

Garth

From: Waters, Cory EAO:EX
Sent: Friday, April 11, 2014 11:58 AM
To: Nash, Laurel ABR:EX
Cc: Balcaen, Trish L EAO:EX; Avila, Amy OGC:IN; O'Hanley, James G OGC:IN; Graham, Roger ABR:EX; Thoroughgood, Garth A MNGD:EX; Craven, Paul EAO:EX; Scraba, Erin H EAO:EX; Leake, Greg EAO:EX; Banford, Alexandra R ABR:EX; Schultz, Brandin ABR:EX; Recknell, Geoff ABR:EX; Mycroft, Colleen EAO:EX
Subject: RE: Gas Facility Reg Change key messaging

Regarding timing of our letter, Erin has advised on the timing that has already been discussed to target late Weds/early Thurs.

From: Waters, Cory EAO:EX
Sent: April-11-14 11:48 AM
To: Nash, Laurel ABR:EX
Cc: Balcaen, Trish L EAO:EX; Avila, Amy OGC:IN; O'Hanley, James G OGC:IN; Graham, Roger ABR:EX; Thoroughgood, Garth A MNGD:EX; Craven, Paul EAO:EX; Scraba, Erin H EAO:EX; Leake, Greg EAO:EX; Banford, Alexandra R ABR:EX; Schultz, Brandin ABR:EX; Recknell, Geoff ABR:EX; Mycroft, Colleen EAO:EX
Subject: Gas Facility Reg Change key messaging

Hi Laurel,

Trish mentioned that EAO is sharing information with Treaty 8 First Nations on Monday relating to the regulatory change relating to reviewable facilities.

I understand Paul Craven has been in contact with you relating to this. I am also cognizant that this will be released immediately prior to the fracking summit being hosted next week by Fort Nelson First Nation.

Do you have what you need for the Summit, and would Key Messages or briefing materials from EAO assist in being able to speak or respond at the Summit?

Cory Waters
First Nations Lead for LNG Projects
BC Environmental Assessment Office
phone: (250) 387-0236
cell: s.17

#1. Ines

From: Piccinino, Ines MNGD:EX
Sent: Thursday, December 5, 2013 11:30 AM
To: Carr, Michelle EAO:EX
Cc: Craven, Paul EAO:EX
Subject: RE: Quick question(s)

Excellent! You guys have no problem if I share the draft with MO for his information?

From: Carr, Michelle EAO:EX
Sent: Thursday, December 5, 2013 11:24 AM
To: Piccinino, Ines MNGD:EX
Cc: Craven, Paul EAO:EX
Subject: RE: Quick question(s)

Hi,

Yes it is confirmed for December 12.

It would be great for you to brief MRC. Thank you for this.

I have copied Paul who is heading this one up. Please feel free to give him a call about any item.

Thanks!
Michelle

From: Piccinino, Ines MNGD:EX
Sent: Thursday, December 5, 2013 11:14 AM
To: Carr, Michelle EAO:EX
Subject: Quick question(s)

Hi, Michelle!

Quick question – have a briefing with Minister on Monday and was wondering if it's ok to give him a heads up of the piece you shared yesterday going to ELUC. Could you confirm:

- (1) Is it ok to share the draft with him? If not, I can do a "verbal" update
- (2) Is this confirmed for Dec. 12?

Thanks!!!

Ines

From: Piccinino, Ines MNGD:EX
Sent: Wednesday, December 4, 2013 5:45 PM
To: Carr, Michelle EAO:EX
Subject: RE: ELUC Dec 12 2013 Request for Decision_EAO Review (2) (4)

s.22

Thanks for sharing the paper. It's really good. I have to suggestions, but I can deal with those when we brief our Minister:

s.12

Thanks again! I'm sure I'll see this one soon! Is this confirmed for Dec. 12?

Cheers!

Ines

From: Carr, Michelle EAO:EX
Sent: Wednesday, December 4, 2013 5:34 PM
To: Piccinino, Ines MNGD:EX
Subject: FW: ELUC Dec 12 2013 Request for Decision_EAO Review (2) (4)

Hi, Ines.

I really enjoyed our discussion today and would love to connect with you on a regular basis.

I think this will make its way to you but wanted to give you a heads up just in case. I understand that this meets MNG's original request but let me know if you have any concerns and I will get the right person in touch with you.

Michelle

From: Caul, Doug D EAO:EX
Sent: Tuesday, December 3, 2013 12:53 PM
To: Sheldan, Tim FLNR:EX; Carr, Steve MNGD:EX; Jeakins, Paul OGC:IN
Cc: Scraba, Erin H EAO:EX; Craven, Paul EAO:EX; Kennedy, Karla EAO:EX; Goad, Jennifer FLNR:EX; Shoemaker, Wes ENV:EX
Subject: ELUC Dec 12 2013 Request for Decision_EAO Review (2) (4)

s.12

s.12

I think we are good to go but let me know if you see any clangers in the submission.

Doug



Cabinet Submission – Request for Decision

Minister: Honourable Mary Polak

Ministry: Environment

Date: November 27, 2013

Ministry Document #: 13-35

Title:

s.13

s.12, s.13

s.13

s.12, s.13

Pages 6 through 10 redacted for the following reasons:

s.12, s.13



s.12, s.13

s.13



Date Signed

s.13

2 Ines

From: Zacharias, Mark ENV:EX
Sent: Tuesday, April 15, 2014 8:56 PM
To: Nash, Laurel ABR:EX; Piccinino, Ines MNGD:EX; Paulson, Ken OGC:IN
Subject: Fwd: Introduction of EA Fees and Reviewable Projects Reg Amendments
Attachments: QA_Fees-14Apr14.docx; ATT00001.htm; QA_RegAmend-14Apr14.docx; ATT00002.htm; QP_IN_EAO_Fees_3Apr2014.docx; ATT00003.htm; QP_IN_EAO_RPR_Amends_03Apr2014.docx; ATT00004.htm

Here's our key messages and materials in case we go ahead tomorrow.

Begin forwarded message:

From: "Crebo, David GCPE:EX" <David.Crebo@gov.bc.ca>
Date: April 15, 2014 at 8:36:47 PM PDT
To: "Zacharias, Mark ENV:EX" <Mark.Zacharias@gov.bc.ca>
Cc: "Caul, Doug D EAO:EX" <Doug.Caul@gov.bc.ca>, "Shoemaker, Wes ENV:EX" <Wes.Shoemaker@gov.bc.ca>, "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>
Subject: Fwd: Introduction of EA Fees and Reviewable Projects Reg Amendments

Mark - IN and QA attached.

Sent from my iPhone

Begin forwarded message:

From: "Crebo, David GCPE:EX" <David.Crebo@gov.bc.ca>
Date: April 15, 2014 at 8:00:30 PM PDT
To: "Gleeson, Kelly T GCPE:EX" <Kelly.Gleeson@gov.bc.ca>
Cc: "Chiarelli, Nina GCPE:EX" <Nina.Chiarelli@gov.bc.ca>, "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>, "Woolley, Paul GCPE:EX" <Paul.Woolley@gov.bc.ca>
Subject: Fwd: Introduction of EA Fees and Reviewable Projects Reg Amendments

Here's comm materials.

I've no idea about requests to hold publication of he OIC.

Sent from my iPhone

Begin forwarded message:

From: "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>
Date: April 14, 2014 at 3:20:12 PM PDT
To: "Amann-Blake, Nathaniel MEM:EX" <Nathaniel.Amann-Blake@gov.bc.ca>, "Schwabe, Michelle MNGD:EX" <Michelle.Schwabe@gov.bc.ca>, "Lee, Norman FLNR:EX" <Norman.K.Lee@gov.bc.ca>, "Graham, Roger ABR:EX" <Roger.Graham@gov.bc.ca>, "Nash, Laurel ABR:EX" <Laurel.Nash@gov.bc.ca>, "Puggioni, Giovanni ABR:EX"

<Giovanni.Puggioni@gov.bc.ca>, "Thomas, Vivian P GCPE:EX"
<Vivian.Thomas@gov.bc.ca>, "Dean, Sharon GCPE:EX"
<Sharon.Dean@gov.bc.ca>, "Woolley, Paul GCPE:EX"
<Paul.Woolley@gov.bc.ca>, "Crebo, David GCPE:EX"
<David.Crebo@gov.bc.ca>, "Gordon, Matt GCPE:EX"
<Matt.Gordon@gov.bc.ca>, "Chiarelli, Nina GCPE:EX"
<Nina.Chiarelli@gov.bc.ca>, "Gleeson, Kelly T GCPE:EX"
<Kelly.Gleeson@gov.bc.ca>, "James.OHanley@BCOGC.ca"
<James.OHanley@BCOGC.ca>, "Morgan, Andrew"
<Andrew.Morgan@BCOGC.ca>, "Paulson, Ken OGC:IN"
<Ken.Paulson@bcogc.ca>, "Currie, Graham OGC:IN"
<Graham.Currie@bcogc.ca>
Cc: "Scraba, Erin H EAO:EX" <Erin.Scraba@gov.bc.ca>, "Craven, Paul
EAO:EX" <Paul.Craven@gov.bc.ca>, "Caul, Doug D EAO:EX"
<Doug.Caul@gov.bc.ca>

**Subject: Introduction of EA Fees and Reviewable Projects Reg
Amendments**

All:

Fees for environmental assessments and a variety of other services offered by the Environmental Assessment Office come into effect today. Information about the fees, including a fee schedule and detailed fee guidelines, can be found on our website at <http://www.eao.gov.bc.ca/fees.html>.

In addition, amendments to the *Reviewable Projects Regulation* that remove the requirement for sweet natural gas processing plants and ski and all-season resorts to obtain an environmental assessment certificate are now in effect. Information on the changes is also available on our website at <http://www.eao.gov.bc.ca/changes.html>.

For your use, I am attaching two sets of Q/As and two INs (one of each on fees and the other on the regulation amendments).

s.16

If you have any questions about this information, feel free to contact me or any of the staff who are cc'd on this email.

Greg Leake
Director, Client Communications and Engagement
BC Environmental Assessment Office
(250) 387-2470

Pages 15 through 17 redacted for the following reasons:

Not Responsive

**EAO Review – Introduction of Regulatory Amendments
Questions and Answers
April 14, 2014**

Reviewable Projects Regulation

What are the changes to the regulation?

- The requirement for new and expanded ski and all-season resorts to obtain an environmental assessment is removed entirely.
- For natural gas processing plants, the amendment removes the volume-based trigger and a project will need to have sulphur emissions of 2 tonnes or more per day to be reviewable. The effect is to remove the requirement for an environmental assessment for sweet natural gas processing plants.
- The changes do not affect the provisions in the *Environmental Assessment Act* that allow the Minister of Environment to designate a project as reviewable, if the minister is satisfied that the project may have a significant adverse environmental, economic, social, heritage or health effect and that the designation is in the public interest.

Why are you exempting these kinds of developments from the requirement for an environmental assessment certificate?

- Sweet natural gas plants use a proven technology with a relatively small footprint that can be fully remediated on closure. The plants are reviewed, authorized and regulated by the BC Oil and Gas Commission.
- The Resort Master Plan sets out a detailed plan of proposed community and recreational infrastructure as well as proposed real estate development within a resort area and provides detailed technical and management information necessary to support the sustainable development of a resort.
- The Ministry of Forests, Lands and Natural Resource Operations has an established Master Plan review process; exempting resorts eliminates a duplication of effort and the potential for undue delays in the decision making process.

How does BC compare with the rest of Canada in requiring environmental assessments for sweet natural gas plants?

- Prior to this change, British Columbia was one of the only gas-producing jurisdictions in Canada that conducted environmental assessment reviews of sweet gas facilities. New Brunswick reviews the extraction and processing of combustible energy yielding materials.

Who will look at cumulative effects associated with sweet natural gas processing plants?

- The BC Oil and Gas Commission conducts a rigorous permitting process for sweet gas processing plants that includes safety aspects through engineering design, as well as environmental considerations.
- In addition, through the Commission's "area-based analysis", siting and other developments such as pipelines are taken into consideration prior to any permit being granted.

Who will look at greenhouse gas impacts from sweet natural gas processing facilities?

- BC Oil and Gas Commission regulations require companies to have fugitive emission management plans in place and Commission inspectors regularly check for such emissions during field inspections.
- According to the Climate Action Secretariat, fugitive emissions account for 8.8 per cent of GHG emissions from the B.C. oil and gas sector (2012).

Who will regulate resort developments?

- The Ministry of Forests, Lands and Natural Resource Operations' Mountain Resorts Branch administers the Resort Master Plan review process. The process looks at both new developments and expansions.

When will these changes take effect?

- The changes take effect on April 28, 2014 for sweet natural gas processing plants.
- The changes will take effect on January 1, 2015 for ski and all-season resorts to ensure adequate time for system changes by the Ministry of Forests, Lands and Natural Resource Operations to ensure the public and other interested parties can readily locate information and comment on draft Resort Master Plans.

Why are you doing this now?

- In both cases, there are robust environmental reviews already being done by other provincial government agencies. Removing the requirement for an environmental assessment will reduce duplication, while freeing up Environmental Assessment Office resources for reviews of other important projects.

Doesn't this move weaken the protection of the environment?

- No. There are already robust environmental review processes in place being managed by other provincial government agencies. In addition, the Environmental Assessment Office will use to the resources that are freed up to review other projects with the potential for significant adverse effects.
- The changes do not affect the provisions in the *Environmental Assessment Act* that allow the Minister of Environment to designate a project as reviewable, if the minister is satisfied that the project may have a significant adverse environmental, economic, social, heritage or health effect and that the designation is in the public interest.

Is this move to exempt sweet gas plants precedent setting?

- No. Prior to the amendment, in January 2014, Encana's 4-26 Refrigeration project was exempted from the requirement to obtain an environmental assessment certificate.
- In September 2011, the Dawson Creek Liquid Nitrogen Plant was exempted.
- In both cases, the exemption was in recognition of the fact that the projects would not have significant adverse effects, taking into account the practical means of preventing or reducing to an acceptable level any potential adverse effects, including a rigorous permitting process by the BC Oil and Gas Commission.

Did you consult with anyone on these changes?

- Environmental Assessment Office staff worked with staff from the BC Oil and Gas Commission and the Ministries of Natural Gas Development, Environment and Forests, Lands and Natural Resource Operations to ensure that there would be no gaps in regulatory oversight as a result of the changes.

Are you making other changes to the regulation?

- We will be reviewing the Reviewable Project Regulation further over the next few months to determine if it is appropriate to make further changes.

Will you be exempting any other kinds of developments from environmental assessment?

- There are no immediate plans to exempt other kinds of projects. However, we will be reviewing the Reviewable Project Regulation further over the next few months.

What did the regulation used to say about the requirement for an environmental assessment for these kinds of projects?

- Prior to the amendment, any new natural gas processing plant was considered a reviewable project if it had the capacity to process 5.634 million m³/day or would result in sulphur emissions to the atmosphere of greater than or equal to 2 tonnes/day.
- A resort development was considered a reviewable project if it would have 2,000 or more bed units (of which 600 or more were commercial).

How will these changes affect progress of any existing environmental assessments?

- The Garibaldi at Squamish environmental assessment will continue through the Environmental Assessment Office.
- The existing Farrell Creek gas project will be going through the BC Oil and Gas Commission's rigorous permitting process when and if the company seeks to resume the project.

Do these changes mean that companies that previously got environmental assessment certificates can now ignore them and the associated conditions?

- No. The amendments do not affect the rights and obligations of current holders of environmental assessment certificates. The provincial government will continue to enforce the certificates and any changes to existing certificates will still need an amendment under the *Environmental Assessment Act*.

Pages 22 through 23 redacted for the following reasons:

Not Responsive

REVIEWABLE PROJECTS REGULATION AMENDMENTS

- We have amended the Reviewable Projects Regulation to remove the requirement for an environmental assessment for sweet natural gas processing plants and ski and all-season resorts.
- Both of these categories of projects are already subject to robust review and approval exercises by other provincial government agencies.
- This move will reduce duplication, while freeing up Environmental Assessment Office resources for reviews of other important projects with the potential for significant adverse effects.
- We will be reviewing the Reviewable Project Regulation further over the next few months to determine if it is appropriate to make any other changes.
- The amendments do not affect the rights or obligations of current holders of environmental assessment certificates.
- The amendments do not affect the ability of the Minister of Environment to designate a project as reviewable if the minister is satisfied that the project may have a significant adverse effect and it is in the public interest to have an environmental assessment.

Background:

The amendments to the Reviewable Projects Regulation:

- 1) Exempt new and expanded sweet natural gas processing facilities from environmental assessment requirements effective April 28, 2014;
- 2) Repeal environmental assessment requirements for new ski and all-season resorts, except for projects that have applied for, but not yet received, an environmental assessment certificate, effective January 1, 2015; and
- 3) Repeal environmental assessment requirements for expansions to ski and all-season resorts, effective January 1, 2015.

The regulation of sweet natural gas processing facilities is administered by the BC Oil and Gas Commission (OGC). The regulation of ski and all-season resorts is administered under the Resort Master Plan process by the Mountain Resorts Branch of the Ministry of Forests, Lands and Natural Resource Operations (FLNR).

