Various (upstream) | \$3 billion | Total capital investments in upstream = \$5.2 billion 57% of \$5.2 billion = \$3 billion estimated for LNG | 2012 year |
| Various (upstream) | \$3.4 billion | Total capital investments in upstream = \$5.7 billion 60% of \$5.7 billion = \$3.4 billion estimated for LNG | 2013 year |
| Various (upstream) | \$3.2 billion | Total capital investments in upstream = \$7.3 billion 44% of \$7.3 billion = \$3.2 billion estimated for LNG | 2014 year |
| Various (upstream) | \$2.4 billion | Total capital investments in upstream = \$5.0 billion 48% of \$5.0 billion = \$2.4 billion estimated for LNG | 2015 year |
| TOTAL | \$21.5 BILLION+ | | |

I trust this information answers your question, but should you require further information, please don't hesitate to contact me.

Regards,

Mary Dila

Executive Director

Marketing and Communications Support Services

Government Communications and Public Engagement

Government of British Columbia

From: s.22

Date: November 22, 2016 at 6:58:00 PM PST

To: Suzanne.Manahan@gov.bc.ca

Subject: LNG in BC television ads

Hello,

I found your name on the BC government directory as a contact for the LNG task force. If you are not an appropriate contact please direct my enquiry to the appropriate section and advise me where I am being referred.

Could you please provide me with detailed information and supporting documentation that confirms the claim in the ad located on your climate change website here: <http://climate.gov.bc.ca> and being shown on local television (example during CHEK TV news today approx 6:35pm) indicating that \$20Billion dollars has already been invested in BC LNG.

I am concerned about the accuracy of this statement and prior to submitting a complaint to the Advertising Standards Council of Canada I am requesting specific details of the claimed investments.

Regards,
s.22

Dila, Mary GCPE:EX

From: Feasby, Janet <janet.feasby@adstandards.com>
Sent: December 22, 2016 10:47 AM
To: Dila, Mary GCPE:EX
Subject: Our Ref #141575 – Government of BC – LNG – Television Advertisement
Attachments: 141575 – Government of BC – LNG – TV Ad 22.12.16.pdf

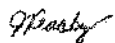
Importance: High

Hi Mary.

Attached is the letter that we just sent to ^{s.22} to clarify this matter.

We sincerely apologize for the confusion.

Thank you.



Janet Feasby
Vice President, Standards
Tel: 416 961-6311 x 243
www.adstandards.com



Advising Standards Canada
Les normes canadiennes de la publicité

Important notice: The information contained in this email is privileged and confidential. It is intended only for the person or entity named above and should not be read by or disclosed to any other person or entity. If you are not the intended recipient of this communication, please notify the sender immediately at 416-961-6311 or by reply email. Thank you in advance for your cooperation.



Advertising Standards Canada
Les normes canadiennes de la publicité

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Toronto, Ontario M4W 3R8

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☎ 416 961-7904
www.adstandards.com

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Tour Sud, Bureau 1801
Toronto (Ontario) M4W 3R8

☎ 416 961-6311
☎ 416 961-7904
www.normespub.com

Via email: s.22

December 22, 2016

s.22

Dear s.22

Re: Our Ref #141575 – Government of BC – LNG – Television Advertisement

Further to ASC's letter to you on December 21, we are writing today to clarify the matter. Our earlier letter inadvertently contained incorrect information, and does not accurately represent the sequence of events or the communication between ASC and the advertiser.

ASC had previously received a complaint about this advertisement, which was handled under its "Administratively Resolved" complaint handling procedure. The facts are as follows.

ASC contacted the advertiser to inform them that it had received a complaint. ASC requested that the advertiser provide it with the advertising, including its rationale to substantiate the advertising content. With this, ASC advised that a Standards Council meeting would be scheduled to review the ad and rule on the complaint. However, the proposed timing of the Standards Council meeting and the end date of the advertiser's planned media buy for the advertisement coincided closely.

On this basis, the advertiser removed the advertisement and ASC determined the matter to be administratively resolved. In effect, the substance of the complaint was not determined by ASC or Standards Council. However, the advertiser opted to remove the advertisement and ASC now considers the matter closed.

We apologize for any confusion or misunderstanding.

