#### MINISTRY OF ENVIRONMENT INFORMATION NOTE

May 5, 2015 File:

CLIFF/tracking #: 283649

**PREPARED FOR:** Honourable Mary Polak, Minister of Environment

**ISSUE:** British Columbia/Canada collaboration with US jurisdictions on marine spill preparedness and response

#### **BACKGROUND:**

Close collaboration with neighbouring jurisdictions is critical to a world-leading marine spill response regime. Cross-border partnerships and mutual aid agreements enable all jurisdictions to cooperate and coordinate on prevention, preparedness, response and recovery efforts, and facilitate the movement of response resources and personnel from one jurisdiction to another during a major emergency. Further, in the case of British Columbia's shared borders with both Alaska and Washington, it is imperative that Canadian and American responders are prepared to work seamlessly in the event of a trans-boundary spill (where a spill beginning in one jurisdiction spreads over the coastal waters and shorelines of both countries).

It is because of the threat of trans-boundary spills and the potential need for mutual aid (see summary item No.4) that British Columbia and Canada have developed formal agreements with partner US jurisdictions. These are:

#### 1. Pacific States/British Columbia Oil Spill Task Force

The Task Force was established in 1989 by British Columbia and Washington State as a result of the significant cross-border challenges that arose during the 1988 Nestucca oil barge incident off the coast of Washington. Soon after, Alaska, Oregon, and California joined, with Hawaii joining in 2001. Its key purposes are to share information among members about spill prevention, preparedness, response and recovery, facilitate joint projects to advance spill response practices, encourage best practices for industry, and work collectively to advance policies that help prevent oil spills and protect resources at risk, among other activities.

The Task Force meets four times annually to discuss emerging issues and complete a wide variety of activities based on the Task Force's strategic and annual work plans. Every year the Task Force holds an annual meeting and every three years hosts the Clean Pacific oil spill conference. BC is hosting this year's Task Force on June 16-18, 2015. The conference provides a forum for responders, operators, regulators, equipment providers, First Nations and key stakeholder groups to openly discuss best practices and industry trends. This year the focus is on the growth in crude transportation across the west in response to growing concerns with pipelines and oil by rail incidents.

# 2. Canada-US Joint Marine Pollution Contingency Plan and Canada-US Joint Inland Plan

The purpose of the plan is to provide a coordinated system for planning, preparedness and response to spills in trans-boundary areas. It supplements the existing national response system of each country to ensure cooperative bilateral response planning at both the local and national level. There are two annexes to the marine plan that involve British Columbia, one covering the Juan de Fuca Straight (CANUSPAC) and the other covering the Dixon Entrance between Haida Gwaii and Alaska (CANUSDIX) for marine incidents. There are also two annexes to the inland plan that address terrestrial and freshwater spills that cross international borders covering southeast Alaska (CANUSWEST-NORTH), Washington, Idaho, and Montana (CANUSWEST).

These plans were developed to assist federal, state/provincial, local, and tribal/aboriginal responders to mitigate the effects of oil and hazardous material spills on human health and safety, environment, and property by specifying the processes needed to facilitate an effective response to environmental emergency incidents on either side of the British Columbia – Canada – US border. Participants include the Border States, British Columbia, the respective coast guards (ship source spills), the US Environmental Protection Agency and Environment Canada (terrestrial and freshwater source spills).

#### DISCUSSION:

Preparing for spill response across borders where authorities, rules and requirements in one jurisdiction differ from those in another create challenges. The purpose of the Canada-US Plan is to overcome those challenges before a spill occurs. The annexes to this plan are supposed to be tested in large-scale exercises in alternating years. The CANUSDIX exercise schedule has been consistent over the last five years, with the next one occurring in Prince Rupert in August 2015. However, the CANUSPAC exercise has been less consistent (though one was held last year in Blaine, Washington). The meetings and exercises on the inland plans have been even less consistent.

Previously, rules under the *Canada Shipping Act*, limited the ability for US responders to cross over into Canada in the event of a major spill (responder immunity was not guaranteed in Canada like it was in the US so responders were not prepared to come to Canada and face the liability risks associated with responding). This major administrative issue has recently been addressed by Canada, however US based response organizations continue to express legal concerns.

Canada's capacity to respond to spills has long been criticized by US neighbours. For example, FOI requests in the US revealed that in 2013 Washington Department of Ecology officials briefed their governor to express concern about BC's lack of authority over marine waters and the fact that the federal regime is far behind the capacity of what Washington State has in place.

#### **SUMMARY:**

Five areas related to trans-boundary spill preparedness and responses that must be addressed to build a world-leading marine spill response regime are:

- (1) robust and sustained program for cross-border training, drills, and large scale exercises with full participation from federal and provincial agencies, local government, and First Nations;
- (2) ensuring that there are surplus resources that can be released from their respective jurisdiction, and the legal provisions are in place to allow for the rapid mobility of responders to respond across borders;
- (3) increased response capabilities and capacity in Canada to ensure an effective response;
- (4) considering mutual aid, state, provincial, and federal regulators and the industry plan-holders themselves must have agreements in place to clarify what resources can and cannot be released, and the approval process for enabling mutual aid to occur, (see Task Force report for detail:

  <a href="http://oilspilltaskforce.org/docs/Final\_US\_Canada\_Transboundary\_Project\_Report.pdf">http://oilspilltaskforce.org/docs/Final\_US\_Canada\_Transboundary\_Project\_Report.pdf</a>); and
- (5) clarity on how improvements to Canada's regime integrate with the existing arrangements under the Canada-US Joint Marine Pollution Contingency Plan.