The delay in effective date for ski resorts is to allow sufficient time for FLNR to make changes to their program websites to be more accessible, and to allow for more opportunities for public comment on draft materials that support decision making.

The Farrell Creek Gas Plant project will not be reviewable after April 28, 2014. This project is on hold. If it resumes, it will be reviewed through the OGC.

s.21

Communications Contact:	Greg Leake	387-2470
Program Area Contact:	Paul Craven	387-6748

Batch 3

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

From: Caul, Doug D EAO:EX

Sent: Tuesday, April 15, 2014 10:52 PM

To: Shoemaker, Wes ENV:EX

Cc: Munro, Steve C ABR:EX; Zacharias, Mark ENV:EX; Nash, Laurel ABR:EX; Piccinino, Ines MNGD:EX

Subject: Re: Conference Call Tomorrow @ 7 am s.15, s.17 Participant s.15, s.17

Talk to you then.

Sent from my iPhone

> On Apr 15, 2014, at 10:21 PM, "Shoemaker, Wes ENV:EX" <Wes.Shoemaker@gov.bc.ca> wrote:

>

> Gang,

>

> As per my previous email, I would like to arrange a call to discuss a game plan for managing the T8 reaction to today's announcements (water license & sweet gas exemption). I will moderate. Talk to you tomorrow am.

>

>

>

> Wes

>

> W.H. (Wes) Shoemaker, MBA

> Deputy Minister

> Ministry of Environment

> 5th Floor, 2975 Jutland Road

> Victoria, BC

> Tel: 250.387.5429 | Fax: 250.387.6003

> E-mail: wes.shoemaker@gov.bc.ca

>

> **Please note: This email is intended for the addressee(s) only and may contain legally privileged information. Any unauthorized use, disclosure or reproduction is strictly prohibited.**

>

> Sent from my iPad

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

From: Caul, Doug D EAO:EX

Sent: Wednesday, April 16, 2014 12:02 PM

To: Nash, Laurel ABR:EX

Cc: Paulson, Ken OGC:IN; Piccinino, Ines MNGD:EX; Zacharias, Mark ENV:EX; Graham, Roger ABR:EX; Gale, Stuart ABR:EX; Morgan, Dale FLNR:EX; Banford, Alexandra R ABR:EX; Schultz, Brandin ABR:EX; Glenn Ricketts; Pokorny, Peter FLNR:EX; Thoroughgood, Garth A MNGD:EX; Munro, Steve C ABR:EX; Carr, Steve MNGD:EX; Chiarelli, Nina GCPE:EX; Shoemaker, Wes ENV:EX; Paul Jeakins; Wilkie, Maria ABR:EX

Subject: Re: draft Ministers letter

We need to talk about who is sending the letter. MMP or MJR. DMS meeting at 1pm.

Sent from my iPhone

> On Apr 16, 2014, at 11:57 AM, "Nash, Laurel ABR:EX" <Laurel.Nash@gov.bc.ca> wrote:

>

> Here is a draft letter we were working up.

> Language might work for message to media.

>

> Laurel Nash

> Chief Negotiator

> LNG & Strategic Initiatives

> Ministry of Aboriginal Relations

> o. (250) 953-4004 c s.17

>

>> On Apr 16, 2014, at 10:46 AM, "Nash, Laurel ABR:EX" <Laurel.Nash@gov.bc.ca> wrote:

>>

>> Hi this is a draft for your consideration.

>> Please note that we understand that there is discussion at the Ministerial level around putting the reg in abeyance pending a conversation with FNs..this is not confirmed.

>> If it is not agreed to we will need to ensure this is taken out.

>> Once you have reviewed we will get up to DMS Thanks everyone for your

>> approach in working through this issue.

>>

>>

>>

>>

>>

>> Dear Chief Gale,

>> We are writing to acknowledge the unfortunate circumstances surrounding the amendments to the reviewable Projects Regulation under the Environmental Assessment Act.

>>

>> We take full responsibility for not engaging with you on this change or even advising you that it was going to occur prior to making the public announcement. This is not how we want to work together now and in the future. As such, Government has made the decision to put the regulatory change in abeyance pending further dialogue with Fort Nelson First Nation and other Treaty 8 First Nations.

>>

>> We remain committed to a strong, respectful and productive relationship with Fort Nelson First Nation and see significant value in continuing to develop a G2G agreement. We anticipate the agreement would ensure development of the resources in the Fort Nelson territory is guided by mutually agreed to processes, including shared decision making and that respects the environment, First Nation values and the Treaty and its associated rights. Additionally, we feel the agreement needs to re evaluate the Economic Benefits Agreement so that it better reflects the potential revenue stream of LNG development.

>>

>> We have asked Doug Caul, Wes Shoemaker and Steve Munro to meet with you at the earliest possible date to discuss the regulatory change and a path forward. Steve will be contacting your office to arrange a suitable time and location.

>>

>>

>>

>>

>> Respectfully,

>> Laurel Nash

>> Chief Negotiator

>> LNG and Strategic Initiatives

>> Ministry of Aboriginal Relations and Reconciliation 3rd Floor, 2957

>> Jutland Road Victoria, B.C.

>> (t) 250 953-4004 (m) s.17

Batch 4

From: Piccinino, Ines MNGD:EX
Sent: Wednesday, April 16, 2014 6:06 AM
To: Nash, Laurel ABR:EX; Paulson, Ken OGC:IN; Thoroughgood, Garth A MNGD:EX; Zacharias, Mark ENV:EX
Subject: Media

Haven't received our clippings yet but for quick scan I saw two mistakes in interpretation: (1) an article in mediawire talks about exempting "some liquefied natural gas plants" and (2) environmentalists talking about exempting "fracking wells".

From: Piccinino, Ines MNGD:EX
Sent: Wednesday, April 16, 2014 6:50 AM
To: Zacharias, Mark ENV:EX
Cc: Paulson, Ken OGC:IN; Nash, Laurel ABR:EX
Subject: Re: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

Change of venue - meeting room along the hall next to business centre

From: Zacharias, Mark ENV:EX
Sent: Wednesday, April 16, 2014 06:13
To: Piccinino, Ines MNGD:EX
Cc: Paulson, Ken OGC:IN; Nash, Laurel ABR:EX
Subject: Re: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

See you then

On Apr 15, 2014, at 10:49 PM, "Piccinino, Ines MNGD:EX" <Ines.Piccinino@gov.bc.ca> wrote:

We're meeting in Garth's room here - 318 - at 7 am.

From: Paulson, Ken
Sent: Tuesday, April 15, 2014 22:34
To: Nash, Laurel ABR:EX
Cc: Piccinino, Ines MNGD:EX; Zacharias, Mark ENV:EX
Subject: RE: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

Get together for the call?

I will plan on getting up early so will be raedy to get together at 7

From: Nash, Laurel ABR:EX [Laurel.Nash@gov.bc.ca]
Sent: April 15, 2014 10:11 PM
To: Shoemaker, Wes ENV:EX

Cc: Zacharias, Mark ENV:EX; Caul, Doug D EAO:EX; Piccinino, Ines MNGD:EX; Paulson, Ken; Munro, Steve C ABR:EX

Subject: Re: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

Hi yes Steve is in Smithers.

The FSJ contingent are available for a call (Ines, Ken and I) at 7, and I expect Steve will be available for the call as well.

I am working on draft messaging for tomorrow that we can discuss.

We expect we will be dismissed from the summit after we have been asked what our commitment and the next steps will be.

Thx

Laurel Nash
Chief Negotiator
LNG & Strategic Initiatives
Ministry of Aboriginal Relations
o. (250) 953-4004 c. s.17

On Apr 15, 2014, at 9:58 PM, "Shoemaker, Wes ENV:EX" <Wes.Shoemaker@gov.bc.ca> wrote:

Gang,

I just spoke with Steve Carr who is in Saskatchewan. He suggested I organize a call for all us to come up with a game plan. Question, has Steve Munro left Ft.St. John?

Can you all do a call at 7 am tomorrow? Please let me know who can make it and I will confirm.

Wes

W.H. (Wes) Shoemaker, MBA
Deputy Minister
Ministry of Environment
5th Floor, 2975 Jutland Road
Victoria, BC
Tel: 250.387.5429 | Fax: 250.387.6003
E-mail: wes.shoemaker@gov.bc.ca

****Please note:** This email is intended for the addressee(s) only and may contain legally privileged information. Any unauthorized use, disclosure or reproduction is strictly prohibited.**

Sent from my iPad

On Apr 15, 2014, at 9:03 PM, "Zacharias, Mark ENV:EX" <Mark.Zacharias@gov.bc.ca> wrote:

FYI.

<QA_Fees-14Apr14.docx>
<QA_RegAmend-14Apr14.docx>
<QP_IN_EAO_Fees_3Apr2014.docx>
<QP_IN_EAO_RPR_Amends_03Apr2014.docx>

From: Piccinino, Ines MNGD:EX
Sent: Tuesday, April 15, 2014 10:02 PM
To: Shoemaker, Wes ENV:EX; Zacharias, Mark ENV:EX; Nash, Laurel ABR:EX; Caul, Doug D EAO:EX
Cc: Caul, Doug D EAO:EX
Subject: Re: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

Fine with Laurel and I. Just send us the call info.

From: Shoemaker, Wes ENV:EX
Sent: Tuesday, April 15, 2014 21:58
To: Zacharias, Mark ENV:EX; Nash, Laurel ABR:EX; Caul, Doug D EAO:EX; Piccinino, Ines MNGD:EX
Cc: Caul, Doug D EAO:EX
Subject: READ ME: POSSIBLE TELECONFERENCE - LNG Summit

Gang,

I just spoke with Steve Carr who is in Saskatchewan. He suggested I organize a call for all us to come up with a game plan. Question, has Steve Munro left Ft.St. John?

Can you all do a call at 7 am tomorrow? Please let me know who can make it and I will confirm.

Wes

W.H. (Wes) Shoemaker, MBA
Deputy Minister
Ministry of Environment
5th Floor, 2975 Jutland Road
Victoria, BC
Tel: 250.387.5429 | Fax: 250.387.6003
E-mail: wes.shoemaker@gov.bc.ca

****Please note:** This email is intended for the addressee(s) only and may contain legally privileged information. Any unauthorized use, disclosure or reproduction is strictly prohibited.**

Sent from my iPad

On Apr 15, 2014, at 9:03 PM, "Zacharias, Mark ENV:EX" <Mark.Zacharias@gov.bc.ca> wrote:

FYI.

Begin forwarded message:

From: "Nash, Laurel ABR:EX" <Laurel.Nash@gov.bc.ca>
Date: April 15, 2014 at 9:00:39 PM PDT
To: "Zacharias, Mark ENV:EX" <Mark.Zacharias@gov.bc.ca>
Cc: "Piccinino, Ines MNGD:EX" <Ines.Piccinino@gov.bc.ca>, "Paulson, Ken OGC:IN" <Ken.Paulson@bcogc.ca>
Subject: Re: Introduction of EA Fees and Reviewable Projects Reg Amendments

s.16

Laurel Nash
Chief Negotiator
LNG & Strategic Initiatives
Ministry of Aboriginal Relations
o. (250) 953-4004 c s.17

On Apr 15, 2014, at 8:56 PM, "Zacharias, Mark ENV:EX" <Mark.Zacharias@gov.bc.ca> wrote:

Here's our key messages and materials in case we go ahead tomorrow.

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From: "Crebo, David GCPE:EX" <David.Crebo@gov.bc.ca>
Date: April 15, 2014 at 8:36:47 PM PDT
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Cc: "Caul, Doug D EAO:EX" <Doug.Caul@gov.bc.ca>, "Shoemaker, Wes ENV:EX" <Wes.Shoemaker@gov.bc.ca>, "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>
Subject: Fwd: Introduction of EA Fees and Reviewable Projects Reg Amendments

Mark - IN and QA attached.

Sent from my iPhone

Begin forwarded message:

From: "Crebo, David GCPE:EX" <David.Crebo@gov.bc.ca>
Date: April 15, 2014 at 8:00:30 PM PDT
To: "Gleeson, Kelly T GCPE:EX" <Kelly.Gleeson@gov.bc.ca>
Cc: "Chiarelli, Nina GCPE:EX" <Nina.Chiarelli@gov.bc.ca>, "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>, "Woolley, Paul GCPE:EX" <Paul.Woolley@gov.bc.ca>
Subject: Fwd: Introduction of EA Fees and Reviewable Projects Reg Amendments

Here's comm materials.

I've no idea about requests to hold publication of he OIC.

Sent from my iPhone

Begin forwarded message:

From: "Leake, Greg EAO:EX" <Greg.Leake@gov.bc.ca>
Date: April 14, 2014 at 3:20:12 PM PDT
To: "Amann-Blake, Nathaniel MEM:EX" <Nathaniel.Amann-Blake@gov.bc.ca>, "Schwabe, Michelle MNGD:EX" <Michelle.Schwabe@gov.bc.ca>, "Lee, Norman FLNR:EX" <Norman.K.Lee@gov.bc.ca>, "Graham, Roger ABR:EX" <Roger.Graham@gov.bc.ca>, "Nash, Laurel ABR:EX" <Laurel.Nash@gov.bc.ca>, "Puggioni, Giovanni ABR:EX" <Giovanni.Puggioni@gov.bc.ca>, "Thomas, Vivian P GCPE:EX" <Vivian.Thomas@gov.bc.ca>, "Dean, Sharon GCPE:EX" <Sharon.Dean@gov.bc.ca>, "Woolley, Paul GCPE:EX" <Paul.Woolley@gov.bc.ca>, "Crebo, David GCPE:EX" <David.Crebo@gov.bc.ca>, "Gordon, Matt GCPE:EX" <Matt.Gordon@gov.bc.ca>, "Chiarelli, Nina GCPE:EX" <Nina.Chiarelli@gov.bc.ca>, "Gleeson, Kelly T GCPE:EX" <Kelly.Gleeson@gov.bc.ca>, "James.OHanley@BCOGC.ca" <James.OHanley@BCOGC.ca>, "Morgan, Andrew" <Andrew.Morgan@BCOGC.ca>, "Paulson, Ken OGC:IN" <Ken.Paulson@bcogc.ca>, "Currie, Graham OGC:IN" <Graham.Currie@bcogc.ca>
Cc: "Scraba, Erin H EAO:EX" <Erin.Scraba@gov.bc.ca>, "Craven, Paul EAO:EX" <Paul.Craven@gov.bc.ca>, "Caul, Doug D EAO:EX" <Doug.Caul@gov.bc.ca>
Subject: Introduction of EA Fees and Reviewable Projects Reg Amendments

All:

Fees for environmental assessments and a variety of other services offered by the Environmental Assessment Office come into effect today. Information about the fees, including a fee schedule and detailed fee guidelines, can be found on our website at <http://www.eao.gov.bc.ca/fees.html>.

In addition, amendments to the *Reviewable Projects Regulation* that remove the requirement for sweet natural gas processing plants and ski and all-season resorts to obtain an environmental assessment certificate are now in effect. Information on the changes is also available on our website at <http://www.eao.gov.bc.ca/changes.html>.

For your use, I am attaching two sets of Q/As and two INs (one of each on fees and the other on the regulation amendments).

s.16

If you have any questions about this information, feel free to contact me or any of the staff who are cc'd on this email.

Greg Leake
Director, Client Communications and Engagement

BC Environmental Assessment Office
(250) 387-2470

<QA_Fees-14Apr14.docx>
<QA_RegAmend-14Apr14.docx>
<QP_IN_EAO_Fees_3Apr2014.docx>
<QP_IN_EAO_RPR_Amends_03Apr2014.docx>

Batch 5

From: Piccinino, Ines MNGD:EX
Sent: Thursday, April 10, 2014 2:08 PM
To: Carr, Michelle EAO:EX
Subject: Re: Sweet gas facilities

Thanks! Are you going to announce anything? We'll need to tell our stakeholders once done...

From: Carr, Michelle EAO:EX
Sent: Thursday, April 10, 2014 13:03
To: Piccinino, Ines MNGD:EX
Subject: RE: Sweet gas facilities

Hi,

The timeline it comes into effect is April 28.

Yes, we need to go for lunch!! My turn to set it up.

Michelle

From: Piccinino, Ines MNGD:EX
Sent: April 10, 2014 10:36 AM
To: Carr, Michelle EAO:EX
Subject: Sweet gas facilities

Hi, Michelle!

Hope you're doing well - just wondering what the timelines are for the change in regulation re: sweet gas?

Thanks!!!! And we should go for lunch soon!