Yours sincerely,

Janet Feasby
Vice-President, Standards

Dila, Mary GCPE:EX

From: Dila, Mary GCPE:EX
Sent: December 22, 2016 1:14 PM
To: Porter, Rodney GCPE:EX; Woolley, Paul GCPE:EX; Ozawa, Hide GCPE:EX
Cc: Gleeson, Kelly T GCPE:EX
Subject: UPDATE DEC 22: Climate Leadership info campaign and LNG spot

Hi folks,

Further to some activity on social media this morning including claims that are clearly wrong, I want to ensure that we are all working with the correct information. Below I've summarized the sequence of events. This provides a snapshot of the facts, our communications and actions taken.

Recap:

- On Nov. 4, 2016, the provincial government launched a Climate Leadership information campaign that included four TV spots: Supplying Clean LNG, Clean Tech, 100% Clean Electricity and Restoring Forests.
- One of the first spots to air was Supplying Clean LNG, which referenced an investment of more than \$20 billion by industry in B.C. to date.
- In late November (Nov. 22, Nov. 25), a member of the public contacted the provincial government to question the \$20 billion figure.
- A detailed explanation was provided by GCPE. The recipient responded with a request for more details and sources. Government responded with a list of the sources.
- On Dec. 11, the individual claimed that the detailed response from government did not represent a direct investment nor substantiated the \$20 billion fact. The individual advised he was going to submit a formal complaint to Advertising Standards Canada. He also asked for information about the cost and placement of the ads.
- On Dec. 21, Advertising Standards Canada responded to the individual who shared the response with government. The emailed letter erroneously stated that "in light of your concerns... We're informed by the advertiser that, after receiving your complaint, the advertisement was permanently withdrawn from all marketing materials."
- In fact, Government opted to replace Supplying Clean LNG with Restoring Forests a few days ahead of schedule to resolve the matter and focus on the purpose of the campaign, which was to raise awareness about the Climate Leadership plan and provide information for British Columbians on how to get involved.
- On Dec. 22, GCPE communicated by phone with Advertising Standards Canada to address how the issue was characterized in the Dec 21st correspondence.
- Subsequently, Advertising Standards Canada wrote that their "earlier letter inadvertently contained incorrect information, and does not represent the sequence of events between ASC and the advertiser." The letter states: "In effect, the substance of the complaint was not determined by ASC or Standards Council. However, the advertiser opted to remove the advertisement and ASC now considers the matter closed."

Hi Andrew; Here's some information to assist you including excerpt from the letter I mentioned (last paragraph).

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Follow up Questions – Dec. 22:

Looking for a clear statement on why the ad was pulled?

Advertising Standards Canada contacted government, suggesting a complaint had been made related to the assertion that \$20 billion has been invested in the LNG industry. Government provided detailed information to substantiate the ad content. Advertising Standards Canada advised that it was going to review the matter - but because the timing of such a review was only a matter of days before the ad buy ended, government opted to replace the ad with the next of four components that are part of the Climate Leadership Campaign. Advertising Standards Canada considered the response satisfactory and suggested the matter was closed.

How long is the Climate Leadership information campaign running for?

The information campaign is scheduled to run until Jan. 15, 2017.

Where are the ads running?

The province-wide campaign includes traditional and online media placements. Media is purchased through media agencies.

TV spots are expected to run on a variety of outlets across the province including CBC, CTV, SportsNet and Global.

What is the budget for this campaign?

The total budget including production and ad buy is \$1.5 million.

Is the \$20 billion figure accurate?

Detailed information from MNGD:

On Feb. 3, 2012, government released British Columbia's Natural Gas Strategy: Fuelling B.C.'s Economy for the Next Decade and Beyond concurrently with the government's Liquefied Natural Gas (LNG) Strategy.

A primary goal: to attract investments necessary for capital planning, market diversification and the development of a LNG industry.

Since early 2012, the Province estimates more than **\$20 billion** has been invested by industry to further B.C.'s LNG opportunity.

This estimate is built using the financial transactions reported by individual companies, as well as capital expenditures reported in natural gas exploration and production by the Canadian Association of Petroleum Producers (CAPP).