Contact:Alternate Contact:Prepared by:Lori HallsJim HofweberGraham KnoxEPDEEP & LR BranchDirector, EEP250-397-9997250 387-9971250 356-8383

Reviewed by	Initials	Date
DM	WS	May 19, 2015
DMO		
ADM		
ED		
EEP Dir.		
SPB-IGR Dir.		
Author	BJVS	May 5, 2015

# MINISTRY OF ENVIRONMENT INFORMATION NOTE

Date: May 11, 2015

File: 280-30

CLIFF/tracking #: 283961

#### PREPARED FOR: Minister of Environment, Honourable Mary Polak

**ISSUE:** Environment Canada has put "on hold" a plan to develop a national database to track wildlife crimes and suspended hunters, anglers and trappers.

#### **BACKGROUND:**

s.12.s.13

s.13,s.16

#### **DISCUSSION:**

In order for reciprocal suspensions to work, Canadian jurisdictions need a central database to hold the necessary information about suspended hunters, anglers and trappers. s.13,s.16 s.13,s.16

In March 2015, however, EC unexpectedly put "on hold" their plans to develop the database, s.12,s.16

The following agencies and stakeholders strongly support the reciprocal suspension initiative and have indicated that they will be sending letters to EC to encourage a re-start of the work on a national database:

- BC Wildlife Federation
- Conservation Officer Service
- Canadian Natural Resources Law Enforcement Chiefs' Association
- Canadian Wildlife Directors Committee
- the Prime Minister's appointed Hunting and Angling Advisory Panel

Ministry staff believe all Canadian jurisdictions unanimously support development of the database and that, at this point, s.13,s.16

#### **NEXT STEPS:**

Recommend Minister Polak send the attached letter to federal Minister of Environment, Honourable Leona Aglukkaq, expressing BC's desire for the development of the national database to be re-initiated.

#### **Attachment:**

Letter from Honourable Mary Polak, BC Minister of Environment to Honourable Leona Aglukkaq, Minister of the Environment, Canada (283963)

Contact:	Alternate Contact:	Prepared by:
Anthony Danks	Gwenda Laughland, Director	Tim D Janzen
Executive Director of	Compliance Policy &	Senior Policy Advisor
Strategic Policy Branch	Planning Section	Compliance Policy &
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		Ph: 250.356.1363

Reviewed by	Initials	Date
DM		
ADM		
Exec Director	AD	
Director	LP	May 11/15
Director	GL	May 11/15
Author	TJ	May 11/15



Reference: 283963

May 27, 2015

The Honourable Leona Aglukkaq, PC, MP Minister of the Environment Government of Canada House of Commons Ottawa ON K1A 0H3

Dear Minister:

s.12,s.13,s.16

s.13,s.16

British Columbia is keenly interested in the protection of our wildlife \$.12,s.13 s.12,s.13

...2

I strongly urge you to reconsider the importance of this project and restart the working group tasked with its development. British Columbia is looking forward to working with Environment Canada on this important step towards modernizing the way Canadian wildlife enforcement agencies share information and track crime that harms our natural resources.

Sincerely,

Mary Polak Minister

# MINISTRY OF ENVIRONMENT INFORMATION NOTE

May 13, 2015 March 10, 2015 File:

CLIFF/tracking #: 284032

**PREPARED FOR:** Honourable Mary Polak, Minister of Environment and Honourable Bill Bennett, Minister of Energy and Mines

**ISSUE:** Indemnity Agreements for Mines

#### **BACKGROUND:**

The Province has been approached regarding options to extinguish liability at two Barrick Gold mine sites (Eskay Creek mine and SNIP mine). These mines are both located in NW BC and were operating gold mines that have since closed. Both mines were permitted and have long-term monitoring and maintenance requirements. The Ministry of Energy and Mines (MEM) holds financial security for both.

A prospective purchaser has approached Barrick Gold about the purchase of the sites and Barrick would like a commitment from government that they would no longer be responsible for any remediation or environmental liability from the two closed mines should they be transferred. The Ministry of Environment currently has little or no information on contaminant liabilities at these two mines.

The *Environmental Management Act* is the provincial legislation which deals with liabilities of various parties related to contaminated sites on both public and private land. The principles embodied in the legislation are national principles for "polluter pay". Section 45 of EMA lists the people who may be considered responsible for cleaning up contaminated sites. These include:

- a current owner or operator of a site;
- a previous owner or operator of a site;
- a producer or transporter of a substance that caused contamination; and
- any of the above if a site was contaminated by a substance migrating from an adjacent site.

