

**WET'SUWET'EN BRIEFING NOTE
FOR MINISTERS – WET'SUWET'EN MEETING SCHEDULED FOR MARCH 21, 2014**

BACKGROUND

- The traditional government of the Wet'suwet'en comprises 13 hereditary chiefs, organized as the Office of the Wet'suwet'en. These chiefs were co-plaintiffs in the Delgamuukw court case, which established aboriginal title has not been extinguished. Within their traditional government the Wet'suwet'en are divided into five clans and 12 house groups.
- The Wet'suwet'en communities have divided into different administrative alliances, for some purposes the Wet'suwet'en First Nation outside of Burns Lake has aligned itself with the Carrier Sekani Tribal Council. The Nee-Tahi Buhn Band and the Skin Tyee First Nation (near Francois Lake) act independently and the Moricetown and Hagwilget Village continue to be aligned with the Office of the Wet'suwet'en.
- The Wet'suwet'en are struggling to integrate hereditary and administrative decision making structures. An influx of industrial activity has exacerbated this tension. The Wet'suwet'en First Nation (Burns Lake), Nee-Tahi Buhn and the Skin Tyee have all signed on to a collective supporting the Pacific Trail Natural Gas Pipeline (PTP). Moricetown has not; they have interest in LNG and the benefits it would facilitate, but unlike the other Bands have been unwilling to sign on to PTP without the support of the hereditary chiefs.
- The Unist'ot'en clan, which is part of the hereditary system, has set up a road block against pipeline development and other industrial activity. The Office of the Wetsuwet'en has issued a declaration against pipelines.
- The Unist'ot'en blockade has been identified as a significant impediment to natural gas development. The Pacific Trails Pipeline group and other proponents are anxious to continue pipeline development work starting this June and investors are watching to see how the province addresses the blockade.
- The Coastal Gaslink and Pacific Northern Gas pipelines are in the environmental assessment process with investigative permits under consideration by the OGC. The OW is participating in this work and has been provided with capacity funding from the province. The proponents are negotiating participation agreements with the OW. TransCanada recently had what it described as a positive meeting with the OW.

DISCUSSION

In the remainder of this paper Wet'suwet'en refers to the community of Moricetown, the Office of the Wet'suwet'en (OW) and the hereditary chiefs.

Informally, the hereditary and Moricetown Council members have indicated various levels of support, concern or opposition to natural gas pipelines.

They are united on the:

- need to honor the hereditary system;

- need to speak publically as one voice and deal with their conflicts internally
- requirement for a high level of environmental stewardship;
- opposition to bitumen pipelines.

The Moricetown council includes some hereditary chiefs, the executive director of the OW office and others elected from the community. The primary employer in Moricetown has been the Kyahwood mill. The mill ran up significant debt and shut down. The Chief and council are anxious to restart the mill. Recent analysis shows with minor capital investment and management support/training, the mill could be profitable. The biggest barrier is outstanding debt (0.6-1M\$). The Council has been approached with a partnership proposal from DH Manufacturing, in return for some of the block supply the company would help get the mill running on a two shift basis.

Social challenges have accelerated in Moricetown since the shutdown of Kyahwood. s.16
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Chief Nikal believes the broader community has not had a proper chance to evaluate the risks and benefits of pipeline development. Along with the other community chiefs and some hereditary chiefs, he is making efforts to address internal governance and communication issues. This work resulted in a collaboration agreement/protocol between hereditary chiefs and Moricetown Council that has since been rescinded. Work is underway to replace it.

In support of Moricetown the Provincial government has:

- Completed an analysis of the Kyahwood operation;
- Provided \$ 0.25 million to reestablish a Moricetown Economic Development Office;
- Funded internal governance meetings;
- Indicated willingness to support mill-related management support/training;
- Offered to renew their Forest Consultation & Revenue Sharing Agreement.