Significant interest investments include:

- A **\$2.9-billion** investment made by Mitsubishi Corporation for a 40 per cent interest in an underdeveloped area of the Montney Formation. This investment was part of a deal with EnCana Corporation, known as the Cutback Ridge Partnership. Mitsubishi is a major co-venture partner in LNG Canada.
- A joint-venture **\$1 billion** investment deal with PetroChina purchasing a 20% interest in Shell Canada's Grounbirch assets in the Montney Formation – British Columbia's premier natural gas resource play. PetroChina is also a joint-venture partner in the LNG Canada proposal.
- A joint venture agreement between Nexen Inc. and INPEX Corporation and an investment of **\$1.14 billion** in multiple natural gas projects in northeast British Columbia, including the Horn River Basin, the Cordova Embayment, and the Liard Basin. With the strategic development deal in place, and assets for future exploration, plans for LNG started and the companies are now part of the Aurora LNG proposal.
- An investment by Chevron totalling **\$1.3 billion** to acquire operating interest in Kitimat LNG, the Pacific Trail pipeline, and natural gas rights in both the Horn River Basin and the Liard Basin. The deal resulted with Chevron Canada owning a 50 per cent stake in the Kitimat LNG proposal.
- An acquisition by Woodside Petroleum Ltd. to acquire 50 per cent ownership of Kitimat LNG and the assets linked to the proposal. The purchase from the Apache Corporation was for **\$1.07 billion**.
- A transaction by Progress Energy to purchase **\$1.5 billion** to acquire ownership of assets owned by Talisman Energy, including natural gas interest in the Montney Formation. Progress Energy is the operator conducting upstream activities for the Pacific NorthWest LNG proposal.

- A **\$54 million** investment by JAPEX to acquire a 10% interest in the North Montney resource area. JAPEX is one of the proponents linked to Pacific NorthWest LNG.
- The expansion of FortisBC's Tilbury LNG facility in Delta, for domestic needs and potential export, has already provided **\$60 million** in contract work to business across British Columbia.

CAPP reports out on industry investments – represented by capital expenditures in exploration and production – on an annual basis, and the Province uses these reports to pinpoint an annual amount invested in LNG-related activities. This includes:

- **\$3 billion in 2012:** Total capital investments in upstream = \$5.2 billion / 57% of \$5.2 billion = \$3 billion estimated for LNG
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The total amount of industry investment during the 2016 calendar year has yet to be announced.

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GCPE addressed questions from four individuals.

We know one filed a formal complaint with Advertising Standards Canada.

Tyee – Dec. 22 / 23

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Via email: s.22

December 22, 2016

s.22

Dear s.22

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Janet Feasby
Vice-President, Standards

Smith, Justin GCPE:EX

From: Dila, Mary GCPE:EX
Sent: Thursday, December 22, 2016 1:14 PM
To: Porter, Rodney GCPE:EX; Woolley, Paul GCPE:EX; Ozawa, Hide GCPE:EX
Cc: Gleeson, Kelly T GCPE:EX
Subject: UPDATE DEC 22: Climate Leadership info campaign and LNG spot

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Mary Dila

Executive Director

Communication Support Services

GCPE

T: 250 356-7823

C: 250 508-6478

From: Porter, Rodney GCPE:EX
Sent: Thursday, December 22, 2016 9:12 AM
To: Dila, Mary GCPE:EX; Ozawa, Hide GCPE:EX; Fraser, John Paul GCPE:EX; Gleeson, Kelly T GCPE:EX; Woolley, Paul GCPE:EX
Cc: Fougner, Trish GCPE:EX
Subject: \$20 Billion Gone Missing ?

<http://www.bcveritas.com/index.php/2016/12/22/20-billion-gone-missing/>

\$20 Billion Gone Missing ?

Score one for a citizen activist. I take no credit . Here's the short version.."rather than respond to the complaint... the BC Government has decided to withdraw the misleading \$20Billion figure from all it's advertising."

An honest man sees a BCGovernment ad on CTV (I've seen the ads elsewhere) which includes a number of blue circles. The ad voiceover explains what the benevolent BCLiberal Government is doing for you. You understand the absolute necessity of paying your tax money to be told these things.

The light blue circles provide highlights, one of which claims that \$20 Billion has already been invested in "Clean LNG" development in BC. It's a big number..It's a lot of money, which the forces of no (Opposition NDP and a Green) would presumably incinerate should they win the next election (thereby raising our GHG emissions with all that cash burning).

(Disregard whether or not LNG can be considered "clean". Christy Clark said it was clean four years ago, and it's been true ever since. "The \$20 Billion already invested" has been a talking point of Christy Clark and Rich Coleman for quite a while. It's been used, I would bet, at every BOT lunch and every private big dollar donor soiree for well over a year.)

Our honest man questions the government on the \$20B dollar figure and gets an explanation full of holes.. (More detail in my last post here: <http://www.bcveritas.com/index.php/2016/12/11/about-that-20billion-lng-investment/>)

It turns out the figure is derived from a combination of ..

a: Rights sales between competing oil and gas interests (not money in the local economy – not new money at all).

b: A percentage of capital expensed the last four years in Natural Gas Development in the Northeast of BC over the past 4 years or so. That percentage of normal activity assigned to "LNG development" appears pretty arbitrary.