Under EMA, a responsible person is "absolutely, retroactively and jointly and severally liable to any person or government body for reasonably incurred costs of remediation of the contaminated site, whether incurred on or off the site". These liability principles apply despite the terms of any historic, abandoned or current permit or approval that authorizes the discharge of waste into the environment.

The *Financial Administration Act* requires that all indemnities agreed to by government require the prior written authority of the Minister of Finance or that the director of the Risk Management Branch of the Ministry of Finance, or a person specified by the director has given prior written assurance that the proposal for the indemnity has been reviewed and accepted by the Risk Management Branch.

Approval for guarantees on behalf of government also requires the Minister of Finance's prior written approval unless the liability is less than \$1 million or if the LGiC approves in writing after consulting with Treasury Board.

#### **DISCUSSION:**

The assistance being sought in this case may include an indemnity, a guarantee or both. Environmental indemnifications that provide a direct benefit to a party, other than the provincial government, are considered an exception by the Risk Management Branch.

Over the last 20 years, of the few exceptions where the Province entertained such agreements, the indemnification requests have been at the request of the party interested in acquiring the lands not the vendor of the lands and have demonstrated an ability to meet a provincial objective. In these few cases, the circumstances have largely been that the previous responsible person for the lands has either gone bankrupt or the company responsible has been dissolved (e.g., Port Alice pulp mill, Nexen at Squamish).

The steps for seeking liability indemnification are as follows:

### 1. Framework for Evaluating Requests for Assistance to Develop Contaminated Sites

The framework is a policy, approved by Cabinet, which sets out principles and criteria to guide provincial decision making where the Minister of Finance, Cabinet or another ministry wish to further review the possibility of providing an indemnity. Under the framework, indemnification should not undermine established polluter pay principles and the 'no subsidy' policy. Senior staff from the relevant ministries (ENV, JTST, MEM, FIN) meet with and without the proponent to evaluate the request in light of the principles and criteria of the framework.

#### 2. Financial Administration Act and Guarantees and Indemnities Regulation

If the proposed assistance (indemnity or guarantee) is supported by the ministries participating in the Framework evaluation, the sponsoring ministry (in this case JTST or MEM) would bring the request forward to Treasury Board and Cabinet for consideration pursuant to the FAA. If supported by Treasury Board and Cabinet determines it is in the public interest, Cabinet would then, by OIC, grant the appropriate instruments with any applicable conditions.

Attachments: 1. Briefing Note 276525 prepared for Deputy Shoemaker

Contact: Alternate Contact: Prepared by:

Lori Halls Assistant Deputy Minister Environmental Protection Division 250-387-9997

[Insert additional rows if needed]

Reviewed by	Initials	Date
DM	WS	May 14/15
		14/15
DMO		
ADM		
Dir./Mgr.		
Author		

#### MINISTRY OF ENVIRONMENT INFORMATION NOTE

March 10, 2015 File: 280-20

CLIFF/tracking #: 276525

**PREPARED FOR:** Wes Shoemaker, Deputy Minister, Ministry of Environment

**ISSUE:** Indemnity Agreements for Mines

#### BACKGROUND:

The Province has been approached regarding options to extinguish liability at two Barrick Gold mine sites (Eskay Creek mine and SNIP mine). These mines are both located in NW BC and were operating gold mines that have since closed. Both mines were permitted and have long-term monitoring and maintenance requirements. The Ministry of Energy and Mines (MEM) holds financial security for both.

A prospective purchaser has approached Barrick Gold about the purchase of the sites and Barrick would like a commitment from government that they would no longer be responsible for any remediation or environmental liability from the two closed mines should they be transferred. The Ministry of Environment currently has little or no information on contaminant liabilities at these two mines.

The *Environmental Management Act* is the provincial legislation which deals with liabilities of various parties related to contaminated sites on both public and private land. The principles embodied in the legislation are national principles for "polluter pay". Section 45 of EMA lists the people who may be considered responsible for cleaning up contaminated sites. These include:

- a current owner or operator of a site;
- a previous owner or operator of a site;
- a producer or transporter of a substance that caused contamination; and
- any of the above if a site was contaminated by a substance migrating from an adjacent site.

Under EMA, a responsible person is "absolutely, retroactively and jointly and severally liable to any person or government body for reasonably incurred costs of remediation of the contaminated site, whether incurred on or off the site". These liability principles apply despite the terms of any historic, abandoned or current permit or approval that authorizes the discharge of waste into the environment.

The *Financial Administration Act* requires that all indemnities agreed to by government require the prior written authority of the Minister of Finance or that the director of the Risk Management Branch of the Ministry of Finance, or a person specified by the director has given prior written assurance that the proposal for the indemnity has been reviewed and accepted by the Risk Management Branch.

Approval for guarantees on behalf of government also requires the Minister of Finance's prior written approval unless the liability is less than \$1 million or if the LGiC approves in writing after consulting with Treasury Board.

#### DISCUSSION

The assistance being sought in this case may include an indemnity, a guarantee or both. Environmental indemnifications that provide a direct benefit to a party, other than the provincial government, are considered an exception by the Risk Management Branch.