The hereditary chiefs are on record in opposition to pipelines. Opposition originated with Enbridge and was extended to natural gas pipelines. Concerns include cumulative, water, trapping and wildlife impacts, and many site-specific factors. There is general unease on the level of development in the territory, exacerbated by reductions in fish and wildlife populations. This is compounded by a lack of social economic benefits and a strong focus from the OW office on environmental monitoring and protection. The hereditary chiefs distrust any agreements that dilute their claim to title over the entire territory. They have yet to sign any form of 'accommodation' agreement with the Province.

The Unist'ot'en clan appears to be divided in terms of the blockade established by a few of its members. The blockade is supported by some environmental groups. Elements of the clan are calling for a feast so direction can be provided to their chief.

Another important issue is Wet'suwet'en human and social services programing. Through governments 'indigenous approach' OW and BC created a relatively successful alternative delivery approach for child and family services within the community. However, in response to recommendations by the Representative of Child and Youth the OW has been informed that it will lose about \$400k in annual funding. The OW is anxious to continue the funding and delivery

model they created in collaboration with BC. This request appears to have the support of all chiefs. BC has agreed to find ways to try keep the status quo \$400k flowing to the First Nations—it is recommended that ministers confirm funding at the March 21 meeting.

In support of the Wetsuweten the Provincial government has:

- Provided capacity funding for participation in consultation and various studies;
- In consultation with proponents put further pipeline permit processing in abeyance;
- Delivered on many land use planning objectives including establishment of protected and water management areas;
- Collaborated on compliance and enforcement monitoring for environmental certificates and Oil and Gas Commission permits;
- Offered to work on outstanding land use objectives and other stewardship initiatives of importance to the Wet'suwet'en;
- Committed to provide \$37,000 to improve data for the Wet'suwet'en wellness program.

In addition the province has indicated a willingness to:

- Consider extension of funding for the Wet'suwet'en human and social services program;
- Develop a consultation protocol;
- Consider entering into negotiations of a Strategic Engagement Agreement;
- Collaborate on various stewardship initiatives.

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As part of this, Chevron/Apache has provided significant support, including \$226,000 of capacity funding, \$312,000 for non-required environmental studies of interest to the OW and \$286,000 to work with the OW to meet the needs of its environmental certificate. The companies have indicated a willingness to help Moricetown in social, economic ways but because of the stance of the hereditary chiefs discussions have not progressed.

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BC has an agreement with a First Nation Limited Partnership comprised of First Nations along the PTP route that will provide \$32m once constructions commences. Moricetown is the only First Nation of 16 along the route to not join the Limited Partnership. Bob Rea, chair of the Limited Partnership, will be speaking to Moricetown Council later this month about the benefits available if they join the agreement. The FNLP First Nations have met and are considering ways to help the Wet'suwet'en reconsider their position on pipelines but the Wet'suwet'en

community chiefs believe that they need to come together with the hereditary chiefs prior to any such effort.

NEXT STEPS:

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On

February 18 the province provided Chiefs with a letter documenting past consultation and actions taken and possible in regard to stewardship.

On Feb 27 provincial staff met with OW to answer questions in regard to recent activities with Moricetown and to confirm offers to collaborate on stewardship and socio-economic initiatives. The province was asked to identify three to five of the most plausible, significant actions/agreements it was prepared to undertake. In response, the OW was advised the Ministers were likely to respond favourably to:

- Immediate (by April 15) development of government to government term sheet which includes commitments to:
 - continued support of the Wet'suwet'en wellness program;
 - a moderate amount¹ of economic development money (likely used for Kyahwood);
 - Collaboration and capacity support² to assess the impacts of resource development in OW territory by undertaking a Multi Resource Values Assessment, including resource effectiveness monitoring and the potential application of a provincial cumulative effects assessment framework.
 - Collaboration and capacity support³ for further work on the protection and management of water.
 - A commitment to work with the OW to finalize old growth management areas and establish additional land reserves for the protection of key cultural areas.
- Enhancement of the government to government term sheet (by May 15) to address:
 - Development of a consultation protocol;
 - Skills training protocol;
- Periodic meetings with Minister(s) to monitor progress on the above

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On Feb 28 PTP proponents and regulators met by phone to better define the timeline to resume and complete consultation on the permits necessary to carry out this summer's investigative work. Regulators indicated they are not likely to complete consultation and issue the permits by

¹ Anticipated amount - \$ 300,000

² Anticipated amount - \$ 100,000

³ Anticipated amount - \$ 100,000

the desired date of June 1. Without enhanced collaboration from the OW, July 1 is a more achievable target.