Ines

From: Balcaen, Trish L EAO:EX
Sent: Thursday, April 17, 2014 9:12 AM
To: Anholt, Jim MIT:EX; Avila, Amy OGC:IN; Bagheri, Marjan MNGD:EX; Bailey, Scott EAO:EX; Balcaen, Trish L EAO:EX; Bawtinheimer, Brian ENV:EX; Beltrano, Linda MNGD:EX; Bilodeau, Normand G FLNR:EX; Black, Becky JAG:EX; Bondaroff, Todd T FLNR:EX; Bronstein, Ron JTST:EX; Brown, Jeff D RPF FLNR:EX; Calder, Kursti D MNGD:EX; Calof, Justin ABR:EX; Carr, Michelle EAO:EX; Carswell, Barron AGRI:EX; Chan, Debbie JAG:EX; Cole, Kim ABR:EX; Coley, Simon J JAG:EX; Coyne, Alison G JTST:EX; Craven, Paul EAO:EX; Dadachanji, Jasmine ABR:EX; Dale, Alec R ENV:EX; Del Raye, Nicole EAO:EX; Dunn, Stephen L ABR:EX; Feyrer, Laura ENV:EX; Gilmore, Christopher JTST:EX; 'gke@telus.net'; Gow, Lisa A TRAN:EX; Hartley, Brenda FLNR:EX; Hoffman, Edward A ENV:EX; Janke, Brenda G HLTH:EX; Johnson, Kristen TRAN:EX; Jones, Christopher H JAG:EX; Kriese, Kevin FLNR:EX; Lambert, Tim HLTH:EX; Leake, Greg EAO:EX; Lesiuk, Tim ENV:EX; Low, Bruce ABR:EX; Manahan, Suzanne MNGD:EX; Martin, Wayne FLNR:EX; McDonald, Tavis EAO:EX; McGuire, Jennifer ENV:EX; Morgan, Dale FLNR:EX; Oberg, Jordie MNGD:EX; O'Donoghue, Eamon G FLNR:EX; O'Hanley, James G OGC:IN; Pesklevits, Anthony FLNR:EX; Peyman, Hurrian ENV:EX; Popp, Nathan TRAN:EX; Psyllakis, Jennifer FLNR:EX; Puggioni, Giovanni ABR:EX; Rawling, Greg FLNR:EX; Reay, Gary W FLNR:EX; Recknell, Geoff ABR:EX; 'Robert.K.Smith@bchydro.com'; Russell, Jim EAO:EX; Russell, Patrick H FLNR:EX; Schwabe, Michelle MNGD:EX; Scott, Katie P ABR:EX; Sharpe, Ian D ENV:EX; Skokun, Nadia FLNR:EX; Spence, Karen OGC:IN; Stalker, Jennifer L FLNR:EX; Tudhope, Dave R JTST:EX; Urwin, Mark MNGD:EX; Wiedeman, Lori TRAN:EX; Wray, Jennifer MNGD:EX; Wrean, Doug L MNGD:EX; Wright, Milt ABR:EX
Subject: Update: Environment Minister's statement on Reviewable Projects Regulation
Attachments: 2014ENV0025-000501.pdf

Hi all,

To ensure you are all up to speed on events with EAO's Reviewable Project Regulation, please see the attached statement from our Minister rescinding the order.

Will look forward to our call next Thursday to debrief on this issue and provide an update on next steps.

Hope you all have a great Easter long weekend.

Trish

From: Leake, Greg EAO:EX
Sent: April 17, 2014 7:59 AM
To: EAO Staff - All
Subject: Environment Minister's statement on Reviewable Projects Regulation

All:

Minister Polak issued the attached media statement late yesterday afternoon.

If you have any questions, please feel free to contact Paul or me.

Note that this move does not affect the implementation of EA fees.

G.

Greg Leake
Director, Client Communications and Engagement
BC Environmental Assessment Office



STATEMENT

For Immediate Release
2014ENV0025-000501
April 16, 2014

Ministry of Environment

Environment Minister's statement on Reviewable Projects Regulation

VICTORIA – Environment Minister Mary Polak has released the following statement about an amendment to the Reviewable Projects Regulation concerning sweet natural gas processing plants and ski and all-season resorts.

“I would like to acknowledge First Nations concerns about amendments to the Reviewable Projects Regulation under the Environmental Assessment Act. Our government apologizes for failing to discuss the amendment with First Nations prior to its approval.

“Our government is committed to a strong, respectful and productive relationship with First Nations. That is why we will rescind the amendment that would have removed the requirement for an environmental assessment for sweet gas facilities and destination resorts, until we have undertaken discussions with First Nations. The Canadian Association of Petroleum Producers (CAPP) has been made aware of this decision, and respects the need for our government to have further discussions with First Nations.

“Our government sees a significant value in continuing to develop a Government to Government relationship with all First Nations. We remain actively engaged with First Nations in northeastern British Columbia, including shared decision making that respects the environment, First Nation values, and Treaty 8 and its associated rights.”

Media Contact:

Media Relations
Ministry of Environment
250 953-3834

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

From: Balcaen, Trish L EAO:EX
Sent: Wednesday, April 16, 2014 10:52 AM
To: Anholt, Jim MIT:EX; Avila, Amy OGC:IN; Bagheri, Marjan MNGD:EX; Bailey, Scott EAO:EX; Balcaen, Trish L EAO:EX; Bawtinheimer, Brian ENV:EX; Beltrano, Linda MNGD:EX; Bilodeau, Normand G FLNR:EX; Black, Becky JAG:EX; Bondaroff, Todd T FLNR:EX; Bronstein, Ron JTST:EX; Brown, Jeff D RPF FLNR:EX; Calder, Kursti D MNGD:EX; Calof, Justin ABR:EX; Carr, Michelle EAO:EX; Carswell, Barron AGRI:EX; Chan, Debbie JAG:EX; Cole, Kim ABR:EX; Coley, Simon J JAG:EX; Coyne, Alison G JTST:EX; Craven, Paul EAO:EX; Dadachanji, Jasmine ABR:EX; Dale, Alec R ENV:EX; Del Raye, Nicole EAO:EX; Dunn, Stephen L ABR:EX; Feyrer, Laura ENV:EX; Gilmore, Christopher JTST:EX; 'gke@telus.net'; Gow, Lisa A TRAN:EX; Hartley, Brenda FLNR:EX; Hoffman, Edward A ENV:EX; Janke, Brenda G HLTH:EX; Johnson, Kristen TRAN:EX; Jones, Christopher H JAG:EX; Kriese, Kevin FLNR:EX; Lambert, Tim HLTH:EX; Leake, Greg EAO:EX; Lesiuk, Tim ENV:EX; Low, Bruce ABR:EX; Manahan, Suzanne MNGD:EX; Martin, Wayne FLNR:EX; McDonald, Tavis EAO:EX; McGuire, Jennifer ENV:EX; Morgan, Dale FLNR:EX; Oberg, Jordie MNGD:EX; O'Donoghue, Eamon G FLNR:EX; O'Hanley, James G OGC:IN; Pesklevits, Anthony FLNR:EX; Peyman, Hurrian ENV:EX; Popp, Nathan TRAN:EX; Psyllakis, Jennifer FLNR:EX; Puggioni, Giovanni ABR:EX; Rawling, Greg FLNR:EX; Reay, Gary W FLNR:EX; Recknell, Geoff ABR:EX; 'Robert.K.Smith@bchydro.com'; Russell, Jim EAO:EX; Russell, Patrick H FLNR:EX; Schwabe, Michelle MNGD:EX; Scott, Katie P ABR:EX; Sharpe, Ian D ENV:EX; Skokun, Nadia FLNR:EX; Spence, Karen OGC:IN; Stalker, Jennifer L FLNR:EX; Tudhope, Dave R JTST:EX; Urwin, Mark MNGD:EX; Wiedeman, Lori TRAN:EX; Wray, Jennifer MNGD:EX; Wrean, Doug L MNGD:EX; Wright, Milt ABR:EX
Subject: Update: EA Fees and Reviewable Projects Reg Amendments
Attachments: QA_Fees-14Apr14.docx; QA_RegAmend-14Apr14.docx; QP_IN_EAO_Fees_3Apr2014.docx; QP_IN_EAO_RPR_Amends_03Apr2014.docx
Follow Up Flag: Follow up
Flag Status: Completed

Hi all,

As you may already know, EAO announced two key changes on Monday this week:

- Fees; and
- Changes to our reviewable projects regulation.

Information about the fees, including a fee schedule and detailed fee guidelines, can be found on our website at <http://www.eao.gov.bc.ca/fees.html>.

Amendments to the *Reviewable Projects Regulation* remove the requirement for sweet natural gas processing plants and ski and all-season resorts to obtain an environmental assessment certificate. Information on the changes is also available on our website at <http://www.eao.gov.bc.ca/changes.html>.

I've attached two sets of Q/As and two INs (one of each on fees and the other on the regulation amendments).

See below for a media response we received from West Coast Environmental Law. Also important to know that the FN LNG Conference in Fort Nelson was significantly impacted by this news (UBCIC re-tweet below).

BC Environmental Assessment Office

As-it-happens update · April 15, 2014

NEWS

BC Axes Requirement for Environmental Assessment of Ski Resorts and Natural Gas Facilities
DigitalJournal.com

The **Environmental Assessment Office** asserts that the legal changes are designed to reduce duplication with regulation by the Oil and Gas ...



Flag as irrelevant

And a tweet from this morning on the FN LNG Conference.



UBCIC @UBCIC - 41s

BREAKING: #FNFN Chief Sharlene Gale evicted all BC Govt officials from #LNG conference, officials drummed out of the conference. #bcpoli

Expand

If you have any questions or concerns, please let me or Paul Craven know.

Cheers,
Trish

Pages 40 through 42 redacted for the following reasons:

Not Responsive

EAO Review – Introduction of Regulatory Amendments
Questions and Answers
April 14, 2014

Reviewable Projects Regulation

What are the changes to the regulation?

- The requirement for new and expanded ski and all-season resorts to obtain an environmental assessment is removed entirely.
- For natural gas processing plants, the amendment removes the volume-based trigger and a project will need to have sulphur emissions of 2 tonnes or more per day to be reviewable. The effect is to remove the requirement for an environmental assessment for sweet natural gas processing plants.
- The changes do not affect the provisions in the *Environmental Assessment Act* that allow the Minister of Environment to designate a project as reviewable, if the minister is satisfied that the project may have a significant adverse environmental, economic, social, heritage or health effect and that the designation is in the public interest.

Why are you exempting these kinds of developments from the requirement for an environmental assessment certificate?

- Sweet natural gas plants use a proven technology with a relatively small footprint that can be fully remediated on closure. The plants are reviewed, authorized and regulated by the BC Oil and Gas Commission.
- The Resort Master Plan sets out a detailed plan of proposed community and recreational infrastructure as well as proposed real estate development within a resort area and provides detailed technical and management information necessary to support the sustainable development of a resort.
- The Ministry of Forests, Lands and Natural Resource Operations has an established Master Plan review process; exempting resorts eliminates a duplication of effort and the potential for undue delays in the decision making process.

How does BC compare with the rest of Canada in requiring environmental assessments for sweet natural gas plants?

- Prior to this change, British Columbia was one of the only gas-producing jurisdictions in Canada that conducted environmental assessment reviews of sweet gas facilities. New Brunswick reviews the extraction and processing of combustible energy yielding materials.

Who will look at cumulative effects associated with sweet natural gas processing plants?

- The BC Oil and Gas Commission conducts a rigorous permitting process for sweet gas processing plants that includes safety aspects through engineering design, as well as environmental considerations.
- In addition, through the Commission's "area-based analysis", siting and other developments such as pipelines are taken into consideration prior to any permit being granted.

Who will look at greenhouse gas impacts from sweet natural gas processing facilities?

- BC Oil and Gas Commission regulations require companies to have fugitive emission management plans in place and Commission inspectors regularly check for such emissions during field inspections.
- According to the Climate Action Secretariat, fugitive emissions account for 8.8 per cent of GHG emissions from the B.C. oil and gas sector (2012).

Who will regulate resort developments?

- The Ministry of Forests, Lands and Natural Resource Operations' Mountain Resorts Branch administers the Resort Master Plan review process. The process looks at both new developments and expansions.

When will these changes take effect?

- The changes take effect on April 28, 2014 for sweet natural gas processing plants.
- The changes will take effect on January 1, 2015 for ski and all-season resorts to ensure adequate time for system changes by the Ministry of Forests, Lands and Natural Resource Operations to ensure the public and other interested parties can readily locate information and comment on draft Resort Master Plans.

Why are you doing this now?

- In both cases, there are robust environmental reviews already being done by other provincial government agencies. Removing the requirement for an environmental assessment will reduce duplication, while freeing up Environmental Assessment Office resources for reviews of other important projects.

Doesn't this move weaken the protection of the environment?

- No. There are already robust environmental review processes in place being managed by other provincial government agencies. In addition, the Environmental Assessment Office will use the resources that are freed up to review other projects with the potential for significant adverse effects.
- The changes do not affect the provisions in the *Environmental Assessment Act* that allow the Minister of Environment to designate a project as reviewable, if the minister is satisfied that the project may have a significant adverse environmental, economic, social, heritage or health effect and that the designation is in the public interest.

Is this move to exempt sweet gas plants precedent setting?

- No. Prior to the amendment, in January 2014, Encana's 4-26 Refrigeration project was exempted from the requirement to obtain an environmental assessment certificate.
- In September 2011, the Dawson Creek Liquid Nitrogen Plant was exempted.
- In both cases, the exemption was in recognition of the fact that the projects would not have significant adverse effects, taking into account the practical means of preventing or reducing to an acceptable level any potential adverse effects, including a rigorous permitting process by the BC Oil and Gas Commission.

Did you consult with anyone on these changes?

- Environmental Assessment Office staff worked with staff from the BC Oil and Gas Commission and the Ministries of Natural Gas Development, Environment and Forests, Lands and Natural Resource Operations to ensure that there would be no gaps in regulatory oversight as a result of the changes.

Are you making other changes to the regulation?

- We will be reviewing the Reviewable Project Regulation further over the next few months to determine if it is appropriate to make further changes.

Will you be exempting any other kinds of developments from environmental assessment?

- There are no immediate plans to exempt other kinds of projects. However, we will be reviewing the Reviewable Project Regulation further over the next few months.

What did the regulation used to say about the requirement for an environmental assessment for these kinds of projects?

- Prior to the amendment, any new natural gas processing plant was considered a reviewable project if it had the capacity to process 5.634 million m³/day or would result in sulphur emissions to the atmosphere of greater than or equal to 2 tonnes/day.
- A resort development was considered a reviewable project if it would have 2,000 or more bed units (of which 600 or more were commercial).

How will these changes affect progress of any existing environmental assessments?

- The Garibaldi at Squamish environmental assessment will continue through the Environmental Assessment Office.
- The existing Farrell Creek gas project will be going through the BC Oil and Gas Commission's rigorous permitting process when and if the company seeks to resume the project.

Do these changes mean that companies that previously got environmental assessment certificates can now ignore them and the associated conditions?

- No. The amendments do not affect the rights and obligations of current holders of environmental assessment certificates. The provincial government will continue to enforce the certificates and any changes to existing certificates will still need an amendment under the *Environmental Assessment Act*.

Pages 47 through 48 redacted for the following reasons:

Not Responsive

REVIEWABLE PROJECTS REGULATION AMENDMENTS

- We have amended the Reviewable Projects Regulation to remove the requirement for an environmental assessment for sweet natural gas processing plants and ski and all-season resorts.
- Both of these categories of projects are already subject to robust review and approval exercises by other provincial government agencies.
- This move will reduce duplication, while freeing up Environmental Assessment Office resources for reviews of other important projects with the potential for significant adverse effects.
- We will be reviewing the Reviewable Project Regulation further over the next few months to determine if it is appropriate to make any other changes.
- The amendments do not affect the rights or obligations of current holders of environmental assessment certificates.
- The amendments do not affect the ability of the Minister of Environment to designate a project as reviewable if the minister is satisfied that the project may have a significant adverse effect and it is in the public interest to have an environmental assessment.

Background:

The amendments to the Reviewable Projects Regulation:

- 1) Exempt new and expanded sweet natural gas processing facilities from environmental assessment requirements effective April 28, 2014;
- 2) Repeal environmental assessment requirements for new ski and all-season resorts, except for projects that have applied for, but not yet received, an environmental assessment certificate, effective January 1, 2015; and
- 3) Repeal environmental assessment requirements for expansions to ski and all-season resorts, effective January 1, 2015.

The regulation of sweet natural gas processing facilities is administered by the BC Oil and Gas Commission (OGC). The regulation of ski and all-season resorts is administered under the Resort Master Plan process by the Mountain Resorts Branch of the Ministry of Forests, Lands and Natural Resource Operations (FLNR).

The delay in effective date for ski resorts is to allow sufficient time for FLNR to make changes to their program websites to be more accessible, and to allow for more opportunities for public comment on draft materials that support decision making.

The Farrell Creek Gas Plant project will not be reviewable after April 28, 2014. This project is on hold. If it resumes, it will be reviewed through the OGC.

s.21

Communications Contact:	Greg Leake	387-2470
Program Area Contact:	Paul Craven	387-6748

Page 51 redacted for the following reason:

Not responsive

From: Scraba, Erin H EAO:EX
Sent: Tuesday, April 1, 2014 12:59 PM
To: Currie, Graham OGC:IN; Schwabe, Michelle MNGD:EX; Craven, Paul EAO:EX; Leake, Greg EAO:EX; Thomas, Vivian P GCPE:EX; Lee, Norman FLNR:EX; Dean, Sharon GCPE:EX; Bethel, Greig GCPE:EX; Peters, Melissa GCPE:EX
Cc: Morgan, Andrew; Beaupre, Darren GCPE:EX; O'Connor, Lisa EAO:EX
Subject: Agenda: 3:00 conference call
Attachments: Agenda_comms meeting Apr 1 2014.docx

Hi, please find attached an agenda that describes the objectives and expected flow of the meeting this afternoon.