Our honest man submits a complaint to the Advertising Standards Council of Canada, because these tax-funded ads are plainly misleading.

Who knew that the ASC worked so fast? Eleven days later, at the height of the Christmas season no less, our guy is informed that **rather than respond to the complaint... the BC Government has decided to withdraw the misleading \$20Billion figure from all it's advertising.** The ASC now considers the matter closed, though a case summary with no names attached will appear on the ASC's quarterly report.

So here are the things I think matter because of this story.

The \$20B figure was and is a partisan political talking point. We can't stop Rich Coleman or Christy Clark saying it over and over. There is no law against politicians stretching the truth beyond recognition at campaign stops.

We **can** insist that whenever they say it, they are asked why the government they lead chose not to support the claim. **We do that by making sure all the journalists know what happened when one honest man fact-checked bullshit.**

We expect government advertising to be informative, reasonably accurate, and necessary communication, because we pay for it. Party advertisements during campaigns aren't (sadly) held to the same standard. We can't stop the BCLiberal party from making stuff up. But we **can** work to stop taxpayer funds being abused in the service of partisan ends.

We **can** make it embarrassing to make stuff up. We do that individually and together. We do it case-by-case. We can do it by thinking critically and asking questions when something doesn't smell right. We do it the way **our honest man** did.. If you see a BC or Fed government ad that's neither truthful nor in the public interest, you can make a complaint to the ASC here:
<http://www.adstandards.com/code>

You might be surprised how effective raising your voice can be...

And btw.. Go read Laila's latest on the subject of raising your voices..
<https://lailayuile.com/2016/12/21/musings-from-the-notrealworld>

Smith, Justin GCPE:EX

From: Porter, Rodney GCPE:EX
Sent: Thursday, December 22, 2016 1:13 PM
To: Andrew MacLeod
Subject: ASC excerpt...

Hi Andrew; Here's some information to assist you including excerpt from the letter I mentioned (last paragraph).

On Nov. 4, 2016, the provincial government launched a Climate Leadership information campaign that included four TV spots: Supplying Clean LNG, Clean Tech, 100% Clean Electricity and Restoring Forests.

On Dec. 21, Advertising Standards Canada responded to the complainant who shared the response with government.

The emailed letter erroneously stated that "in light of your concerns... We're informed by the advertiser that, after receiving your complaint, the advertisement was permanently withdrawn from all marketing materials."

On Dec. 22, GCPE communicated with Advertising Standards Canada to address how the issue was characterized in the Dec 21. correspondence.

Advertising Standards Canada subsequently wrote to the complainant to clarify that their "earlier letter inadvertently contained incorrect information, and does not represent the sequence of events between ASC and the advertiser." The letter states: "In effect, the substance of the complaint was not determined by ASC or Standards Council. However, the advertiser opted to remove the advertisement and ASC now considers the matter closed."

From: Porter, Rodney GCPE:EX
Sent: Thursday, December 22, 2016 4:01 PM
To: Andrew MacLeod
Subject: Follow up...

Hi Andrew; Hopefully, the information below is useful?^{s.22}

The response also includes detailed information from MNGD about your \$20B question.

Looking for a clear statement on why the ad was pulled?

Advertising Standards Canada contacted government, suggesting a complaint had been made related to the assertion that \$20 billion has been invested in the LNG industry. Government provided detailed information to substantiate the ad content. Advertising Standards Canada advised that it was going to review the matter - but because the timing of such a review was only a matter of days before the ad buy ended, government opted to replace the ad with the next of four components that are part of the Climate Leadership Campaign. Advertising Standards Canada considered the response satisfactory and suggested the matter was closed.

How long is the Climate Leadership information campaign running for?

The information campaign is scheduled to run until Jan. 15, 2017.

Where are the ads running?

The province-wide campaign includes traditional and online media placements. Media is purchased through media agencies.

TV spots are expected to run on a variety of outlets across the province including CBC, CTV, SportsNet and Global.

What is the budget for this campaign?

The total budget including production and ad buy is \$1.5 million.

Is the \$20 billion figure accurate?

Detailed information from MNGD:

On Feb. 3, 2012, government released British Columbia's Natural Gas Strategy: Fuelling B.C.'s Economy for the Next Decade and Beyond concurrently with the government's Liquefied Natural Gas (LNG) Strategy.