March 1 – Wet'suwet'en governance meetings commenced to develop an internal decision making protocol. Information is this meeting was not well attended and some pipeline support emerged.

Over the next few weeks the following will occur:

- This week OGC staff will advise OW they do not consider the cease and desist order they were provided by OW legal and want to reengage.
- March 20 – Wet'suwet'en chiefs meet internally; provincial staff meet with OW staff to debrief and discuss Ministers' meeting later that evening.
- March 21 – Meeting between Wet'suwet'en Chiefs and Ministers
- March - Chevron/Apache representative meet OW staff to discuss a possible environmental protocol and their desire to move forward with pipeline permits and investigative work.
- March - April - FNLP lead (Bob Rae) to meet Moricetown council
- March 22 - Moricetown pipeline community meeting scheduled

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The nature and specifics of the above and any additional strategies and actions are reviewed daily in response to timing shifts, new information and OW responses. .

POSSIBLE AGENDA ITEMS FOR WET'SUWET'EN - MINISTERS MEETING

A draft agenda has been prepared and is being finalized:

Welcome and Greetings

Opening Prayer

Introductions and Opening Comments

Chiefs

Ministers

Areas for Discussion:

Establishing a Solid Government to Government Relationship

Child and Family Services/Wet'suwet'en Wellness Working Group

Economic Opportunities

Environmental Stewardship

Liquefied Natural Gas

Next Steps

Under these topics the following can be discussed:

<u>Topic</u>	<u>Possible Comments/Commitment</u>
Government to government relations	Recognize importance of hereditary system Commit to Negotiate Consultation Protocol Negotiate Strategic Engagement Agreement
Wet'suwet'en wellness program	Commit to ongoing program funding from MCFD
Economic Opportunities	Pipelines bring resources/training Commit to Kyahwood mngt training/support Commit to community development funding
Stewardship	Pipeline investigative work important to get info Completion of Old Growth Mngt Areas Land reserves on critical areas Riparian analysis work/capacity Multi Resource Value Assessment Provincial Environmental Stewardship Initiative
LNG	Importance of doing pipelines properly No oil conversion Economic importance

In a recent conversation OW staff indicated chiefs may want to talk about their concerns about the preliminary strength of claim work carried out by the province. They believe this work is inadequate. The province the indicated the work is preliminary and more work can be done.

APPENDIX 1: EXAMPLES OF ANTICIPATED TERM SHEET WORDING

Community development: The well being of Wet'suwet'en people and communities is important to Wet'suwet'en leaders and the province. Moricetown has been impacted by closure of the largest employer in the community. The Province is prepared to provide the Wet'suwet'en with \$300K for actions to improve economic and social conditions in the community of Moricetown.

Multi Resource Values Assessment: The conservation and management of key environmental values including riparian areas, wildlife and water within Wet'suwet'en traditional territory is a priority for both the Province and the Wet'suwet'en. The Province is prepared to provide Wet'suwet'en with \$100K in capacity support to work in partnership with the Province on implementation of a Multi Resource Values Assessment assessment and management framework that encompasses their traditional territory. The Province will tailor aspects of the project to the needs of Wet'suwet'en, in particular, the inclusion of select Wet'suwet'en values as key values in the assessment.

Protection and management of water: The protection and sustainable management of water within Wet'suwet'en traditional territory is a priority for both the Province and the Wet'suwet'en. The Province is prepared to provide Wet'suwet'en with \$100K in funding to build Wet'suwet'en capacity and to support work on strategic water issues of importance within their traditional territory.