Thank you in advance for your time.

Erin

Erin Scraba

Manager, Policy and Legislation
BC Environmental Assessment Office

(t): 250-387-7412

(c): s.17

**Agenda: Communications Plan for for
Reviewable Projects Regulation Amendments
April 1, 2014, 3:00-4:00**

s.15, s.17 Toll Free - North America
Participant Conference ID: s.15, s.17

Participants

EAO: Greg Leake, Paul Craven, Erin Scraba

OGC: Graham Currie

MNGD: Michelle Schwabe, Melissa Peters

FLNR: Norman Lee, Vivian Thomas, Greig Bethel, Sharon Dean

Objectives:

1. Ensure all programs and agencies are aware of the changes and rationale for changes to the Reviewable Projects Regulation.
2. Ensure issues appropriately anticipated and managed

Item	Discussion Topic	Conversation Leader	Suggested Time
1	Roll Call	Erin Scraba (moderator)	3 minutes
2	Describe changes to <u>Table 8 (gas plants)</u> 1. Rationale for and implications of changes 2. Effective date / communications date 3. Implications for existing projects with and without certificate 4. Communications needs (demonstrate robustness of regulatory process) 5. Questions?	Erin	20 minutes
3	Describe changes to <u>Table 15 (Resorts)</u> 6. Same points for #1-4 above 7. Questions?	Erin	20 minutes
4	Walk through expected roll out process for communications products	Greg Leake	15 minutes
5	Action items / Wrap up	Erin	5 minute

From: Schwabe, Michelle MNGD:EX
Sent: Friday, March 28, 2014 11:13 AM
To: Scraba, Erin H EAO:EX
Cc: Beaupre, Darren GCPE:EX
Subject: RE: Issues meeting

Hi Erin,

Darren is our GCPE contact. Yes, I would also like to participate. Thanks!

Michelle

From: Scraba, Erin H EAO:EX
Sent: Friday, March 28, 2014 11:08 AM
To: Schwabe, Michelle MNGD:EX
Subject: Issues meeting

Hi, I've been asked to bring together the communications folks and others who can assist for a conference call to go over the anticipated issues and key messages for the reviewable projects changes. It would cover off both natural gas and resorts.

Is this something you would like to take part in (I expect to be scheduling next week)? Could you also let me know who your communications contact is so that I could invite them, unless you'd prefer to make the introduction?

Erin Scraba
Manager, Policy and Legislation
BC Environmental Assessment Office
(t): 250-387-7412
(c) s.17

From: Scraba, Erin H EAO:EX
Sent: Friday, February 28, 2014 12:40 PM
To: Schwabe, Michelle MNGD:EX; Paquin, Lisa C ENV:EX; Danks, Anthony ENV:EX; O'Hanley, James G OGC:IN; Craven, Paul EAO:EX
Subject: FW: Natural gas processing plant requirements in Alberta

As follow up to our meeting with the BC-CAPP working group, it appears that AB has not reviewed any sweet gas processing facilities on the basis of the exceeding the exemption limit for NOx.

Schedule 2

Exempted Activities

- (a) the construction, operation or reclamation of
 - (i) a sweet gas processing plant that emits less than 384 kilograms of oxides of nitrogen per day;

From: Corinne Kristensen [mailto:Corinne.Kristensen@gov.ab.ca]
Sent: February-28-14 12:25 PM
To: Scraba, Erin H EAO:EX
Subject: RE: Natural gas processing plant requirements in Alberta

Not that I can think of. Our approvals process handles the assessment of these gas plants so we don't need to do an assessment on them. I have included a link to our guide to content for industrial approval applications – you can get a sense of the amount of information we ask proponents.

Corinne Kristensen
Environmental Assessment & Major Industrial Applications
Phone: (780) 427-9116
Email: corinne.kristensen@gov.ab.ca

From: Scraba, Erin H EAO:EX [mailto:Erin.Scraba@gov.bc.ca]
Sent: Thursday, February 27, 2014 2:05 PM
To: Corinne Kristensen
Subject: RE: Natural gas processing plant requirements in Alberta

Hi Corinne,

I should have asked this question back in November but it didn't dawn on me at the time. Have there been any cases of sweet gas facilities being reviewed as a result of exceeding the NOx threshold?

<http://esrd.alberta.ca/lands-forests/land-industrial/forms-applications/guide-to-content-for-industrial-approval-applications.aspx>

Erin

From: Corinne Kristensen [mailto:Corinne.Kristensen@gov.ab.ca]
Sent: November-20-13 4:58 PM
To: Scraba, Erin H EAO:EX
Subject: RE: Natural gas processing plant requirements in Alberta

If it is EA related you can send it to me.
Corinne

From: Scraba, Erin H EAO:EX [Erin.Scraba@gov.bc.ca]
Sent: November 20, 2013 12:02 PM
To: Corinne Kristensen
Subject: RE: Natural gas processing plant requirements in Alberta

Thank you Corinne! This is really helpful. I don't think we need a follow up conversation but I am appreciative of the offer.

For reference, where should I send these types of random questions in future?

From: Corinne Kristensen [mailto:Corinne.Kristensen@gov.ab.ca]
Sent: Tuesday, November 19, 2013 6:23 PM
To: Scraba, Erin H EAO:EX; Heather vonHauff
Cc: Craven, Paul EAO:EX
Subject: RE: Natural gas processing plant requirements in Alberta

Hi Erin,

You are correct.

If a sweet gas processing plant emits less than 384 kg of NOx per day then is exempt from Alberta's EA requirements. If it emits more then it would be a discretionary project and the designated director under the *Environmental Protection and Enhancement Act* (in this case, me) can decide that an EIA report is not required or that it warrants further assessment and a screening would be done. The screening process includes a public comment period and at the end of it the decision is made to either 1. require and EIA report, or 2. that one is not required.

Typically the reason certain activities are on the exempted list is that we have other regulatory mechanisms to deal with those types of projects. And we are comfortable that we understand the impacts enough that those regulatory mechanisms would suffice.

Hope this helps. If not, please give me a call (780) 427-9116.

Corinne
Manager, Environmental Assessment & Major Industrial Applications

From: Scraba, Erin H EAO:EX [Erin.Scraba@gov.bc.ca]
Sent: November 15, 2013 5:58 PM
To: Heather vonHauff; Corinne Kristensen
Cc: Craven, Paul EAO:EX
Subject: Natural gas processing plant requirements in Alberta

Hello Heather and Corinne.

Sorry for the scattergun approach. I'm not sure where my question is best directed-- I hope it is an easy one.

My understanding is that sweet natural gas processing plants are exempt from mandatory EA requirements in Alberta (unless the oxides of nitrogen threshold is exceeded).

http://www.qp.alberta.ca/1266.cfm?page=1993_111.cfm&leg_type=Regs&isbncln=9780779738137

Schedule 2
Exempted Activities

- (a) the construction, operation or reclamation of
- (i) a sweet gas processing plant that emits less than

384 kilograms of oxides of nitrogen per day;

Alberta also has a Code of Practice for sweet gas facilities (apologies if this is an out of date version):

<http://www.qp.alberta.ca/documents/codes/COMPRESS.pdf>

For projects to be on the exempted activities list under the Environmental Assessment Regulation, is it because there is another regulatory process that applies, or is there some other set of general criteria?

Cheers,
Erin

Erin Scraba

Manager Legislation, Policy and Project Assessment
BC Environmental Assessment Office
(t): 250-387-7412 (c) s.17

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From: Scraba, Erin H EAO:EX
Sent: Friday, February 21, 2014 10:00 AM
To: Schwabe, Michelle MNGD:EX; Craven, Paul EAO:EX; O'Hanley, James G OGC:IN; Paquin, Lisa C ENV:EX; Danks, Anthony ENV:EX; XT:Sian, Sherry FLNR:IN; 'nadia.monaghan@encana.com'
Cc: O'Connor, Lisa EAO:EX
Subject: Draft record of discussion from BC CAPP WG
Attachments: CAPP EA Process Update 2014-02-12.pptx; Action items BC-CAPP WG_Feb 11 2014.docx

Hi everyone,

Here are is the draft record of discussion and action items from our recent meeting. Let me know if you'd like to see anything changed or clarified by February 28.

I've also attached the final version of the slide deck, which Nadia provided to me last week.

Erin

BC EA Process for Sweet Gas Plants

CAPP Recommendation for a Preferred Alternative Solution

January 2014

- **Preferred Alternative Solution: Elimination of the capacity trigger for natural gas processing plants, exempting all gas plants that fall below the sulphur emissions threshold of 2 tonnes/day**
- **Proposed Modification - *Reviewable Project Regulation*:**
 - A new natural gas processing plant facility that will result in sulphur emissions to the atmosphere of ≥ 2 tonnes/day
 - Modification of an existing facility; if the existing facility were it a new facility, would meet the criteria, and, an incremental increase in sulphur emissions to the atmosphere of ≥ 2 tonnes/day

- **Context:**

- Natural Gas production in BC predicted to increase substantially to meet demand for LNG export
- Government review underway to ensure timelines are appropriate for environmental protection, while providing a clear, timely and robust regulatory regime

- **Review Objectives:**

- Identify preferred alternative solution to the existing EA requirement for sweet natural gas processing plants, with the outcome providing:
 - EA process integrity
 - Regulatory certainty enabling efficient development of natural gas in BC

Basis for CAPP Recommendation



- **Baseline Assessment**
 - Reviewed existing EA process for sweet gas plants: process and outcomes achieved
 - Examined policy and regulatory environment applicable for sweet gas plants
 - Comparative analysis to identify area of overlaps and gaps
 - Jurisdictional review
- **Analysis of Alternative Options**
 - Review of potential alternatives, testing for the desired outcomes (environmental integrity, regulatory certainty)

Baseline Assessment Key Conclusions



- Recent sweet gas plants projects reviewed determined absence of potential adverse effects:
 - Will not result in significant adverse environmental, economic, social, heritage or health effects
 - Will have not impact treaty rights of the First Nations
- Robust OGC regulatory framework in place, aligning with the EA assessment and mitigation framework
 - Values align with the EA process, precluding a gas plant from having a material adverse effect
 - Permitting process requires public consultation/notification, and consideration for Aboriginal and First Nations impacts
 - Supplemented by anticipated cumulative effects policy (FLNRO and OGC Area Based Analysis frameworks), linking cumulative effects to the OGC's decision making

Comprehensive Policy / Regulatory Framework



- **Oil and Gas Commission (OGC) - Must consider the Government of British Columbia's environmental objectives when determining whether requirements are met to issue a permit under *OGAA*.**
 - Requirements and/or permitting under:
 - OGAA, Consultation & Notification Regulation, Environmental Protection and Management Regulation, Waste Discharge Regulation, Heritage Conservation Act, Water Act, Forest Act, Land Act
- **Other Provincial / Federal Agencies with oversight:**
 - FLNRO – Wildlife Act, Weed Control Act, Cumulative Effects Framework
 - BC Ministry of Health – Drinking Water Act, Health Act
 - Worksafe BC – Occupational Health and Safety Regulation
 - Agricultural Land Commission – Agricultural Land Commission Act
 - Federal – Species At Risk Act, Migratory Birds Convention Act, Fisheries Act

Enhanced Cumulative Effects Management Frameworks Underway



- New cumulative effects management will effectively:
 - Address broader issues associated with assessing cumulative effects in natural resource decision-making
 - Support assessment of cumulative impacts to First Nations rights and interests

- Provincial cumulative effects frameworks underway:
 - Ministry of Forests, Lands and Natural Resource Operations – cross-sector, area based
 - OGC Area Based Analysis – for all oil and gas activities

- Options considered:
 1. Elimination of capacity trigger
 2. Modification of capacity trigger beyond current trigger
 3. Class Waive-out

- Option 1 - Elimination of Capacity preferred
 - Provides highest degree of regulatory certainty
 - Maintains full integrity of the current assessment process

Preferred Alternative Solution Justification



- Robust regulatory regime in place for sweet gas plants
 - Ensures regulatory efficiency, resources redirected to higher risk projects
 - Supported by findings of recent EA applications
 - OGC process incorporates public consultation and First Nations considerations
- Enhanced Cumulative Effects Management
 - New frameworks will address cumulative impacts of oil and gas activity
- Environmental benefits of efficient development
 - Centralized facilities: more energy efficient, less GHG emissions, less overall physical footprint, reduced traffic
- Current regulation promotes proliferation
 - Avoids unintended consequence of some 20+ additional gas plants
 - OGC to oversee area infrastructure planning
- Enabling responsible development with appropriate regulation benefits employment/economy
 - For communities - local hiring and training, tax revenue
 - Supports growth for LNG

Next Steps



- **CAPP preferred alternative solution provided for EAO consideration**
- **Available for additional consultation / meetings as requested**

Mudie, Isolde MNGD:EX

From: Scraba, Erin H EAO:EX
Sent: Wednesday, March 26, 2014 4:37 PM
To: Schwabe, Michelle MNGD:EX
Subject: Past Natural Gas Processing Facilities
Attachments: Past Natural Gas Processing Facilities.docx

Here is the rough (unedited / unvetted) analysis I mentioned. It was Cabin that through me for a loop re: ammine process for sour gas.

I will look into the conditions on both Cabin and Fortune more closely (for Cabin, status of ongoing conditions, as opposed to satisfied conditions will be helpful).

-e

Name	Description	Location	Date Certified	Comments	Reviewable Post 2014?
	processing plant site.				
Encana 426	proposed refrigeration facility, to be called the "Encana 4-26 Refrigeration Project", would remove water and hydrocarbon liquids from 11.327×10^6 m ³ /day (400 MMscfd) of sweet, raw gas produced from Encana's fields to meet transmission pipeline requirements	Dawson Creek	January 2014	No significant adverse effects	no
Farrell Creek 88-1 South Gas Project	The proposed Project is a new natural gas processing plant that will process sweet raw feed gas (natural gas with low or non-detectable H ₂ S content) from the Farrell Creek area of the Montney formation to meet sales-gas specifications (< 64 mg/m ³ of water and a hydrocarbon dew point < -9°C). At full build-out it will have an inlet capacity of 14.16×10^6 m ³ /d (500 MMscf/d) and produce sales gas and hydrocarbon liquids for market. Talisman anticipates increases in gas production from the Farrell Creek area over time. To meet this production profile, the Project will be constructed in two or more stages with an initial stage of 4.25 to 7.1×10^6 m ³ /day (100 to 250 MMscf/d). be developed in two or more stages depending on the gas treatment process	Hudson's Hope	N/a	Project on hold since 2013 (Sold to Progress Energy). There is a scoping and procedures order in place.	No. Withdrawal required.

Name	Description	Location	Date Certified	Comments	Reviewable Post 2014?
	selected, and will eventual build to a processing capacity of approximately 14.16 million cubic metres per day (14.16 x 10 ⁶ m ³ /day or 500 million standard cubic feet per day [MMscf/d]).				

From: Schwabe, Michelle MNGD:EX
Sent: Friday, February 7, 2014 11:35 AM
To: Scraba, Erin H EAO:EX
Subject: RE: Please confirm your participation at upcoming BC CAPP Working Group

Hi Erin,

Not Responsive

, so I can come earlier if need be!

Michelle

From: Scraba, Erin H EAO:EX
Sent: Friday, February 7, 2014 8:54 AM
To: Schwabe, Michelle MNGD:EX
Subject: RE: Please confirm your participation at upcoming BC CAPP Working Group

Thanks for letting me know. I will not move the time unless I absolutely have to.

From: Schwabe, Michelle MNGD:EX
Sent: February-07-14 8:26 AM
To: Scraba, Erin H EAO:EX
Subject: RE: Please confirm your participation at upcoming BC CAPP Working Group

Hi Erin,

Not Responsive

However I am still free for the 2:00 – 4:00 time slot but will be late if you need me in person. I have availability on Wed morning and can manage my schedule to be open most all day Thursday if need be.

Hope you can work something.

Michelle

From: Scraba, Erin H EAO:EX
Sent: Thursday, February 6, 2014 5:53 PM
To: O'Hanley, James G OGC:IN; Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; Craven, Paul EAO:EX; Balcaen, Trish L EAO:EX
Cc: Robinson, Deborah OGC:IM; O'Connor, Lisa EAO:EX; Pizarro, Kirsten EAO:EX
Subject: Please confirm your participation at upcoming BC CAPP Working Group
Importance: High

Hello everyone,

We are meeting on February 11 to review the final proposal from CAPP on sweet natural gas processing plants (attached) and to think about next steps moving forward. We discussed this proposal when we had our prebrief last month, where I also provided an update on direction we have received from ELUC.

It is very important that we have representation from each of our agencies, so if there is any risk that you cannot attend our meeting, can you please let me know by end of day on Friday, February 7. Sherry and Nadia will be booking their flights very soon.