A primary goal: to attract investments necessary for capital planning, market diversification and the development of a LNG industry.

Since early 2012, the Province estimates more than **\$20 billion** has been invested by industry to further B.C.'s LNG opportunity.

This estimate is built using the financial transactions reported by individual companies, as well as capital expenditures reported in natural gas exploration and production by the Canadian Association of Petroleum Producers (CAPP).

Significant interest investments include:

- A **\$2.9-billion** investment made by Mitsubishi Corporation for a 40 per cent interest in an underdeveloped area of the Montney Formation. This investment was part of a deal with EnCana Corporation, known at the Cutback Ridge Partnership. Mitsubishi is a major c-venture partner in LNG Canada.

- A joint-venture **\$1 billion** investment deal with PetroChina purchasing a 20% interest in Shell Canada's Grounbirch assets in the Montney Formation – British Columbia's premier natural gas resource play. PetroChina is also a joint-venture partner in the LNG Canada proposal.
- A joint venture agreement between Nexen Inc. and INPEX Corporation and an investment of **\$1.14 billion** in multiple natural gas projects in northeast British Columbia, including the Horn River Basin, the Cordova Embayment, and the Liard Basin. With the strategic development deal in place, and assets for future exploration, plans for LNG started and the companies are now part of the Aurora LNG proposal.
- An investment by Chevron totalling **\$1.3 billion** to acquire operating interest in Kitimat LNG, the Pacific Trail pipeline, and natural gas rights in both the Horn River Basin and the Liard Basin. The deal resulted with Chevron Canada owning a 50 per cent stake in the Kitimat LNG proposal.
- An acquisition by Woodside Petroleum Ltd. to acquire 50 per cent ownership of Kitimat LNG and the assets linked to the proposal. The purchase from the Apache Corporation was for **\$1.07 billion**.
- A transaction by Progress Energy to purchase **\$1.5 billion** to acquire ownership of assets owned by Talisman Energy, including natural gas interest in the Montney Formation. Progress Energy is the operator conducting upstream activities for the Pacific NorthWest LNG proposal.
- A **\$54 million** investment by JAPEX to acquire a 10% interest in the North Montney resource area. JAPEX is one of the proponents linked to Pacific NorthWest LNG.
- The expansion of FortisBC's Tilbury LNG facility in Delta, for domestic needs and potential export, has already provided **\$60 million** in contract work to business across British Columbia.

CAPP reports out on industry investments – represented by capital expenditures in exploration and production – on an annual basis, and the Province uses these reports to pinpoint an annual amount invested in LNG-related activities. This includes:

- **\$3 billion in 2012**
Total capital investments in upstream = \$5.2 billion / 57% of \$5.2 billion = \$3 billion estimated for LNG
- **\$3.4 billion in 2013**
Total capital investments in upstream = \$5.7 billion / 60% of \$5.7 billion = \$3.4 billion estimated for LNG
- **\$3.2 billion in 2014**
Total capital investments in upstream = \$7.3 billion / 44% of \$7.3 billion = \$3.2 billion estimated for LNG
- **\$2.4 billion in 2015**
Total capital investments in upstream = \$5.0 billion / 48% of \$5.0 billion = \$2.4 billion estimated for LNG

The total amount of industry investment during the 2016 calendar year has yet to be announced.

Rodney Porter | Communications Director
Government Communications & Public Engagement
B.C. Ministry of Advanced Education

Mobile: 250.889.7494 | email: rodney.porter@gov.bc.ca

Smith, Justin GCPE:EX

From: Dila, Mary GCPE:EX
Sent: Thursday, December 22, 2016 10:49 AM
To: Gleeson, Kelly T GCPE:EX; Porter, Rodney GCPE:EX; Woolley, Paul GCPE:EX; Ozawa, Hide GCPE:EX
Subject: FW: Our Ref #141575 – Government of BC – LNG – Television Advertisement
Attachments: 141575 – Government of BC – LNG – TV Ad 22.12.16.pdf
Importance: High

From: Feasby, Janet [<mailto:janet.feasby@adstandards.com>]
Sent: December 22, 2016 10:47 AM
To: Dila, Mary GCPE:EX
Subject: Our Ref #141575 – Government of BC – LNG – Television Advertisement
Importance: High

Hi Mary.

Attached is the letter that we just sent to ^{s.22} : to clarify this matter.

We sincerely apologize for the confusion.

Thank you.