Over the last 20 years, of the few exceptions where the Province entertained such agreements, the indemnification requests have been at the request of the party interested in acquiring the lands not the vendor of the lands and have demonstrated an ability to meet a provincial objective. In these few cases, the circumstances have largely been that the previous responsible person for the lands has either gone bankrupt or the company responsible has been dissolved (e.g., Port Alice pulp mill, Nexen at Squamish).

The steps for seeking liability indemnification are as follows:

### 1. Framework for Evaluating Requests for Assistance to Develop Contaminated Sites

The framework is a policy, approved by Cabinet, which sets out principles and criteria to guide provincial decision making where the Minister of Finance, Cabinet or another ministry wish to further review the possibility of providing an indemnity. Under the framework, indemnification should not undermine established polluter pay principles and the 'no subsidy' policy. Senior staff from the relevant ministries (ENV, JTST, MEM, FIN) meet with and without the proponent to evaluate the request in light of the principles and criteria of the framework.

#### 2. Financial Administration Act and Guarantees and Indemnities Regulation

If the proposed assistance (indemnity or guarantee) is supported by the ministries participating in the Framework evaluation, the sponsoring ministry (in this case JTST or MEM) would bring the request forward to Treasury Board and Cabinet for consideration pursuant to the FAA. If supported by Treasury Board and Cabinet determines it is in the public interest, Cabinet would then, by OIC, grant the appropriate instruments with any applicable conditions.

. .

Attachment: Briefing Note 89069 prepared for Minister Bill Bennett

Contact:	Alternate Contact:	Prepared by:
Lori Halls	Jim Hofweber,	Mike Macfarlane
Assistant Deputy Minister	Executive Director,	Director,
Environmental Protection	Environmental Emergencies	Land Remediation Section
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DM		
DMO	VJ	March 12/15
ADM	LH	March 12/15
ED	JH	March 5/15
Dir./Mgr.	MWM	March 5/15
Author		

Date: March 10, 2015 Cliff No.: 89069

# MINISTRY OF ENERGY AND MINES BRIEFING NOTE FOR INFORMATION

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

II ISSUE: March 11, 2015 meeting with Ron Netolitzky and Wendy Chan regarding the impact of government policy on asset transfers from senior to junior mining companies

#### III BACKGROUND:

In a discussion with Wendy Chan, business strategist with Moxie Strategy at AME BC's Mineral Exploration Roundup 2015, the impact of government policy on asset transfers from senior to junior mining companies was raised with Minister Bennett. Ron Netolitzky, an accomplished Canadian geologist, was identified as a key contact for further discussion on this matter.

Mr. Netolitzky has over 30 years of experience in mining exploration and has been described as "one of the greatest geologists of his generation." He received the 1990 Prospector of the Year Award from the Prospectors and Developers Association of Canada (PDAC) and was inducted into the Canadian Mining Hall of Fame in January 2015.

Mr. Netolitzky is best known for his instrumental role in finding and developing the Eskay Creek and Snip mines in northwest BC. The Eskay Creek mine operated from 1995 to 2008 and produced over 3.5 million ounces of gold and 160 million ounces of silver over its production lifetime. Snip mine primarily produced gold, generating over one million ounces over its production lifetime, in addition to silver and copper byproducts. Snip mine opened in 1991 and closed in 1999.

Mr. Netolitzky's current work includes:

- Acting Chief Executive Officer of Boss Power Corp. since April 2013
- Advisor of Nickel North Exploration Corp. since August 2012
- Advisor of Sama Resources Inc.
- Chief Executive Officer and President of Masuparia Gold Corp. since September 2011 and serves as its Chairman
- President of Keewatin Consultants Inc. since April 1988

#### IV DISCUSSION:

There is a concern that current government policy regarding environmental liability is negatively affecting mineral exploration and development in BC. Specifically, a prospective buyer has approached Barrick about the purchase of the Eskay Creek and Snip mine sites and Barrick would like a commitment from government that they would no longer be responsible for any remediation or environmental liability from the two closed mines should they be transferred. The Eskay Creek and Snip mines were permitted and have long-term monitoring and maintenance requirements.

Under the *Mines Act*, a permit can be transferred through application and the new permit holder assumes responsibility for the reclamation requirements. However, under the *Environmental Management Act* (EMA), a responsible person is "absolutely, retroactively and jointly and separately liable to any person or government body for reasonably incurred costs of remediation of the contaminated site, whether incurred on or off the site." These liability principles apply despite the terms of any historic, abandoned or current permit or approval that authorizes the discharge of waste into the environment. As a result, Barrick would continue to be responsible for the environmental condition of the sites following the transfer of assets.

According to the Ministry of Environment the steps for seeking liability indemnification are as follows:

### 1. Framework for Evaluating Requests for Assistance to Develop Contaminated Sites

The framework is a policy, approved by Cabinet, which sets out principles and criteria to guide provincial decision making where the Minister of Finance, Cabinet or another ministry wish to further review the possibility of providing an indemnity. Under the framework indemnification should not undermine established polluter pay principles and the no subsidy policy. Senior staff from the relevant ministries (MOE, JTST, MEM, Finance) meet with and without the proponent to evaluate the request in light of the principles and criteria of the framework.