To that end, once I confirm that we are all indeed expecting to be at the session, I will attempt to move the time to 1:30-3:30 to allow our guests some flexibility in their return flights.

Your comments on the agenda are also welcome. Sherry volunteered to facilitate the brainstorm session for us, which will allow BC staff to more fully participate in the exercise.

Erin

From: Scraba, Erin H EAO:EX
Sent: Thursday, February 6, 2014 5:53 PM
To: O'Hanley, James G OGC:IN; Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; Craven, Paul EAO:EX; Balcaen, Trish L EAO:EX
Cc: Robinson, Deborah OGC:IM; O'Connor, Lisa EAO:EX; Pizarro, Kirsten EAO:EX
Subject: Please confirm your participation at upcoming BC CAPP Working Group
Attachments: CAPP EA Process Update 2014-01-31.pptx; agenda February 11 BC CAPP WG.docx

Importance: High

Hello everyone,

We are meeting on February 11 to review the final proposal from CAPP on sweet natural gas processing plants (attached) and to think about next steps moving forward. We discussed this proposal when we had our prebrief last month, where I also provided an update on direction we have received from ELUC.

It is very important that we have representation from each of our agencies, so if there is any risk that you cannot attend our meeting, can you please let me know by end of day on Friday, February 7. Sherry and Nadia will be booking their flights very soon.

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Your comments on the agenda are also welcome. Sherry volunteered to facilitate the brainstorm session for us, which will allow BC staff to more fully participate in the exercise.

Erin

From: Scraba, Erin H EAO:EX
Sent: Thursday, January 30, 2014 2:17 PM
To: Schwabe, Michelle MNGD:EX
Subject: RE: Regulatory requirements for natural gas processing facilities in Europe?

Thanks for the advice! I don't mind doing the research but it's definitely worse to do something when it's already been done!

Anything you'd like to scope into the search so it is useful for you too?

From: Schwabe, Michelle MNGD:EX
Sent: January-30-14 1:15 PM
To: Scraba, Erin H EAO:EX
Subject: RE: Regulatory requirements for natural gas processing facilities in Europe?

Hi Erin,

Did you start with the USA? States that come to my mind with large production include Alaska, Texas, Louisiana, Pennsylvania, Colorado.

Apart from Russia, the big natural producers in Europe are: **Norway**, Netherlands and the UK.

Some Mid-East North Africa big producers are: Algeria, Qatar, Saudi Arabia.

I don't know much about the EA process in other jurisdictions or gas processing requirements. Norway is quite often used as a leader for clean initiatives, however they have state owned oil and gas industry and they use CCS as well. I don't think any cross-jurisdictional reviews have been done specific to gas processing at least not in my time here. If I find anything in the files I will send it your way but that is really a long shot. I have lots of tables and references for cross jurisdictional reviews on CCS but that is a different topic!

Yes, Australia would be a good place to look at. They usually have lots of public info on the web.

Sorry I can't provide any info on this. It looks like it may have to be researched from scratch.

Michelle

From: Scraba, Erin H EAO:EX
Sent: Thursday, January 30, 2014 12:34 PM
To: Schwabe, Michelle MNGD:EX
Subject: Regulatory requirements for natural gas processing facilities in Europe?

Hi Michelle,

I've been asked to confirm by mid February how BC oversight for sweet natural gas facilities compares with nations that are seen as having stringent environmental standards.

It can be a bit tricky looking for EA specific types of requirements in international contexts, so I thought I would start with your branch first to see if you are aware of the regulatory requirements for natural gas processing plants in Europe and Australia.

I have to be honest that I am not very knowledgeable about the state of the industry in Europe and which nations are producers (apart from Russia).

Maybe the question is as simple as asking if sweet gas is treated differently from sour gas?

I welcome your advice.

Erin

From: Scraba, Erin H EAO:EX
Sent: Wednesday, January 15, 2014 5:00 PM
To: Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; O'Hanley, James G OGC:IN
Cc: Craven, Paul EAO:EX; Balcaen, Trish L EAO:EX
Subject: pre-meeting / update (nat gas plant working group)
Attachments: Agenda-BC working group.docx

Hi folks,

I've had some questions of the objectives for the meeting tomorrow.

To clarify, I'd originally had a placeholder for the full meeting with CAPP representatives and ourselves, but the timing for that session is now expected in 2 weeks' time (that booking is pending).

I decided I would still go ahead with a shorter meeting tomorrow so that we are all up to date on recent developments before we convene the whole group in February.

For those who are available at 11 on Wednesday, I expect this will take less than 20 minutes per the attached agenda. For those of you who can't make the time, please let me know if you'd like me to schedule a quick one on one call before we meet in February.

Erin

From: Scraba, Erin H EAO:EX
Sent: Wednesday, January 15, 2014 8:46 AM
To: Schwabe, Michelle MNGD:EX
Subject: RE: meeting tomorrow

Timing of meeting with CAPP was delayed because CAPP policy ctee did not have a chance to convene until recently. I do not yet have a new date confirmed for when CAPP staff can travel to Vic—likely to be next week.

I have a call with Nadia, Sherry and Trish this afternoon to receive and update and intended next steps.

My thinking was I would use the time tomorrow to update the whole team on where things stand and that would take care of the pre-brief component. There are some outstanding communications / social level gaps we will need OGC leadership to assist us on.

Sorry for any confusion—I welcome your feedback. Ideally, I'd be spending more time getting on top of this file.

Erin

From: Schwabe, Michelle MNGD:EX
Sent: January-15-14 8:14 AM
To: Scraba, Erin H EAO:EX
Subject: meeting tomorrow

Hi Erin,

Can you please clarify upcoming meetings for processing plant policy. The pre-meeting tomorrow morning is in advance of a CAPP/gov meeting planned for when?

Thanks,

Michelle

Michelle Schwabe
Director, Regulatory Policy Development
Policy and Royalty Branch
Ministry of Natural Gas Development
Telephone: (250) 387-1585
e-mail: Michelle.Schwabe@gov.bc.ca

Agenda: BC Working Group on Sweet Natural Gas Processing Facilities
January 16, 2014
11:00-11:20

s.15, s.17 Toll Free - North America
Participant Conference ID: s.15, s.17

1. Update on direction from ELUC (December)
2. Update on next steps from CAPP (outcome of phone call from January 15)
3. Update on recent exemption for Encana 426 refrigeration project (sweet natural gas processing facility):

http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic_document_411_36813.html

http://a100.gov.bc.ca/appsdata/epic/documents/p411/1389654539201_b9487dd7a647e40fe6a2294cd9079e02cf59d60afd0008ef199340f0b60b3d33.pdf

4. Next BC-CAPP working group meeting
 - now targeted for week of February 1 in Victoria
 - expected objectives
 - suggestions for format, approach
5. Other items for discussion?

From: Balcaen, Trish L EAO:EX
Sent: Sunday, November 3, 2013 6:23 PM
To: Danks, Anthony ENV:EX; Schwabe, Michelle MNGD:EX; Scraba, Erin H EAO:EX; McDonough, Lindsay; Craven, Paul EAO:EX; O'Hanley, James G OGC:IN; Lesiuk, Tim ENV:EX
Cc: Mycroft, Colleen EAO:EX; Speed, Brittney EAO:EX; Carr, Michelle EAO:EX
Subject: Re Update - DM_BN_Upstream_plants_draft3_Oct_26

Follow Up Flag: Follow up
Flag Status: Completed

Hi all,

A quick note to let you know that we'll be making some edits to the note based on what we learned in Dawson Creek.

It became apparent that the EA trigger doesn't have the influence on facilities size/composition that we were led to believe early on.

Rather it appears industry is looking for flexibility to support market demand. After viewing the various sites though, strikes me that the key driver for this proposed change is the nature of the projects (ie. Small footprint, proven technology, OGC strength of regulation).

Will be working with James to characterize more effectively how OGC processes may be modified to manage for CE, etc as well.

Tim - we haven't yet received CAS comments - if you'd like us to incorporate them, this next few days would work really well.

Michelle, Erin, Nathan, Lindsay - anything to add?

Thanks all,

Trish Balcaen
Executive Project Director
Oil & Gas Sector Lead
Environmental Assessment Office
s.17 cell
(250) 952-6507 office

From: Balcaen, Trish L EAO:EX
Sent: Monday, October 28, 2013 5:00 PM
To: Danks, Anthony ENV:EX; Schwabe, Michelle MNGD:EX; Scraba, Erin H EAO:EX; McDonough, Lindsay EAO:EX; Craven, Paul EAO:EX; O'Hanley, James G OGC:IN; Lesiuk, Tim ENV:EX
Cc: Mycroft, Colleen EAO:EX; Speed, Brittney EAO:EX; Carr, Michelle EAO:EX
Subject: FINAL - DM_BN_Upstream_plants_draft3_Oct_26

Hi all,

Here is the BN updated with all comments received and I'm thinking it's time to hit send.

If folks have any 'clangers' to identify, will you please do so before Wednesday? Looking forward to getting this one into the system.

Colleen – if you'd format and hold until Wednesday, that would be great. Once done, I'll send you all the final version to share with your ADMs, DMs.

Cheers,
Trish

From: Schwabe, Michelle MNGD:EX
Sent: Thursday, November 28, 2013 11:10 AM
To: McDonough, Lindsay
Subject: RE: For Review: CAPP Baseline Report Analysis - Upstream Strategy

Hi Lindsay,

I have struck through my comments below that are more internal to government. The rest of the text below is OK for CAPP comments. The last paragraph as you indicated is more for further discussion as we continue the analysis. The way they have set up the table is only looking at current regulatory.

Also thank you for the offer to provide more info on the exemption process. I would appreciate this for myself and also perhaps Richard and Duane. Our schedules have a good amount of free space next week, so anytime you have to do this let us know and we can likely work around it.

Michelle

From: McDonough, Lindsay EAO:EX
Sent: Wednesday, November 27, 2013 8:54 AM
To: Schwabe, Michelle MNGD:EX
Subject: FW: For Review: CAPP Baseline Report Analysis - Upstream Strategy

Hi Michelle, a couple of quick questions for you:

Is your comment regarding the "phase 2" HHRA something that can be shared with CAPP at this point in time? This is the first I've heard of this so I wanted to make sure it was public knowledge. (Assume yes, but just in case)...

Also, regarding your comment that the approach CAPP is looking at "does not address whether the project is needed and will be sufficiently utilized over its lifetime," are you wanting to relay this comment to CAPP, or are you raising it as something for further discussion amongst agencies (i.e. internal)?

Thanks,

Lindsay

From: Schwabe, Michelle MNGD:EX
Sent: Monday, November 25, 2013 10:07 AM
To: McDonough, Lindsay EAO:EX
Cc: Danks, Anthony ENV:EX; 'O'Hanley, James G'; Balcaen, Trish L EAO:EX; Scraba, Erin H EAO:EX; Mycroft, Colleen EAO:EX; Craven, Paul EAO:EX
Subject: RE: For Review: CAPP Baseline Report Analysis - Upstream Strategy

Hi Lindsay,

Some comments for your consideration.

s.13

Document section

- 2.4 : This is a good point about federal regulations under development to support air emissions and GHG reductions, which we may have not included in our review.
- 3.2 and Figure 1. In my opinion it is important to note that legislated timelines are maximums and therefore timelines could be less.

Table 4

- It might be more appropriate to separate the last three columns into current policy and proposed policy.
- Incidents and malfunctions – OGAA is applicable
- Human health and healthy living I think would fall under Work Safe BC
- Visual quality – MOF Visual Impact Assessment

RE: Health related components

- The Phase 2 of the Human Health Risk Assessment (HHRA) will include a review of existing BC statutory, regulatory and policy frameworks that ensure the protection of the health of the population living in proximity to oil and gas activities in NE BC. s.13

s.13

s.13

but may not meet that timeline.

Phase 2 was scheduled to be completed by end of March

s.13

s.13

- The timing of the release of the HHRA may be an important consideration for timing of our review. It would seem prudent to understand the results of the study before making any changes in case the results would impact the decision. We should discuss this further in the WG.

s.13

Thanks Lindsay!

Michelle

From: McDonough, Lindsay EAO:EX
Sent: Friday, November 15, 2013 4:27 PM
To: Danks, Anthony ENV:EX; Schwabe, Michelle MNGD:EX; 'O'Hanley, James G (James.OHanley@bcogc.ca)'
Cc: Balcaen, Trish L EAO:EX; Scraba, Erin H EAO:EX; Mycroft, Colleen EAO:EX; Craven, Paul EAO:EX
Subject: For Review: CAPP Baseline Report Analysis - Upstream Strategy

Hi everyone,

Re: Upstream Strategy

Please see attached, for your review and comment, the baseline report developed by CAPP (including analysis of process, values and gaps regarding regulatory requirements for gas processing facilities). Please provide your comments to me by: Friday, November 25.

Suggested key focus areas for review/ comment include:

- Section 5: CAPP overview of policy outcomes and regulatory requirements for gas processing facilities
 - *Any inaccuracies and/or deficiencies?*
- Table 4: Analysis of overlaps and gaps for gas processing facilities
 - *Any inaccuracies and/or deficiencies?*
 - *Any response to CAPP's question regarding health-related components and other "TBD" items?*

s.22

I will follow up on next steps

s.22

Thanks all, and happy Friday!

Lindsay

From: Scraba, Erin H EAO:EX
Sent: Monday, December 23, 2013 3:58 PM
To: Balcaen, Trish L EAO:EX; Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; O'Hanley, James G OGC:IN
Cc: Mycroft, Colleen EAO:EX; Craven, Paul EAO:EX; O'Connor, Lisa EAO:EX; Bell, Christina ENV:EX; Bailey, Scott EAO:EX
Subject: Hold the date for BC-CAPP working group meeting

Hi folks,

s.22 so I will try to fill her shoes in supporting the BC-CAPP working group on sweet natural gas processing plants.

By way of update, CAPP's policy working group will be providing direction to Nadia and Sherry on January 7.

I've sent you a placeholder invite for a meeting with the CAPP representatives on the natural gas working group project for January 17. This might have to change to suit the out of town attendees. I will also look for an opportunity before the meeting for BC staff to meet and get caught up on the most recent developments and next steps.

James: since your schedule is not available to me in Outlook, can you kindly let me know what dates work better for you on the week of January 13 and if you'd prefer to attend in person or teleconference in.

-Erin

From: Scraba, Erin H EAO:EX
Sent: Wednesday, September 18, 2013 1:24 PM
To: Schwabe, Michelle MNGD:EX
Cc: McDonough, Lindsay; Balcaen, Trish L EAO:EX
Subject: RE: re-send draft terms of reference for natural gas facility working group?
Attachments: NG Plant Project Charter.docx; EA Conditions Comparison Fortune Creek Gas Plant Sep 16.docx; FCGP Project Modifications Table.docx; Gas Plants and EA Requirements (2).docx

Thank you Michelle!

Lindsay will be joining our cross agency team and will be the EAO pen holder for the BN. I will continue to support and stay as part of the team since I would be the one to lead the reg change (should that be the ultimate direction from Ministers).

We will be sure to review the analysis and have a plan for getting the next draft of the BN ready before our meeting tomorrow.

Erin

From: Schwabe, Michelle MNGD:EX
Sent: Wednesday, September 18, 2013 12:57 PM
To: Scraba, Erin H EAO:EX
Subject: RE: re-send draft terms of reference for natural gas facility working group?

Hi Erin,

I am attaching the draft TOR as requested. In addition, we have completed the attached three tables of analysis. Some discussion about them will be needed to finalize. James contributed the current requirements column on Fortune Creek and drafted the table for Cabin. Cabin considers the impact between small and large plants. For Fortune Creek Richard and I reviewed and discussed each condition to determine if there was a gap for the desired outcome of the condition. In some cases it seemed to be outside of regulatory framework in which case we put N/A but it was not always clear cut. Basically we do not see any gaps. Many conditions are due, as you are aware, to First Nation issues that could be dealt with during consultation.

We may want to do further work on the tables. I also made some adjustments in red as I was originally working from the draft conditions and Lindsey provided me with the final version (table is confidential as still with Ministers).

Thanks,

Michelle

From: Scraba, Erin H EAO:EX
Sent: Wednesday, September 18, 2013 9:30 AM
To: Schwabe, Michelle MNGD:EX
Subject: re-send draft terms of reference for natural gas facility working group?

Hi Michelle,

I thought I had taken a print copy of the draft terms of reference at our meeting. But I don't seem to have it. Could you kindly send me a copy? I'm specifically looking for the objectives you'd included.

Erin

Erin Scraba

Manager Legislation, Policy and Project Assessment

BC Environmental Assessment Office

(t): 250-387-7412 (c): s.17

**Ministry of Natural Gas Development (MNGD)
Ministry of the Environment Environmental Assessment Office (EAO)
Oil and Gas Commission (OGC)**

Natural Gas Plant Proliferation Policy Project Charter

	MNGD	EAO	OGC	MOE
Executive Sponsors	Ines Piccinino	Doug Caul	Ken Paulson	Mark Zacharias
Executive Lead	Linda Beltrano	Trish Balcean Scott Bailey	Ken Paulson	Anthony Danks
Project Team	Michelle Schwabe	Scott Bailey Erin Scraba	James O’Hanley	Anthony Danks

Creation Date	Last Updated	Version

Sponsor Approval	Signature	Date
ADM, OGD		
ADM, MOE		

1.0 Project Purpose and Statement of Work

The purpose of this project is to assess the implications of anticipated natural gas processing plant development in the Montney basin and determine what policy response if any is needed to mitigate impacts and meet government goals and objectives.

