

MINISTRY OF ABORIGINAL RELATIONS  
AND RECONCILIATION  
BRIEFING NOTE

File: 280-20

Date: August 1, 2014  
Ref. No. 34944

I Prepared for the **INFORMATION** of Honourable John Rustad, Minister

II ISSUE:

CN/ED	_____
ADM	_____
DM	_____

III BACKGROUND:

Information for the Minister's meeting with the Regional District of Bulkley Nechako Board of Directors, regarding natural gas pipeline development for LNG.

There are six pipeline projects under consideration to deliver natural gas to proposed LNG facilities on the BC coast. Five pipelines originating in BC's northeast will cross the Province, through the Regional District of Bulkley Nechako (RDBN), to Prince Rupert and Kitimat (listed in Appendix A, attached). In the south, a sixth pipeline would branch from an existing mainline to serve an LNG facility contemplated for the Lower Mainland.

To initiate the climate of financial certainty required by industry, the Province has offered financial benefits to the 32 First Nations that are affected by the 5 pipelines proposed for northern BC. 20 of the affected First Nations assert traditional territory within the administrative boundaries of the RDBN (listed in Appendix B, attached).

The timing of the Province's financial benefits is based on each pipeline proponent's progress in the regulatory process. In 2008, agreements were reached with the First Nations affected by the proposed Pacific Trail Pipeline. Earlier this year, at the direction of Treasury Board, MARR negotiators began a process of providing capacity funding and presenting financial benefits to the First Nations affected by the next three proposed northern pipelines.

In addition to a financial offer, the three recent benefits packages will also include an environmental legacy initiative, and a skills training development program. The environmental legacy will focus on bringing First Nations, governments and industry together to monitor, assess, research and restore important environmental values on the land. The skills training program will assess the needs of specific First Nation communities, and work with community leaders to identify opportunities for their members to access, coordinate, and maximize skills training programs and services.

First Nations are now considering the Province's financial offers, and a series of collaborative workshop sessions are being planned to design, develop and deliver the environmental and skills training components.

#### IV DISCUSSION:

First Nations have raised issues that are of concern to their communities. These issues may be related specifically to natural gas pipeline development, but concerns also include environmental and economic development issues. There is an expectation that LNG development in BC will address critical socio-economic needs in their traditional territories.

Additionally, given the recent Supreme Court of Canada *Tsilhqot'in* decision there has been much discussion regarding the Province's approach to Aboriginal title in the context of pipeline development. The Province is working with First Nations and industry to ensure that the Province fulfills its duty to consult and addresses any potential accommodation for potential title infringements.

#### V CONCLUSION:

- Existing regulatory processes include consultation and accommodation processes which will address First Nations interests and concerns about potential impacts of projects.
- The Province has always preferred negotiation to confrontation or litigation, as the best way to resolve issues of Aboriginal rights and title.
- In regards to natural gas pipelines, MARR negotiators have presented financial benefits offers to 32 First Nations in northern BC (20 in the RDBN).
- In addition to financial offers, the Province will work with First Nations and industry to design, manage and deliver an environmental stewardship initiative, and locally targeted skills training programs.
- It is the Province's expectation that the benefits programs, coupled with those offered by pipeline proponents, will address and improve the socio-economic conditions currently experienced in some of BC's most geographically remote First Nation communities.
- It is the Province's position that successful reconciliation with First Nations will produce long-term social, economic and cultural benefits for all British Columbians.

## Appendix A

### **Natural gas pipeline projects proposed within the administrative boundaries of the Regional District of Bulkley-Nechako, and development timelines.<sup>1</sup>**

**1. Pacific Trail Pipeline (Chevron) – Summit Lake to Kitimat**

Proponent expects to commence construction in 2014/2015 and operational by 2018

Financial Benefits from BC negotiated in 2008.

**2. Coastal Gas Link (TransCanada) - Dawson Creek to Kitimat**

Proponent expects to commence construction in 2015 and operational by 2020

Financial Benefits funded by BC offered in 2014, discussions underway.

**3. Prince Rupert Gas Transmission Project (TransCanada) – near Hudson's Hope to Prince Rupert**

Proponent expects to commence construction in 2015 and operational by 2018

Financial Benefits funded by BC offered in 2014, discussions underway.

**4. Westcoast Gas Connector (Spectra Energy) – near Fort St. John to Prince Rupert**

Proponent estimates that construction commence mid-decade and complete by the end of the decade.

Financial Benefits funded by BC offered in 2014, discussions underway.

**5. Pacific Northern Gas Looping Project (PNG Ltd.) - Summit Lake to Kitimat**

Proponent expects to commence construction in 2015 and operational by 2016

Financial Benefits funded by BC offered in 2014, discussions underway.

<sup>1</sup> Timelines based on most recent information published by proponents.

## Appendix B

### **First Nations with asserted traditional territory within the administrative boundaries of the Regional District of Bulkley-Nechako**

1. Gitanyow Hereditary Chiefs
2. Gitxsan Hereditary Chiefs
3. Lake Babine Nation
4. Lheidli T'enneh First Nation
5. Nee Tahi Buhn First Nation
6. Skin Tyee First Nation
7. s.16
8. Wet'suwet'en First Nation
9. Office of the Wet'suwet'en
10. Yekooche First Nation
11. Burns Lake Band
12. Saik'uz First Nation
13. Nak'azdli First Nation
14. Nadleh Whut'en First Nation
15. Stelat'en first Nation
16. Takla Lake First Nation
17. Tl'azt'en First Nation
18. McLeod Lake Indian Band
19. Halfway River First Nation
20. West Moberly First Nations

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Additionally, given the recent Supreme Court of Canada *Tsilhqot'in* decision there has been much discussion regarding the Province's approach to Aboriginal title in the context of pipeline development. The Province is working with First Nations and industry to ensure that the Province fulfills its duty to consult and addresses any potential accommodation for potential title infringements.

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