# 2. Financial Administration Act (FAA) and Guarantees and Indemnities Regulation

If the proposed assistance (indemnity or guarantee) is supported by the ministries participating in the Framework evaluation, the sponsoring ministry (in this case JTST or MEM) would bring the request forward to Treasury Board and Cabinet for consideration pursuant to the FAA. If supported by Treasury Board and Cabinet determines it is in the public interest, Cabinet would then, by OIC, grant the appropriate instruments with any applicable conditions.

#### **V CONCLUSION:**

The Province has held that indemnification of environmental liability should not undermine established polluter pay principles and government's no subsidy policy. In addition, s.13 s.13

PREPARED BY:

Neal Dobinson 250-952-0521

**REVIEWED BY:** 

Nathaniel Amann-Blake, ED √ David Morel, ADM David Nikolejsin, DM

# MINISTRY OF ENVIRONMENT MEETING INFORMATION NOTE

Date: May 26, 2015

File:

CLIFF/tracking #: 283998

**PREPARED FOR:** Honourable Mary Polak, Minister of Environment

**DATE AND TIME OF MEETING:** June 3, 2015 at 3:15 PM

**ATTENDEES:** Barry Pages, Chair & Director (Village of Masset), Skeena Queen Charlotte Regional District

**ISSUE(S):** Environmental emergency response to marine risk in Northwest British Columbia.

#### **BACKGROUND:**

The Board of the Skeena-Queen Charlotte Regional District initially expressed concern over emergency response in the Northwest marine environment following the M.V. Simushir incident on October 17, 2014. The incident involved the Russian bulk cargo ship, M.V. Simushir, which lost power and drifted within 5.6 nautical miles of the coast of Haida Gwaii. The Canadian Coast Guard arrived on scene about 14 hours after the Simushir requested assistance and was able to provide limited aid. An American tugboat was eventually able to tow the Simushir to Prince Rupert 39.5 hours after the initial request for assistance. Following the incident, the Board contacted Minister Polak requesting increased local resources to respond to potential spill risks to the Northwest marine environment.

The Ministry of Environment's participation in the incident included the activation of its Emergency Operations Centre in Victoria and the deployment of five Incident Management Team members to the Village of Queen Charlotte to establish an Incident Command Post. Chief Administrative Officer Joan Merrick represented the Skeena-Queen Charlotte Regional District at the time of the incident.

As the lead provincial program in the prevention, preparedness, mitigation, and response to spills that effect the environment, the Ministry of Environment's Environmental Emergency Program continues its work in addressing concerns arising from this incident and others in cooperation with other provincial agencies, industry, local governments, the federal government, First Nations and other stakeholders.

#### 1. Lessons from the Simushir Event

Lessons from the Simushir hosted by the Council of the Haida Nation in May 2015 in Skidegate, Haida Gwaii, examined the Simushir incident in detail with representatives from the Haida Nation and other coastal First Nations, federal and provincial staff, including the Environmental Emergency Program. Participants identified lessons learned

in an effort to apply those lessons to the current emergency response system. A summary report is expected soon.

#### 2. Marine Planning Partnership for the North Pacific Coast

As part of a co-led partnership between the Province of B.C. and 18 coastal Nations, the Marine Planning Partnership (MaPP) for the North Pacific Coast, held a series of two-day workshops throughout the North Coast, including Haida Gwaii, in Spring, 2014 to develop a better understanding of response preparedness for the area. Following the completion of these collaborative stakeholder workshops, MaPP completed four subregional marine plans (Central Coast, Haida Gwaii, North Coast, and North Vancouver Island) providing recommendations for key areas of marine management, including uses, activities and protection. The Province was a key participant in these workshops and is now focused on drafting implementation agreements for future action with First Nations.

#### 3. Legislative Review

As a result of work with industry, First Nations, local governments and other stakeholders throughout 2013 and 2014, the Ministry released a second policy intentions paper that clearly articulates the policy it intends to advance to achieve world leading land-based spill response. Requirements under consideration will address:

- New spill preparedness, response and restoration requirements (e.g., response times, geographic response plans, response equipment, planning requirements, communication requirements, exercises, training, and a recovery process.)
- A provincially regulated preparedness and response organization; and,
- An enhanced Environmental Emergency Response Program to ensure the province has the ability to fully participate in and administer the new regime.

Many of the new requirements will also apply in the marine setting.

The Ministry will continue to engage local government, first nations and industry as work on the development of new regulations advances.

# 4. NUKA Research report on the current gaps and opportunities for improving prevention, preparedness, response and recovery for marine spill incidents

A comprehensive study assessing current marine-spill preparedness and response capabilities was released by the Province in October 2013. The study outlines necessary improvements to achieve a world-class system to ensure B.C.'s coast is protected from potential marine spills. The study was commissioned to provide B.C. with an independent assessment of the existing federal marine spill regime. Links to the report were sent to SQCRD previously.