2.0 Project Background and Justification

The BC government has a vision for British Columbia to be a global leader in sustainable natural gas investment, development and export and has outlined its objectives in its LNG Strategy and BC Natural Gas Strategy.

MNGD's draft "Upstream Development Assessment" forecasts that up to 40 - 200 million cubic feet/day (mmcf/d) new gas plants will be needed in the Montney basin to supply LNG export needs for government targets of 82 mega tonnes. This estimate is consistent with industry forecasts that indicate approximately 26 facilities with capacity of 400 mmcf/d would be required to process the raw gas anticipated in the Montney Basin. Three LNG export facilities already in the Environmental Assessment (EA) process, if approved, would require an additional 9.5 billion cubic feet of natural gas from BC.

The Reviewable Projects Regulation under the *Environmental Assessment Act* requires EAs for facilities that process >200 mmcf/d of sweet natural gas. Encana representatives have stated that the EA timeline of 18 months is a barrier to industry and creates an incentive to build <200 mmcf/d facilities. EAO has anecdotal evidence this activity may already be occurring. Encana has asked that the regulation be changed to exempt sweet gas processing facilities from the EA process.

EAO and OGC anticipate that cumulative effects concerns (air quality, water quality, wildlife, etc.) will arise when a multitude of new wells and gas processing facilities are proposed. OGC has developed an area based analysis tool for the Montney Basin to manage cumulative effects issues. Additionally, the last two EAs on gas processing facilities in the Horn River Basin have identified significant adverse effects due to greenhouse gas (GHG) emissions. While, the Horn River Basin has a 12% CO₂ content versus the Montney with approximately 2.0 – 2.5% CO₂ content, GHG management policy

3.0 Project Objectives

The objective of this project is to determine whether or not changes need to be made to the regulatory process to manage the potential proliferation of natural gas plants required to supply Liquefied Natural Gas (LNG) export targets. The project will develop and evaluate policy options and determine a recommended approach.

The EAO, OGC and the Ministry of Natural Gas are interested in pursuing resolution of these issues to:

- Incent the oil and gas industry to build fewer and larger facilities (when appropriate);
- Maintain the integrity of the regulatory process while shortening the duration of review;

- Provide greater certainty and transparency for Proponents and participants in the regulatory process; and
- Increase the efficiency and effectiveness of EAO and OGC.

Success for this project means that natural gas plant development will:

- Proceed in a timely manner to meet needs of upstream producers and pipeline infrastructure development
- Be economically efficient in order to maximize royalty revenue to the Crown;
- Minimize impacts to the environment;
- Minimize impacts to the public;
- Result in facilities being built that are used and useful.

4.0 Project Scope

Policy review is confined to developing options for managing sweet natural gas plant development in the Montney basin

5.0 Links and Dependencies

5.1 Internal to Provincial Government

- MNGD Upstream Preparedness assessment
- Environmental Assessment Act and its Reviewable Projects Regulation
- Oil and Gas Activities Act, OGC regulations and policy -
- MNGD, EAO, MOE, CAS policy, regulations and programs
- BC Government strategies:
 - Canada Starts Here: The BC Jobs Plan
 - British Columbia's Natural Gas Strategy: Fuelling B.C.'s Economy for the Next Decade and Beyond
 - Liquefied Natural Gas: A Strategy for B.C.'s Newest Industry
- First Nations consultation duty

5.2 External to Provincial Government

- First Nations interests
- Community and stakeholder interests
- Industry interests and competitiveness

6.0 Project Assumptions and Constraints

6.1 Project Assumptions

- There will be 25 – 45 new natural gas plants required to meet government goals for LNG development.
- Natural gas for LNG export will come from BC.
- Industry prefers shorter regulatory timelines and less regulatory burden to reduce costs.
- There is a desire within government and industry to mitigate impacts to the environment and the public from natural gas plant infrastructure development.

6.2 Project Constraints

- Resources - there are few resources (staff, funds) to undertake significant research.
- Timing – must be completed within a one month timeframe as industry is looking for a response from government in the near term to begin making investment decisions.

7.0 Stakeholders

The following stakeholders' (internal and external) interests must be considered throughout the project:

Stakeholder	Interests (I), expectations (E), concerns (C)
Internal	
Ministry of Environment EAO	I,E,C
Ministry of Natural Gas Development (MNGD)	I,E,C
BC Oil and Gas Commission (OGC)	I,E,C
External	
Industry – producers, midstream companies (natural gas processors)	I,E,C
Montney Basin First Nations Montney Basin Communities	I,E,C

8.0 Project Resources

Role	Name & Responsibility
Project Executive Leads	Linda Beltrano, Ken Paulson,
Project Team	Erin Scraba, Rachel Shaw, James O'Hanley
Project Managers	Michelle Schwabe
Project Support	Oil and Gas Major Projects team

9.0 Project Deliverables

The Working Group is responsible for examining issues pertaining to the anticipated need for an increase in natural gas processing plants with the goal to develop policy options and make recommendations for policy implementation in regulation, and/or guidance documents and/or best-practice manuals. The recommendations will be forwarded to the Executive sponsors and the Natural Resource Board for review and approval.

The major deliverables for this project are:

- Project Charter and Work Plan
- Broad Policy Options Paper for executive sponsors
- Industry Engagement (?)
- Recommendations Report out to executive sponsors

- Policy Decision Note with Recommendations for Ministers

10.0 Project Work Plan Overview and Milestones

Deliverable / Milestone	Target Completion Date
• Establishment of working group	August 28, 2013
• Project Charter	August 28, 2013
• Policy Scoping and Work plan	September 13, 2013
• First Project broad policy paper and briefing	Sept, 2013
• Selective detailed policy review based on executive direction	Sept, 2013
• Final Policy paper and decision note for Ministers	Sept/Oct, 2013

11.0 Project Budget Overview

- In-house staff resources drawn from all project charter agencies
- One month project utilizing total of 4 days work per team member

12.0 Risk Assessment Overview

Risk	Probability	Risk Impact	Risk Response Strategy	Impact after Mitigation
Time	medium	?	Priority project	low

Table 1: Fortune Creek Gas Plant Project changes as a result of Environmental Assessment Process

Category of Identified Concern	Resulting change	Current OGC regulatory processes	Gap Exists?	Rationale for status quo and/or regulatory policy options to reach desired outcome
Footprint	<p>Reduced proposed Project footprint from 78 ha to 70.59 ha from the Southeast corner of the proposed Project in order to preserve wetlands and minimize environmental impacts</p> <p>Committed to situate equipment onsite to reduce need for additional clearing whenever possible</p>	<p>Project footprint, especially in relation to environmental features like riparian areas, is a mandatory part of the OGC review and approval of these activities. Only the area necessary for the activity is approved.</p>	No	
Waste Management	<p>Committed to institute a recycling program at worker camp and other existing Proponent workplaces</p> <p>Committed to identify alternatives for timber use in the area, including building and repairing of local trapper cabins, development of rig matting (made locally in Fort Nelson), use wood chips from timber in pipeline expansion joints, construct pipeline stands, and provide timber to a local high school carpentry program</p>	<p>The OGC does not regulate these types of activities.</p> <p>The OGC does not regulate these types of activities as they are contrary to the forestry legislation and as written would be very difficult to enforce.</p>	No ?	<p>outside of regulatory scope/framework</p> <p>best practices for integrated waste management ?</p>

Category of Identified Concern	Resulting change	Current OGC regulatory processes	Gap Exists?	Rationale for status quo and/or regulatory policy options to reach desired outcome
Noise	<p>Refined proposed noise suppression measures</p> <p>Committed to conduct noise tests throughout the life of the proposed Project</p>	<p>The OGC has well established noise guidelines that are applied at permitting and during compliance activities or in response to complaints during the life of the project.</p>	No	
GHG, Air Quality	<p>Committed to develop a fugitive emissions plan, focused on fugitive emissions and GHG emissions, with input from affected Aboriginal groups and provincial agencies</p> <p>Committed to participate in a pilot project for development of a “Best Available Techniques Economically Achievable” (BATEA) guideline by the Province to be used to reduce air emissions (including GHGs)</p> <p>Committed to maintaining equipment and operating equipment as per manufacturer’s specifications</p>	<p>OGAA already requires prevention and mitigation of spillage including fugitive emissions.</p> <p>This approach is already applied by the OGC in its emissions permitting under EMA.</p> <p>OGAA has results based requirements that likely address what is required here. This is a prescriptive requirement that may be difficult to enforce.</p> <p>CSA Z662 requirements</p>	<p>GHG’s not covered</p> <p>GHG’s not covered</p>	<p>Implementation by MOE of a provincial BATEA Policy and Guidelines for all industry that applies to both air quality and GHG management would achieve the desired outcome in a fairer and more effective manner than through an EA process that is limited to a small percentage of industrial emitters.</p>

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
General	1 The EAC Holder must construct the Project according to the Certified Project Description. If Project design details change, the EAC Holder must notify EAO of these changes so that EAO can determine whether an amendment to the EAC is required.	All important aspects of the project including design details will be included in OGAA permits and authorizations compliance with which is mandatory.	No	Specific to EA process
Management Plans Consultation	2 Prior to the commencement of the relevant project phase (construction, operations, and decommissioning), the EAC Holder must develop, implement and comply with management plans ("Plans") that detail how potential adverse effects noted in the EA application and identified during the EA application review process will be avoided or mitigated. The Plans must specify how the EAC Holder will comply with the requirements of applicable legislation, permits, approvals, and authorizations, issued for the Project, including the EAC. The following Plans must be developed and implemented: <ul style="list-style-type: none"> • Acoustic Management Plan • Air Quality and Dust Control Plan • Archaeological and Heritage Resource Discovery Contingency Plan • Caribou Mitigation and Monitoring 	Since the plans have not been developed, nor their content and approval criteria specified, it is unknown how this requirement would be addressed by other applicable requirements. The subject matter of the plans overlap with many requirements administered by the OGC and likely other agencies.	GHG Plan	BATEA Policy A Best Available Techniques Economically Achievable (BATEA) policy can be established. BATEA would be required by MOE as part of the permitting process for air emission. Implementation by MOE of a provincial BATEA Policy and Guidelines for all industry that applies to both air quality and GHG management would achieve the desired outcome in a fairer and more effective manner than through an EA process that is limited to a small

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	<p>Plan</p> <ul style="list-style-type: none"> • Construction Environmental Management Plan • Decommissioning and Reclamation Plan • Emergency Response Plan • Environmental Management Plan • Fugitive Emissions Plan • Greenhouse Gas Management Plan • Integrated Vegetation Management Plan • Operations Environmental Management Plan • Pest Management Plan • Soil Management and Erosion and Sediment Control Plan • Sulphur Storage, Loading and Transportation Management Plan • Timber Utilization Plan • Traffic Management Plan • Waste Management Plan • Wildlife Protection and Monitoring Plan <p>The EAC Holder must provide a draft of each Plan to EAO, applicable agencies (OGC, FLNRO), and interested First Nations (DTFN and FNFN), for input a minimum of two months prior to the commencement of the relevant project phase. Plans must be prepared and implemented to the</p>			<p>percentage of industrial emitters.</p>

Category	Certificate Conditions		How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
		satisfaction of EAO.			
Monitoring and Compliance Reporting	3	<p>The EAC Holder must retain the services of an independent Environmental Monitor, with demonstrated experience and knowledge of environmental monitoring for construction projects in BC, commencing three months prior to construction, throughout the construction and decommissioning phases. An independent Environmental Monitor must also be retained for the first six months of the operations phase, commencing the first day of gas sales.</p> <p>The Environmental Monitor must monitor compliance with the Plans. The Environmental Monitor must also review, evaluate, and report to the EAC Holder the effects of Project activities and effectiveness of environmental mitigation measures, and compliance with the conditions of the EAC and other regulatory permits, approvals and authorizations that apply.</p> <p>The Environmental Monitor must monitor the mitigation proposed, and oversee environmental aspects of the Project during the construction and decommissioning phases. If during monitoring the Environmental Monitor observes that mitigation measures are ineffective, the Environmental Monitor must make</p>	The OGC or its legislation does not apply this type of requirement.	No	Specific to EA process

Category	Certificate Conditions		How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
		<p>recommendations for further mitigation measures to be implemented. The EAC Holder must, in writing, permit the Environmental Monitor to halt work if environmental monitoring indicates that there is a current or imminent impact to the environment that has not been approved as part of the Certified Project Description or other regulatory permits, approvals or authorizations that apply. The Environmental Monitor must document the mitigation measures that have been implemented and their effectiveness and provide a summary of recommendations to EAO, OGC, and interested First Nations (DTFN, FNFN), on an annual basis during the construction and decommissioning phases of the Project.</p> <p>After the first six months of operations, the EAC Holder must designate an on-site environmental monitor to undertake the monitoring responsibilities stated above, as well as any additional requirements set out in the Plans.</p>			
Monitoring and Compliance Reporting Consultation	4	Prior to the start of construction, the EAC Holder must retain an Aboriginal Environmental Monitor to assist the independent Environmental Monitor with sampling, inspections, and reporting related to the mitigation measures and Plans. The	<p>The OGC or its legislation does not apply this type of requirement.</p> <p>Desired outcome could be achieved through the industry First Nation consultation process.</p>	No	Specific to EA process

Category	Certificate Conditions		How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
with Aboriginal groups		EAC Holder must, prior to the start of construction, meet with interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) to discuss the role of the Aboriginal environmental monitor during the construction and operation phases of the Project. The EAC Holder must provide details regarding the role of the Aboriginal environmental monitor in the Construction Environmental Management Plan and Operations Environmental Management Plan.			
Monitoring and Compliance Reporting	5	The EAC Holder must notify EAO compliance and enforcement staff three months prior to commencing the construction, operations, and decommissioning phases of the Project.	OGAA has notification requirements that apply prior to commencement of construction or operations however, the timelines are different. Notification requirements related to decommissioning apply after completion however; decommissioning steps usually involve the OGC / MOE at various points especially in relation to EMA.	No	Specific to EA process
Monitoring and Compliance Reporting	6	Beginning the first full calendar year after the year construction begins; the EAC Holder must submit a compliance report to EAO on an annual basis detailing the Project's compliance status for each condition of the EAC, as well as with those mitigation measures that have been incorporated into	No similar requirement elsewhere.	No	Specific to EA process

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.	
	<p>the Plans. The compliance status report must include documentation and descriptive information that supports the reported compliance status for each condition.</p> <p>The EAC Holder must provide these compliance reports to First Nations (FNFN, DTFN) and other Aboriginal groups (ADK, FLM) for their review and comment. The EAC Holder must meet with such groups on an annual basis to present and receive feedback on the compliance reports. First Nations and other Aboriginal groups can request to be removed from the compliance report distribution list at any given time.</p>				
Monitoring and Compliance Reporting	7	The EAC Holder must provide any document requested by EAO, OGC, or FLNRO compliance staff for the purposes of compliance inspection and verification.	The OGC has broad authority under OGAA to require the maintenance and submission of specified reports or records.	No	Specific to EA process
Monitoring and Compliance Reporting	8	<u>Should the primary contact for the Project change, the EAC Holder must notify EAO, in writing, within 30 days and provide the physical address, email address and phone number(s).</u>	<u>Specific to EA process</u>	<u>No</u>	Specific to EA process
Monitoring and Compliance Reporting Consultation	9	Prior to construction, the EAC holder must contact and offer to meet with FNFN and DTFN regarding their involvement in environmental and compliance monitoring, reporting and adaptive management for the Project. The EAC Holder must make	<p>The OGC or its legislation does not apply this type of requirement.</p> <p>Desired outcome can be achieved through the industry First Nation consultation process</p>	No	Specific to EA process

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	reasonable efforts to meet with FNFN and DTFN and provide details regarding their proposed involvement in environmental and compliance monitoring, reporting, and adaptive management for the Project as set out in the Plans.			
Monitoring and Compliance Reporting Consultation	10 Prior to construction and for the life of the Project, the EAC Holder must establish and maintain a protected file transfer protocol (FTP) site or equivalent protected medium containing all Project reports, Plans and documents identified in the Table of Conditions. The FTP site must also contain a construction schedule, updated regularly, and suggested check-in and check-out procedures for anyone wishing to access the Project area near active construction zones. Once the FTP site is established, the link must be sent to appropriate agencies (EAO, OGC, FLNRO), First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM).	OGAA enables the OGC to specify the format and content of reports and records required to be submitted to the Commission. The legislation also specifies which of these reports must be made publicly available. OGAA does not require companies themselves to make information like this publicly available. Desired outcome could be achieved through the industry First Nation consultation process.	No	Specific to EA process
Monitoring and Compliance Reporting	11 The EAC Holder must provide its contractors and sub-contractors with briefings on and copies of Schedule B of the EA Certificate and all Plans identified in Schedule B. The EAC Holder must, prior to construction, hire an auditor to conduct annual inspections to ensure contractors and sub-contractors are in compliance with these conditions and the Plans.	OGAA generally contains results based requirements that must be complied with including compliance with permits and associated conditions. It does not contain prescriptive steps, like this, designed to assist with compliance.	No	Specific to EA process

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
Monitoring and Compliance Reporting Wildlife	12 The EAC Holder must develop and maintain a boreal caribou incident and near miss visual sightings monitoring record for the life of the Project. The EAC Holder must provide an annual written report detailing the results of the monitoring record to EAO and OGC, as well as interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM).	OGAA and OGAA permits do not contain similar requirements. Government agencies (including the OGC) and industry are involved in broader scale caribou monitoring and management activities designed to ensure effective management actions are applied to relevant populations. It is unclear what geographical extent of monitoring is intended. The OGC does not wish to receive these reports.	N/A	outside of regulatory scope/framework
Consultation	13 Beginning six months prior to the start of construction the EAC Holder must, on an annual basis, provide to First Nations (FNFN, DTFN) its current three year tenure area work plan which may include, but is not limited to, new wells, roads, pipelines, borrow pits, water storage and transportation. This work plan must also be provided to other Aboriginal groups (ADK, FLM) and Working Group members, upon request. The EAC Holder must offer to meet with FNFN, DTFN, ADK, and FLM regarding the EAC Holder's three-year tenure area work plan on an annual basis during the life of the Project.	OGAA and the OGC do not have similar requirements however, some broader scale oil and gas planning initiatives are underway and expected to become standardized in the next 2 years (area-based analysis and reports). This appears to be implementing an alternative oil and gas activity planning framework than is laid out in the relevant legislation and which goes well beyond the scope of the project. Desired outcome could be	N/A	outside of regulatory scope/framework Upstream activity is outside the scope of the project.