Janet Feasby
Vice President, Standards
Tel: 416 961-6311 x 243
www.adstandards.com



Advertising Standards Canada
Les normes canadiennes de la publicité

Important notice: The information contained in this email is privileged and confidential. It is intended only for the person or entity named above and should not be read by or disclosed to any other person or entity. If you are not the intended recipient of this communication, please notify the sender immediately at 416-961-6311 or by reply email. Thank you in advance for your cooperation.

Smith, Justin GCPE:EX

From: Andrew MacLeod <amacleod@thetyee.ca>
Sent: Friday, December 23, 2016 11:18 AM
To: Porter, Rodney GCPE:EX
Subject: LNG ad

Hi Rodney--

One follow up I should have asked yesterday You mentioned "complaints" in the plural. Anything you can tell me about how many there were and any details you can share from what happened with them?

Thank you,

Andrew

--

Andrew MacLeod
Legislative Bureau Chief
TheTyee.ca
Tel 250-885-7662

Smith, Justin GCPE:EX

From: Andrew MacLeod <amacleod@thetyee.ca>
Sent: Thursday, December 22, 2016 1:48 PM
To: Porter, Rodney GCPE:EX
Subject: Re: ASC excerpt...

Thanks Rodney.

On 2016-12-22 1:13 PM, Porter, Rodney GCPE:EX wrote:

Hi Andrew; Here's some information to assist you including excerpt from the letter I mentioned (last paragraph).

On Nov. 4, 2016, the provincial government launched a Climate Leadership information campaign that included four TV spots: Supplying Clean LNG, Clean Tech, 100% Clean Electricity and Restoring Forests.

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--
Andrew MacLeod
Legislative Bureau Chief
TheTyee.ca
Tel 250-885-7662

From: Bajwa, Raman AVED:EX
Sent: Thursday, December 22, 2016 3:26 PM
To: Porter, Rodney GCPE:EX
Cc: Chalmers, Jennifer AVED:EX; Fougner, Trish GCPE:EX
Subject: Re: Follow up questions from Tyee

Approved.

On Dec 22, 2016, at 2:39 PM, Porter, Rodney GCPE:EX <Rodney.Porter@gov.bc.ca> wrote:

Looking for a clear statement on why the ad was pulled?

Advertising Standards Canada contacted government, suggesting a complaint had been made related to the assertion that \$20 billion has been invested in the LNG industry. Government provided detailed information to substantiate the ad content. Advertising Standards Canada advised that it was going to review the matter - but because the timing of such a review was only a matter of days before the ad buy ended, government opted to replace the ad with the next of four components that are part of the Climate Leadership Campaign. Advertising Standards Canada considered the response satisfactory and suggested the matter was closed.

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The information campaign is scheduled to run until Jan. 15, 2017.

What is the budget for this campaign?

The total budget including production and ad buy is \$1.5 million.

Where are the ads running?

The province-wide campaign includes traditional and online media placements.

Television space is bought by Vizeum.

TV spots are expected to run on XYZ CHANNEL.

Is the \$20 billion figure accurate?

MNG has a detailed factsheet currently in approvals.

Industry has spent an estimated \$20 billion to develop the natural gas assets necessary to deliver the feedstock required for a successful LNG industry in British Columbia.

This investment is represented by upstream investments totaling about \$12 million – and LNG acquisitions and expansions to pursue LNG development, totaling more than \$9 billion.

In establishing a new LNG industry in British Columbia, companies must first invest in the development of an upstream industry to ensure the necessary resource is available for liquefaction once export facilities have been constructed.

It is anticipated that billions more will be spent in the coming years, as projects like PNW LNG, Woodfibre and LNG Canada, to name a few, complete their due diligence and make their final investments, some of which would be the largest single capital investment by industry in British Columbia and perhaps Canada.

Smith, Justin GCPE:EX

From: Porter, Rodney GCPE:EX
Sent: Friday, December 23, 2016 1:20 PM
To: 'Andrew MacLeod'
Subject: RE: LNG ad

Hi Andrew; Sorry for the delay in responding. See information below:

GCPE addressed questions from four individuals.

We know one filed a formal complaint with Advertising Standards Canada.

-----Original Message-----

From: Andrew MacLeod [<mailto:amacleod@thetyee.ca>]
Sent: Friday, December 23, 2016 11:18 AM
To: Porter, Rodney GCPE:EX
Subject: LNG ad

Hi Rodney--

One follow up I should have asked yesterday You mentioned "complaints" in the plural. Anything you can tell me about how many there were and any details you can share from what happened with them?

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