#### 5. Jurisdictional Challenges

Jurisdiction for marine spills and their impacts is complicated by the division of constitutional powers in Canada and the various levels and agencies of government that have enacted specific legislation that governs shipping, environment, wildlife, etc. The

federal government has constitutional authority for navigation and shipping and is taking steps to strengthen ship source oil spill preparedness and response including 2014 amendments to the *Canada Shipping Act* and the release of 45 recommendations to strengthen Canada's overall preparedness and response regime through Phase I of the Tanker Safety Expert Panel review.

The Ministry of Environment provided feedback on this regime and continues to work with federal partners to improve the spill prevention, preparedness and response regime across the province with respect to spills in both marine and land-based environments.

#### **DISCUSSION:**

The M.V. Simushir incident raised questions about the current northwest coastal marine safety system, and whether the province, the federal government, industry and coastal communities are sufficiently prepared to respond to these types incidents. Current concerns impacting effective provincial and federal response to a marine spill include:

- Challenges in responding in a remote area including housing and feeding responders, transporting equipment and personnel over large distances, lack of disposal facilities and a lack of salvage or marine fire-fighting capabilities.
- A lack of available spill response equipment and trained personnel.
- Safety and operational challenges due to the weather and sea conditions in the area which may limit response activities.

The province continues its work to address these concerns in cooperation with other provincial agencies, industry, local governments, the federal government, First Nations and other stakeholders and through the Ministry's legislative review to strengthen BC's spill preparedness and response policies and capacity.

#### SUGGESTED RESPONSE:

- While the federal government is the lead for marine spills and is already taking steps
  to improve the system, more industry and federal resources are needed to protect the
  West Coast. The province will continue to work with the federal government and
  advocate for changes to ensure world-class requirements and regulations are in place.
- Provincially, Ministry staff are preparing recommendations for our government to consider moving forward to enhance B.C.'s spill preparedness and response regulatory regime. The Program will continue to engage local government, first nations and industry as we develop new regulations, including the Skeena-Queen Charlotte Regional District.

**Attachments:** Appendix 1: Biographical Notes and Organisation Profile

Appendix 2: Summary of NUKA Report

Attachment 1: Reference 1250928 incoming Pages October 21, 2014

Attachment 2: Reference 211188 letter Minister Feb 4, 2015

Attachment 3: Reference 22901 Incoming Pages February 25, 2015

Attachment 4: Reference 280603 Letter Minister May 21, 2015

**Contact:** 

Lori Halls

Assistant Deputy Minister, Environmental Protection

Phone: 250 387-9997

**Alternate Contact:** 

Daphne Dolhaine Manager, Environmental Emergency Program

Phone: 250 356-9833

Prepared by:

Kristin Day

Emergency Planning Analyst,

Environmental Emergency Program Phone: 250 953-3407

Reviewed by	Initials	Date
DM	WS	06/01/15
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ADM		
Dir./Mgr.		
Author	KD	05/26/15

#### **APPENDIX 1: Biographical Notes and Organisation Profile**

**Barry Pages** is the Chair and Director of the 2015 Skeena-Queen Charlotte Regional District Board.

The **Skeena-Queen Charlotte Regional District** (SQCRD) is a partnership of four electoral areas and five municipalities that provide local government services to 19,000 residents living on the north coast of British Columbia and Haida Gwaii, within the traditional territories of the Tsimshian and Haida First Nations. The SQCRD administers services ranging from solid waste management and recycling to land use planning, water supply and public safety.

The municipalities and electoral areas in the SQCRD are:

- City of Prince Rupert
- · District of Port Edward
- Village of Queen Charlotte
- Village of Port Clements
- Village of Masset
- Electoral Area A Dodge Cove
- Electoral Area C Oona River
- Electoral Area D rural Graham Island (Miller Creek, Lawnhill, Tlell, Nadu, Tow Hill)
- Electoral Area E Sandspit

#### **APPENDIX 2: Summary of NUKA Report**

A comprehensive study assessing current marine-spill preparedness and response capabilities was released by the Province October 10, 2013. The study also outlines necessary improvements to achieve a world-class system to ensure B.C.'s coast is protected from potential marine spills. The study was commissioned to provide B.C. with an independent assessment of the existing federal marine spill regime. The West Coast Spill Response Study contains three volumes.

#### Volume 1

# An assessment of the existing marine-spill prevention and response regime in place for B.C.

Volume 1 examines Canada's regulatory framework with a focus on the one industry-funded response organization based in B.C. -WCMRC. Nuka Research ran a series of simulated oil spills to illustrate how much spilled oil could be collected using WCMRC's equipment, resources and personnel brought in from nearby U.S. states. Based on the results of the simulations and a high level review of existing laws and regulations, several areas warranting further consideration and possible enhancement are identified. These include the response planning standard, general oversight, inter-agency co-ordination, the location of resources along B.C.'s coastline, and planning assumptions and operational procedures such as a significant reliance on contractors and an assumed 24-hour operational period.

#### Volume 2

#### Vessel traffic study assessing current and potential levels of shipping on the west coast of Canada and the current volume of hydrocarbons being shipped or used as fuel.