Category	Certificate Conditions		How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
			achieved through the industry First Nation consultation process		
Air Quality Greenhouse Gas Management	14	<p>Best Available Techniques Economically Achievable (BATEA) must be used to reduce emissions and must be incorporated into Project design and permit conditions at each of the three phases of Project construction, and into permit amendments.</p> <p>The EAC Holder must submit to EAO a completed BATEA report that is acceptable to EAO, NGD, MOE, CAS, and OGC at least two months prior to of the start of phases one, two and three of construction. The BATEA report must also be provided to interested First Nations (FNFN, DTFN) for information. The EAC Holder must offer to meet with interested agencies (EAO, MNGD, Climate Action Secretariat (CAS), MOE, and OGC) and First Nations (FNFN, DTFN) to review and discuss the report, prior to approval.</p>	<p>The BATEA approach is already applied in EMA emissions permitting by the OGC.</p> <p>The purpose of the report and its submission timing is unclear since it will be the EMA permits, not the report, will determine permissible emissions. The report may support an application for emissions permit.</p>	Gap for GHG's	<p>A Best Available Techniques Economically Achievable (BATEA) policy can be established. BATEA would be required by MOE as part of the permitting process for air emission.</p> <p>Implementation by MOE of a provincial BATEA Policy and Guidelines for all industry that applies to both air quality and GHG management would achieve the desired outcome in a fairer and more effective manner than through an EA process that is limited to a small percentage of industrial emitters.</p>

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
Air Quality Greenhouse Gas Management Wildlife	15 Equipment used for construction and operation activities must be maintained and operated as per manufacturer's specifications. <u>The EAC Holder must use clean fuels such as low sulphur fuel in dump trucks and other heavy-duty diesel vehicles and/or equipment, except when other fuels are approved under the Air Quality and Dust Control Plan, specified in condition #2.</u>	OGAA generally contains results based requirements that must be complied with including compliance with permits and associated conditions. It does not contain prescriptive steps, like this, designed to assist with compliance.	No	NOx BLIERs ¹ for reciprocating engines will enforce this condition and are scheduled to be in place 2014/2015 BLIER's for SOx and VOx will also contribute to achieving the desired outcomes of conditions for air quality.
Air Quality	16 Under the direction of the Environmental Monitor, dust associated with the use of the Coles Lake and Gegut'o roads as a result of Project activities must be minimized through the use of water and lignosulfonate suppressants. High traffic areas within the Project footprint, as identified in the Certified Project Description, must be gravelled after clearing and levelling of the Project site to minimize dust from Project-related activities. Final gravelling must occur after each of phases one, two, and three of construction. The EAC Holder must prohibit the use of refined oil for dust control.	OGAA and associated permits do not normally contain similar requirements. This would already appear to be prohibited under EMA.	No	

¹ BLIER stands for Base-level Industrial Emission Requirements – standards being established by the federal government/in collaboration with the provinces to ensure a high standard of industrial performance to address air quality issues.

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	The EAC Holder must monitor dust deposition along Coles Lake and Gegut'o Road, and report annual results in its Air Quality and Dust Control Plan.	No similar requirement under OGAA.		
Air Quality	17 The EAC Holder must minimize vehicle and machinery emissions during all Project phases by turning vehicles and equipment off when not in use, unless idling is required for safe operation of a vehicle. Vehicles are permitted to idle when ambient temperatures are below 0 Celsius.	No similar requirement under OGAA. Requirement appears very difficult to enforce. Carbon tax is a policy in place that provides an economic incentive to discourage idling.	N/A	outside of regulatory scope/framework
Greenhouse Gas Management	18 The EAC Holder must employ an infrared camera, or alternative technology agreed to by the EAC Holder and relevant agencies (CAS, MEM, OGC), to search the facility for fugitive emissions on a quarterly basis. Fugitive emissions must be reported to the OGC. Measures to identify, eliminate and/or manage fugitive emissions must be detailed in the Fugitive Emissions Plan.	OGAA generally contains results based requirements that must be complied with including compliance with permits and associated conditions. It does not contain prescriptive steps, like this, designed to assist with compliance. There is an OGAA requirement to prevent and remedy spillage including fugitive emissions and to report spillage to the OGC. Covered by the Reporting Regulation under <i>Greenhouse Gas Reduction Targets Act (WCI 360)</i>	No	
Greenhouse Gas Management	19 The EAC Holder must undertake a desktop analysis of greenhouse gas management options prior to phases one, two and three	Not similar OGAA or OGC requirement exists.	No	Issue is management to threshold rather than management to achieve

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	of construction and report results to relevant agencies (OGC, MEM, CAS, EAO) and interested First Nations (FNFN, DTFN). The process by which the EAC Holder will conduct a desktop analysis of greenhouse gas management options must be specified in the Greenhouse Gas Management Plan.	Condition doesn't specify what the analysis is to be used for.		reductions
Greenhouse Gas Management	20 The EAC Holder must minimize the burning of salvageable timber and thus lower GHG emissions, in accordance with the Timber Utilization Plan. The Timber Utilization Plan must detail how salvageable timber will be used for swamp matting or pipe stands, chipped, or otherwise utilized in preference to burning.	The OGC requires submission of a simpler form of utilization plan however, given specific provisions in forestry legislation, requiring utilization of timber is not considered enforceable. Requirement appears very difficult to enforce.	No	
Vegetation	21 The EAC Holder must limit vegetation and ground disturbance to the Project footprint, as identified in the Certified Project Description. Boundaries of the Project footprint must be clearly marked prior to construction. If vegetation clearing and/or ground disturbance is required outside of the Project footprint, the Environmental Monitor must document the extent of the required disturbance and advise EAO and OGC and interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) of the activity in advance. The EAC holder must conduct any approved activities in accordance with the requirements outlined	OGAA permits specify the permissible boundaries of the oil and gas activity they are issued for. Activities outside the permit area would require a permit amendment before they could be undertaken. As written, this provision duplicates OGAA requirements and could create confusion leading to non-compliance.	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	in the Construction Environmental Management Plan.			
Vegetation	<p>22 Surface soils must be salvaged and stockpiled for site reclamation and a vegetative cover must be established on the soils stockpile to prevent erosion as detailed in the Decommissioning and Reclamation Plan.</p> <p>The EAC Holder must use only species native to northern BC as vegetative cover. In the event that native species are not available, the EAC Holder must work with agencies (FLNRO, OGC) and interested First Nations (FNFN, DTFN) to find an agreeable alternative seed mix. All seed mixes used for reseeded must receive a "Certificate of Seed Analysis" to confirm there are no invasive plants in the seed mix.</p>	<p>Reclamation requirements, including soil handling, seeding and preventing the introduction and spread of invasive plants are specified in OGAA and its regulations. They do not necessarily require revegetation with native plants.</p> <p>The requirements take or more results based approach than the prescriptive requirements presented here.</p>	No	Stakeholders want to ensure desired outcomes
Vegetation	<p>23 Erosion must be managed in accordance with the erosion control measures set out in the Soil Management and Erosion and Sediment Control Plan. The EAC Holder must use weed free straw and hay as an erosion control measure.</p>	<p>OGAA contains results based requirements that address soil erosion and related impacts.</p> <p>It does not contain prescriptive steps, like this, designed to assist with compliance.</p>	No	Stakeholders want to ensure desired outcome
Vegetation	<p>24 The EAC Holder must develop a Pest Management Plan detailing control measures for invasive species of concern to interested First Nations (FNFN, DTFN), and management of weeds and vegetation</p>	OGAA contains results based requirements that address invasive plants. The Weed Control Act also applies. The requirements do not	No	Stakeholders want to ensure desired outcome

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	onsite.	necessarily involve further consultation with First Nations or identification of additional plants than contained in the Invasive Plants or Noxious Weeds lists.		
Vegetation	25 Runoff must be managed according to the Soil Management and Erosion and Sediment Control Plan. Runoff must be retained in a containment basin and tested prior to release. Runoff water that does not meet provincial standards for release, and only be released in accordance with the <i>Environmental Management Act</i> .	OGAA contains results based requirements that address soil erosion and related impacts. It does not contain prescriptive steps, like this, designed to assist with compliance.	No	Stakeholders want to ensure desired outcome
Vegetation	26 Contractors hired by the EAC Holder must be required to ensure their construction equipment is free of soil and plant material prior to entering the Project area. To limit the spread of weeds or invasive species, all newly arriving construction equipment must be visually inspected and any equipment found to be unacceptable must be cleaned prior to being used on the Project. Equipment cleaning must take place in a designated offsite location. Soil and plant material cleaned from vehicles must be managed to prevent the spread of invasive plants.	OGAA contains results based requirements that address invasive plants. The Weed Control Act also applies. It does not contain prescriptive steps, like this, designed to assist with compliance.	No	Stakeholders want to ensure desired outcome
Vegetation	27 The EAC Holder must develop and implement, with input from interested First Nations (FNFN and DTFN) and agencies	OGAA and associated permits do not contain similar requirements.	No	Stakeholders want to ensure desired outcome

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	(EAO, OGC, FLNRO), a soil and vegetation sampling program to be set out in the Soil Management and Erosion and Sediment Control Plan. The EAC Holder must involve the Aboriginal Environmental Monitor in soil and vegetation sampling and in providing input into monitoring of potential Project effects on soil and vegetation. The EAC Holder must develop a report detailing the results of the soil and vegetation sampling program and provide copies of the report to interested First Nations (FNFN and DTFN) and agencies (OGC, FLNRO, EAO) on an annual basis over the first two years of the initial phase of the Project.	The intended use of the report is not specified.		Assumes there is high risk of contamination to soil and plants. Creates regulatory burden that is not aligned with risk.
Vegetation Consultation with Aboriginal groups	28 Prior to construction, the EAC Holder must seek the input of interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) in preparing an inventory of traditional use plants and invasive species within the Project footprint, as identified in the Certified Project Description, or within a geographic area agreed to by the EAC Holder and interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM). The EAC Holder must set out the inventory of traditional use plants and invasive species in the Vegetation Management Plan.	OGAA and associated permits do not contain similar requirements. The intended use of the inventory is not specified. Desired outcome could be achieved through the industry First Nation consultation process	No	
Vegetation Visual Quality	29 The EAC Holder must ensure that no ground level sight lines are created between existing traditional harvester cabins and the Project	This would appear to be related to the permitted clearing area and would be dealt with as part of the	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	footprint	OGAA permit issuance decision.		
Visual Quality	30 The EAC Holder must use exterior yard lighting on the Project site that reduces wasted or stray light (i.e., light that is directed upwards, above the horizontal, or directly into the eyes of observers as glare), control light levels and avoid the use of light where activities are not occurring, consistent with the International Commission on Illumination. The EAC Holder must centralize lighting systems to allow selective light control.	OGAA and associated permits do not contain similar requirements unless in response to a concern from a party who is directly affected. Desired outcome can be achieved through the industry First Nation consultation process	No*	*Lighting is dependent on safety requirements and operational needs – a complaint based approach is more appropriate to deal with specific issues.
Wildlife	31 The EAC Holder must reduce predator (e.g. wolves) use of linear rights-of-way within EAC Holder tenured lands by screening sight lines through placing rollback and tree planting.	This appears to be implementing an alternative oil and gas activity planning framework than is laid out in the relevant legislation and which goes well beyond the scope of the project. Such considerations, where applicable are normally dealt with in the relevant OGAA permit or authorization.	No	
Wildlife	32 The EAC Holder must monitor wildlife through the use of remote-operated cameras as detailed in the Wildlife Protection and Monitoring Plan. The EAC Holder must seek input and approval from agencies (FLNRO, OGC) on the number and placement of monitoring cameras and must provide this information to interested First	OGAA and associated permits do not contain similar requirements. The intended purpose of this information is not specified. The OGC will decline to be involved.	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) for review and comment.	Desired outcome could be achieved through the industry First Nation consultation process.		
Wildlife	33 Circumstances under which a stop work order during construction of the Project must be issued by the EAC Holder in response to caribou sightings must be described in the following plans: <ul style="list-style-type: none"> • Construction Environmental Management Plan • Caribou Mitigation and Monitoring Plan • Wildlife Protection and Monitoring Plan 	OGAA and associated permits do not contain similar requirements. Desired outcome could be achieved through the industry First Nation consultation process	No	
Wildlife	34 Project vehicles must be required not to exceed speed limits of 60 km/hr on secondary roads within ungulate winter range (UWR) areas. The EAC Holder must set a maximum speed limit of 30 km/hr for all Project vehicles whenever caribou are observed within 1 km of the Project footprint, as identified in the Certified Project Description, or are observed at other locations along the Coles Lake/ Geguto Road. The set distance for the 30 km/ hr provision applies to 1 km on either side of the kilometer marker on the road where sightings occur. The reduced speed limit is to be observed as long as caribou are observed, and for at least one hour after final sighting	Necessary conditions for oil and gas activities in ungulate winter ranges are applied as part of the OGAA permit decision. OGAA legislation contains speed limits on oil and gas roads that, in some cases, may be different from these.	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	of caribou.			
Wildlife	35 Prior to commencing operations, permanent fencing must be erected around the Project footprint to limit wildlife access to the site.	Fencing of facility sites is routinely considered and conditioned in OGAA permits.	No	
<u>Wildlife</u>	36 <u>The EAC Holder must develop and implement a Caribou Mitigation and Monitoring Plan, as specified in condition #2, that contains, but is not limited to, the following topics: research, access management, and monitoring.</u>			
Wildlife Acoustic	37 The EAC Holder must carry out a third party noise level verification measurement upon Project start-up, and annually thereafter, and, if requested, present results to interested stakeholders, First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM). The EAC Holder must conduct hand-held spot monitoring checks on a monthly basis throughout the life of the Project. If results of the noise level verification measurement or hand-held spot monitoring checks are found to be not in compliance, the EAC Holder must take steps to lower noise levels to legislated maximums.	Noise monitoring and mitigation is routinely considered and conditioned in OGAA permits and compliance activities.	No	
Land and Resource Use	38 Prior to construction, the EAC Holder must work with FNFN and DTFN to establish protocols detailing how traditional harvesters must be notified of planned out of the ordinary noise-inducing Project activities (e.g. pile driving during	OGAA and associated permits do not contain similar requirements. Desired outcome could be achieved through the industry First Nation consultation process and	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.	
		construction and Project operation).			
Land and Resource Use	39	The EAC Holder must not disclose locations of traditional harvester's permanent structures, with the exception of those area survey plans used within the Emergency Response Plan.	OGAA and associated permits do not contain similar requirements. Desired outcome could be achieved through the industry First Nation consultation process and OGAA consultation requirements.	No	
Transportation	40	The EAC Holder must use buses and crew cabs as the primary employee transportation method from Fort Nelson to the Project site.	OGAA and associated permits do not contain similar requirements. Requirement appears difficult to enforce.	N/A	outside of regulatory scope/framework
Transportation	41	The EAC Holder must schedule heavy loads used for the Project during winter (November-February) and observe road bans during spring break-up.	Requirement appears to duplicate existing legislation which would already appear to provide the intended protection. Other protections are contained in OGAA and forestry legislation.	No	
Accidents and Malfunctions	42	During design of the Project, the EAC Holder must conduct a hazard identification (HAZID) study to systematically identify all potential hazards associated with the Project, as well as external hazards including weather and geotechnical considerations. The EAC Holder must also conduct a hazard and operability (HAZOP) study to examine any potential deviations from planned process specifications.	OGAA and associated permits do not contain similar requirements. The intended purpose of this information is not specified. WorkSafe BC requirements Required through CSA Z662	No	
Accidents and	43	The EAC Holder must maintain and regularly	OGAA and OGC apply	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
Malfunctions	update all emergency response equipment inventories.	comprehensive requirements for the development and maintenance of emergency response and safety plans. These requirements include equipment lists. Required through CSA Z662		
Accidents and Malfunctions	44 The EAC Holder must maintain a current list of third-party firefighting contractors to hire to respond to a fire at the Project site.	OGAA and OGC apply comprehensive requirements for the development and maintenance of emergency response and safety plans. The plans detail company personnel, their responsibilities and response steps. They may not require identification of 3 rd party contractors but, in the event a company is not adequately dealing with an emergency event, the OGC can step in and institute necessary measures to address an emergency.	No	
Accidents and Malfunctions	45 The EAC Holder must provide mandatory spill response training for staff. Fire extinguishers and industry standard oil and fuel spill kits must be housed in clearly marked onsite locations and in Project vehicles and equipment.	OGAA emergency response requirements already include regular training exercises and availability of this type of equipment. Required through CSA Z662	No	
Accidents and Malfunctions	46 Prior to construction, the EAC Holder must involve interested First Nations (FNFN, DTFN) in a risk assessment exercise, to identify potential accidents and malfunctions related to the Project and applicable	OGAA does not contain a similar requirement except as part of emergency management planning which has explicit requirements regarding what people must be	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
	prevention and management measures. The EAC Holder will prepare a report documenting the outcome of this exercise and any resulting recommendations and provide it to EAO, OGC, interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM). The EAC Holder must seek input from interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) in the development of protocols for communicating information related to accidents and malfunctions to interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) upon request throughout the life of the Project.	involved. Desired outcome could be achieved through the industry First Nation consultation process.		
Archaeological and Heritage Resources	47 The EAC Holder must ensure that all employees and contractors are aware and follow the policies and procedures outlined in the Archaeological and Heritage Resource Discovery Contingency Plan.	Archaeological assessment and permitting of site disturbance or artifact removal is addressed by the Heritage Conservation Act administered by the OGC. The Plan could potentially be different from these legal requirements leading to non-compliance.	No	
Archaeological and Heritage Resources	48 In the event that unrecorded archaeological and heritage resources (e.g. culturally modified trees, terrestrial archaeological or heritage sites) are identified within the Project footprint, all work affecting these sites must cease and the EAC Holder must	All of this is directly addressed by requirements of the Heritage Conservation Act administered by the OGC.	No	