Volume 2 is the first extensive analysis of vessel traffic performed for this area and compiles the movement of vessels for six passage lines along the B.C. coast. Key information was collected for more than 54,000 vessel tracks across those passage lines over the two-year period from 2011-2012. The vast majority of vessel transits (78 per cent) occur in southern B.C. While overall vessel traffic is forecasted to remain much higher in the Vancouver area than farther north on the coast, the greatest changes could be seen based on potential traffic going in and out of Prince Rupert, Stewart and Kitimat.

#### Volume 3

# An analysis to identify international best practices and the elements required for establishing a world-class marine spill preparedness and response system.

Volume 3 presents a high-level overview of the features of a world-class system with recommendations and considerations for areas of enhancement. Eleven key features of a world-class system are identified and categorized into three groups.

#### **Prevention Elements:**

- Vessel operations surpass international safety and spill prevention standards.
- Vessel traffic is monitored and, in higher-risk areas, actively managed to prevent accidents.
- Rescue and salvage resources can be on-scene quickly enough to be effective after an incident or spill.

#### **Preparedness and Response Elements:**

- Geographic areas are prioritized for protection from oil spills.
- Contingency planning is comprehensive, integrated and well understood by all relevant parties.
- Sufficient equipment can be deployed quickly to respond to a worst-case spill.
- Sufficient personnel are available to respond to a worst-case spill.
- A process is in place to restore damaged resources and to promote ecosystem recovery after a spill.

#### **System Elements:**

- Government ensures compliance and transparency.
- All parties actively pursue continuous improvement through research and development and the testing of planning assumptions.
- Financial mechanisms and resources meet needs from initiating the response through recovery.



#### SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

100 - 1st Avenue East Prince Rupert, BC V8J 1A6 EPD-EEB Phone: (250) 624-2002 Fax: (250) 627-8493

Website: www.sqcrd.bc.ca

October 21, 2014

Minister of Environment PO Box 9047 Stn Prov Govt Victoria, B.C. V8W 9E2

Attention: Honourable Minister Mary Polak

Dear Minister Polak:

Re: Emergency Response to Marine Risk in Northwest B.C.

On behalf of the Board of the Skeena-Queen Charlotte Regional District, I am writing to express the Board's concern over the marine environment surrounding our region. The marine environment has strong and deep ties to the region's heritage and has sustained many of our communities for generations — it is important to our economy and quality of life. As such, protecting our marine environment from potential oil spills and other industrial risks should be a priority for the Ministry of Environment B.C.

The recent event in which the Simushir, the Russian cargo ship, lost power and became adrift off the coast of Haida Gwaii on October 17, 2014 has highlighted the need for increased resources, locally, to address and mitigate potential disasters.

Northwest B.C. is poised to see a dramatic increase in the level of economic activity taking place throughout the region. In particular, the volume of marine traffic is bound to increase as new and existing resource industries develop and expand. While we welcome growth in industry, an increase in vessel traffic brings greater risk for potential spills or other damage that may have significant impact on our coastal environment.

On the morning of October 17, 2014, when it was announced that the Simushir became adrift off of the Coast of Haida Gwaii, response vessels from the City of Prince Rupert and Alaska were called upon to provide support and mitigate potential risk. However, nearly twenty-four hours had elapsed before the Simushir was safely secured and towed away from Haida Gwaii.

The Board would like to, respectfully, request that the Ministry of Environment B.C. address the issue and need for increased resources, on a local level, to respond to potential risks of this nature.

Yours truly,

#### SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

Barry Pages Chair

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Reference: 211188

February 4, 2015

Barry Pages Chair, Skeena-Queen Charlotte Regional District 100 – 1<sup>st</sup> Avenue East Prince Rupert BC V8J 1A6

Dear Mr. Pages:

Thank you for your letter of October 21, 2014, regarding emergency response risks to the north coast. I apologize for the delay in responding.

The Ministry of Environment understands and shares the concerns you have raised regarding the importance of our coastal resources and ensuring they are being adequately protected from the risk of spills. Staff in our Environmental Emergency Program are actively working on these issues and the establishment of world leading spill preparedness and response regimes.

The provincial government is an intervenor in the National Energy Board's review of both the Enbridge Northern Gateway and the current Trans-Mountain Expansion projects. In that capacity, the province has raised, and continues to raise, the need for improved marine spill prevention, preparedness, response and recovery.

To further analyze and explore these issues, the province commissioned Nuka Research and Planning Group, LLC to prepare a report on the current gaps and opportunities for improving prevention, preparedness, response and recovery for marine spill incidents (the Nuka report). The Nuka report outlined essential elements required to establish a world leading regime. The province provided a submission to the federal government's Tanker Safety Expert Panel that outlined the province's concerns and recommendations for improvements. Both the Nuka report and the Province's submission highlighted the need for prevention measures. Such measures include dedicated rescue tugs, helicopter deployable emergency vessel tow systems and the establishment of dedicated shipping routes to keep large vessels at the maximum possible distance from shorelines and sensitive areas when transiting to and from our ports and along our coast. This is directly applicable to the recent Simushir incident.

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The Province is also actively reviewing the provincial spill preparedness and response regime. This ongoing work includes establishing a steering committee and a number of working groups, a symposium on world leading practices and issuing two policy Intentions Papers seeking feedback from the public and other interested parties on the options and ideas that have been generated. Participants include industry, First Nations, local government, other key stakeholders and other provincial and federal representatives.

Specific to the Simushir incident, the Province activated our Provincial Spill Incident Management Team and established a multi-agency Incident Command Post on Haida Gwaii to provide an integrated response. Both an internal and multi-agency debrief of this incident have now occurred and we are in the process of summarizing the findings. These summaries will inform our ongoing discussions with the federal government and provide recommendations for future actions by the province and the other participants.

Our Environmental Emergency Program staff would be happy to meet and engage with you to discuss your concerns, our ongoing work and opportunities for the regional district to work with us on these issues in greater detail. Please contact Daphne Dolhaine, acting Manager of Preparedness and Prevention in our Victoria office at 250 356-9833 or Norm Fallows, Scnior Environmental Emergency Response Officer in our Smithers office at 250 847-7259.

Thank you again for raising these important concerns.

Sincerely,

Mary Polak Minister

ce: Daphne Dolhaine, A/Manager of Preparedness and Prevention, Environmental Protection Division, Ministry of Environment

Norm Fallows, Senior Environmental Emergency Response Officer, Environmental Protection Division, Ministry of Environment



#### SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

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■ Min Reply

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MINISTER'S OFFICE - RECEIVED MINISTRY OF ENVIRONMENT

February 25, 2015

Minister of Environment PO Box 9047 Stn Prov Govt Victoria, B.C. V8W 9E2

Attention: Honourable Minister Mary Polak

Dear Minister Polak:

#### Re: Emergency Response to Marine Risk in Northwest B.C.

On behalf of the Board of the Skeena-Queen Charlotte Regional District (SQCRD), I am writing to thank you for your response letter, dated February 4, 2015, in which you outline the steps the provincial government is taking to improve marine spill prevention, preparedness, response and recovery in relation to our coastal resources.

Your correspondence also notes that the province has commissioned the Nuka Research and Planning Group, LLC to prepare a report on the current gaps and opportunities for improving prevention, preparedness, response and recovery for marine spill incidents. The Board of the SQCRD would like to, respectfully, request a copy of the aforementioned report for its records.

The Board strongly feels that these issues need to be further analyzed and explored to minimize the risk of any potential future oil spill off of our coast, and is pleased to hear that the Province is also reviewing the provincial spill preparedness and response regime with industry, First Nations, and local, provincial and federal governments to address these concerns. Of course, the SQCRD welcomes the opportunity to participate in any future processes or discussions to this effect.

At this time, the Board of the SQCRD would like to extend an invitation to yourself, and Ministry staff, to further discuss issues relating to emergency response to marine risk in northwest B.C.

If you have any questions, please do not hesitate to contact the office of the SQCRD.

MAR 0 4 2015

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Yours truly,

#### SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

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Barry Pages Chair

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Reference: 280603

May 21, 2015

Barry Pages, Chair and Directors Skeena-Queen Charlotte Regional District 14 - 342 3rd Avenue West Prince Rupert BC V8J 1L5

Dear Chair Pages and Directors:

Thank you for your letter of February 25, 2015, regarding your request to meet and discuss emergency response to marine risk in Northwest British Columbia (BC). I apologize for the delay in responding.

I am looking forward to our meeting scheduled for June 3, 2015. In the meantime, I would like to provide the following information in advance of our time together.

The Nuka reports to which I referred in my February 2015 letter are available on the ministry website at

http://www2.gov.bc.ca/gov/topic.page?id=A6DEFA7F6E344C089AEBEE62B6982A6A. As noted below, they are large files and the ministry has limited access to hard copies.

- **Volume 1** (7.98MB) An initial assessment and gap analysis of the existing marine spill prevention and response regime in place for BC.
- Volume 2 (5.81MB) A vessel traffic study assessing the current and potential levels of shipping on the west coast of Canada, and the current volume of hydrocarbons being shipped or used as fuel.
- Volume 3 (4.98MB) An analysis to identify international best practices and elements required for establishing a world class marine spill preparedness and response regime, which is one of BC's five conditions for considering heavy oil transport.

At this time, as follow up to the consultation process I described in my February 4, 2015 letter, ministry staff are preparing recommendations for our government to consider moving forward. This process is not over. We will continue to engage local governments, First Nations and industry as we continue to develop any new regulations. I have asked staff to include Skeena-Queen Charlotte Regional District in future work toward enhancing British Columbia's spill preparedness and response regulatory regime.

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I do agree that we need to continue to analyze these issues. We also continue to work with federal partners to improve the spill prevention, preparedness and response regime across the province with respect to spills in both marine and land-based environments. Staff participated in recent meetings led by our federal partners on the issue of marine preparedness. Staff are also participating in additional debrief sessions with Transport Canada, the Haida Nation and the Coast Guard with respect to the Simushir event.

Thank you again for your letter and I look forward to our upcoming meeting.

Sincerely,

Mary Polak Minister

ce: Lori Halls, Assistant Deputy Minister, Environmental Protection Division, Ministry of Environment