Category	Certificate Conditions	How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.	
	<p>notify the OGC and First Nations (FNFN, DTFN) and other Aboriginal groups (ADK, FLM).</p> <p>Should impacts to archeological or heritage resources be unavoidable, the EAC Holder must retain a qualified archaeologist to conduct an archeological review and provide an opportunity for interested First Nations (FNFN, DTFN) and other Aboriginal groups (ADK, FLM) to examine the site, prior to documentation and/or removal of heritage resources.</p>				
Consultation with Aboriginal groups	49	Prior to construction, the EAC Holder must seek input from interested First Nations (FNFN, DTFN) on the development of an Aboriginal Liaison position for construction and operations, to aid in the management or resolution of human resource issues for Aboriginal employees involved in the Project. This may include, but is not limited to, grievances or issues of relevance to Aboriginal employees.	<p>OGAA and associated permits do not contain similar requirements.</p> <p>Desired outcome could be achieved through the industry First Nation consultation process.</p>	N/A	outside of regulatory scope/framework
Consultation with Aboriginal groups	50	Prior to construction, the EAC Holder must offer to meet with interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) to seek input on accommodation and/or amenities to be incorporated into the camp facility design with respect to Aboriginal spiritual needs.	<p>OGAA and associated permits do not contain similar requirements.</p> <p>Desired outcome could be achieved through the industry First Nation consultation process.</p>	N/A	outside of regulatory scope/framework
Consultation	51	Beginning 6 months prior to the start of	OGAA and associated permits do	N/A	outside of regulatory

Category	Certificate Conditions		How Requirement Would be Addressed in Absence of Condition	Outcome Gap?	Further action/policy options to fill gap.
with Aboriginal groups		construction, the EAC Holder must, on an annual basis for the life of the Project, offer to meet with interested First Nations (FNFN, DTFN) and Aboriginal groups (ADK, FLM) to report on the EAC Holder's progress with respect to the Aboriginal employment and participation of Aboriginal controlled businesses, as specified in mitigation measures #75, 76, 77, 78, 80, 81, 87, 135, and 136.	not contain similar requirements. Desired outcome could be achieved through the industry First Nation consultation process and OGAA consultation requirements		scope/framework
<u>Cumulative Effects</u>	<u>52</u>	<u>Should the Province undertake a future regional land use planning initiative related to resource development in the geographic region in which the Project is located, at the request of the Province, the EAC Holder must participate in such initiative to the full extent required by the process created for such initiative. The EAC Holder must contribute any information and documentation required for the purposes of such initiative within the timelines specified by the Province</u>			

Table 2: Cabin Gas Plant Certificate Conditions

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
1. The Proponent must include a stipulation in contractor bids that vehicles and construction equipment must be properly tuned; mufflers must be used on equipment in accordance with the equipment manufacturer's instructions; and, where practicable, gas and diesel fired equipment must be turned off when it is not in use to reduce air and sound emissions during Project construction.	Not a legal requirement and unlikely to be included in permitting requirements. Provision would be very difficult to reasonably enforce.	Little or no difference.
2. During construction, a Proponent employee must conduct site inspections for compliance with Commitment 1, and must ensure that vehicles not in compliance with this commitment may be removed from the Project site. During operations, the Proponent must be in compliance with this commitment via a vehicle and prevention maintenance program.	As above.	As above.
3. The Proponent must minimize dust generation along Komie Road between miles 38 and 43 through the use of suppressants (e.g. water) for the purpose of keeping sightlines on the road clear.	Addressed through Worksafe regulations	As above.
4. In the design and operation of the Project, the Proponent must manage combustion CO2 emissions from fuel gas through the selection of energy efficient equipment as specified in contractor bids. The Proponent must ensure that any contractor bid includes a condition that the contractor will use, and will not be limited to the use of, premium efficiency electric motors, energy efficient reciprocating natural-gas generators and adjustable speed drives on aerial coolers.	Currently addressed in EMA and approach to EMA permitting (OGC) except the focus is on emissions and technology itself not the contractor bidding process.	Larger equipment used larger plants is usually more energy efficient and is capable of lower emissions per unit of output.
5. The Proponent must, where practicable, house equipment in buildings and wrap other equipment with noise attenuating materials, to adhere with the OGC BC Noise Control Best Practices Guideline (2009) as well as Federal and Provincial occupational exposure limits for noise, per the most stringent standards	Addressed in OGC permitting and compliance processes.	No difference
6. The Proponent must ensure that, during operations, the Project meets sound levels specified in the BC Noise Control Best Practices Guideline (OGC 2009).	As above	As above
7. The Proponent must conduct follow-up monitoring in accordance with BC Noise Control Best Practices Guideline (OGC 2009) if noise complaints are	As above	As above

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
received.		
8. The Proponent must transplant perennial rare plants found in the LAA with adjacent (associated) plants and all attached soil to a suitable area located as close to the Project site as possible without being affected directly or indirectly by the Project to the satisfaction of the Ministry of Environment.	Not a legal requirement unless plants included in a WHA or other formal legal protection. Unlikely to be included in permitting requirements unless plants were particularly rare and transplant likely to be successful.	Little or no difference.
9. The Proponent must construct a berm along the north and east sides of the property to minimize changes to natural drainage patterns, mitigate changes to soil moisture conditions, and prevent dewatering of off-site upland wetlands, all to the satisfaction of the Ministry of Environment.	Addressed by the Environmental Protection and Management Regulation (EPMR) under OGAA	Could be greater impacts from larger plant sites. Depends on site locations.
10. The Proponent must divert clean runoff water to the wetlands on the lower west side of the property to the satisfaction of the Ministry of Environment.	May conflict with above referenced requirement unless this is the natural drainage pattern, in which case it is addressed by it	As above.
11. The Proponent must ensure any stormwater discharge from the site is dissipated as specified in the Environmental Protection Plan (Application Appendix B) to minimize the potential for erosion. This will be conducted to the satisfaction of the Ministry of Environment.	Addressed by the Environmental Protection and Management Regulation (EPMR) under OGAA especially in relation to potential impacts on environmental values.	Could be greater impacts from larger plant sites. Depends on site locations and adjacent values.
12. The Proponent must conduct clearing and brushing of vegetation as outlined in its Environmental Protection Plan (Application Appendix B), and to the satisfaction of the Ministry of Environment.	Impacts (although not clear from the condition) likely addressed in OGAA permitting and EPMP requirements. Unclear	Could be greater impacts from larger plant sites. Depends on site locations and adjacent values.
13. The Proponent must not use oil for dust control for the Project.	Already addressed under other legislation.	No difference.
14. The Proponent must reduce the risk of weed introduction to the Project site by ensuring all earth-moving construction equipment entering the proposed Project site is clean.	Addressed under EPMP and Weed Control Act.	Little or no difference. A greater number of smaller, dispersed plants could have greater potential for impact.
15. The Proponent must control invasive species according to its Integrated Vegetation Management Plan (Application Appendix C-2), and to the satisfaction of the Ministry of Environment.	As above.	
16. The Proponent must reduce windthrow along all edges of the Project site by leaving a buffer of well-drained, deep soils between areas of poorly drained or shallow soils at the clearing edge.	Location of clearing addressed in OGAA permit. This type of impact could be addressed in a permit but as written	Little or no difference. Depends on site locations.

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
	would be difficult to apply or enforce.	
17. Subject to Commitment 18, the Proponent must limit clearing, grading, construction, and temporary storage of materials to the 100 ha (1 km ²) Project site. Boundaries of the Project site must be clearly marked to ensure clearing does not extend beyond the Project site.	Addressed in OGAA permitting.	Little or no difference. A greater number of smaller, dispersed plants could result in more overall clearing.
18. If required, the Proponent must locate temporary workspace or storage areas beyond the Project site boundaries within existing cleared areas.	As above.	As above.
19. The Proponent must clear the Project site outside of the nesting season for birds (typically May 1 to July 31), subject to Commitment 20.	Typically addressed in OGAA permitting.	No difference.
20. If clearing is required during the nesting season, a nest survey must be conducted in advance of the clearing work by a BC-certified Registered Professional Biologist to ensure compliance with BC <i>Wildlife Act</i> and <i>Migratory Birds Regulations</i> pursuant to the <i>Migratory Birds Convention Act</i> . For any clearing work required within the period of May 1 to July 31, the Proponent must notify, and obtain the approval of, the Ministry of Environment.	Typically addressed in OGAA permitting.	No difference
21. The Proponent must erect permanent fencing around the Project to limit wildlife access to the site to the satisfaction of the Ministry of Environment.	Typically addressed in OGAA permitting and/or standard industry practice	No difference
22. No waste may be disposed of on site. Garbage and other wastes that attract animals must be stored on-site in bear-proof containers and then shipped to and disposed at approved facilities.	Addressed by the Wildlife Act	No difference
23. During all phases of the Project, the Proponent must ensure that group transportation is made available between Fort Nelson, the employee camp and the Project site when road conditions allow.	Not a legal requirement and unlikely to be included in permitting requirements.	Little or no difference. Fewer larger plants will have more concentrated traffic while smaller plants will disperse this traffic over more areas.
24. Drivers for the Project, specifically contractor employees and Proponent employees, must complete the Proponent's driver training program (DriveSafe or equivalent program). The Proponent must post wildlife warning signs at the beginning of Komie Road and near the Project site before any construction work begins on the Project site. These signs must remain in place until after Project reclamation.	Unlikely to be included in permitting requirements but worker safety training obligations are addressed in Worksafe regulations.	No difference
25. The Proponent must prohibit feeding or harassment of wildlife by construction and operations personnel.	Addressed by the Wildlife Act	No difference

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
26. The Proponent must provide construction and operations personnel with wildlife awareness and training to ensure they can respond to wildlife encounters in accordance with the requirements of the <i>Wildlife Act</i> .	Not a specific requirement of the Wildlife Act and unlikely to be included in permitting requirements. May be required by Worksafe regulations as a workplace risk or hazard.	No difference
27. The Proponent must ensure that no clearing occurs within 30 m of the stick nest located 29m north of the southwest corner of the Project site. Once the Project is operational, activities must be restricted within 30 m of the nest.	Addressed by the Wildlife Act and likely the EPMR.	Little or no difference. More small dispersed plants could potentially interact with more nests.
28. The Proponent must make and document all reasonable efforts to avoid exposing trappers' permanent structures, as required by the BC Registered Trapper and Petroleum Industry Agreement on Notification and Compensation (2006).	Disturbance to traps is addressed by the Wildlife Act. Notification is addressed by OGAA's C&N reg. Compensation is not included in permitting requirements.	Little or no difference. More small dispersed plants could potentially interact with more traps.
29. The Proponent must not deactivate any roads, as part of this Project, that would affect the current and future use as identified by the registered trappers of trap line tenure TR0755T008.	May conflict with Oil and Gas Road regulation (OGAA)	No difference
30. The Proponent must assume full responsibility for the presence and conduct of their employees, contractors, service and supply businesses when they are required to come onto the trap line. A representative of the Proponent must attempt to contact the registered trappers of trap line tenure TR0755T008 annually during construction, once at the beginning of operations, and then annually throughout the reclamation process to notify the registered trappers of trap line tenure TR0755T008 of Project activities.	Not a legal requirement and not included in permitting requirements. Employers are liable for employees who violate the Wildlife Act as part of their work duties including damage to set traps.	No difference.
31. The Proponent must prohibit: the use of recreational all-terrain vehicles and snowmobiles; uncontrolled dogs; and, the recreational use of firearms at the Project site.	Harassment of wildlife by dogs is addressed in the Wildlife Act. Other matters unlikely to be included in permits.	No difference.
32. The Proponent must compensate trappers of trap line tenure TR0755T008 pursuant to the BC Registered Trapper and Petroleum Industry Agreement on Notification and Compensation (2006).	Not a legal requirement and would not be included in permits.	Little or no difference. More small dispersed plants could potentially interact with more traplines.

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
33. The Proponent must use rail or seasonal ice roads, rather than the Sierra Yoyo Desan and Komie Roads, where practicable for the construction phase of the Project.	Not a legal requirement and would not be included in permits. Difficult to enforce.	Fewer larger plants will have more concentrated traffic while smaller plants will disperse this traffic over more areas.
34. Prior to operations, the Proponent must ensure the Project is equipped with combustible gas detection and fire detection systems, in accordance with the most stringent of the following requirements: the <i>Wildfire Regulation</i> ; EnCana Specification ECA-INST-S-03 (Rev 0 May 2009), as detailed in the Proponent's application to the OGC for the Project; and to the satisfaction of the OGC.	Addressed by OGAA requirements.	Little or no difference. More dispersed smaller plants may also disperse fire risk over a larger area.
35. The Proponent must develop and implement a Wildfire Control and Prevention Plan for the Project site prior to the commencement of operations of the Project. The Proponent must notify EAO when the Wildfire Control and Prevention Plan has been developed and implemented.	Overlaps with OGAA requirements and potentially some Wildfire Act requirements. Creates potential for conflict with these requirements.	As above.
36. Prior to the commencement of operations of the Project, a representative of the Proponent must volunteer to sit on the Fort Nelson Emergency Operations Committee as part of the Town of Fort Nelson Emergency Plan.	Not a legal requirement and would not be included in permits.	No difference
37. The Proponent must develop and implement a first aid system at the Project's field locations, including trained pre-hospital care professionals. The Proponent must work closely with the local ambulance service and the Fort Nelson Hospital to ensure patient care is enhanced by the cooperation amongst the Proponent's employees providing initial care and local ambulance service and the Fort Nelson Hospital to the satisfaction of Northern Health Authority.	Some aspect addressed by Worksafe regulations. Other aspects would not be included in permitting.	No difference
38. The Proponent must use access control measures to provide day-to-day security for operations activities and facility personnel will provide 24-hour monitoring support. The Proponent must take measures, such as an entry card system, to ensure that no unapproved personnel or visitors enter the Project site. The Proponent must continue to have regular contact with the Fort Nelson RCMP detachment on area- and industry-specific security issues. The Proponent's security personnel and Project Safety Coordinator will consult with the local Fort Nelson RCMP detachment on Project security plans before commencing construction of the Project	Not a legal requirement and would not be addressed in permitting.	May be greater security risks / consequences with larger plants.
39. The Proponent must parcel or subdivide less specialized construction	Not a legal requirement and would not be	Work associated with more smaller plants

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
contracts where possible, making them more easily accessible to local suppliers of goods and services. The Proponent must require that their general contractor provide the Proponent with monthly reports of the number of local companies that have been employed onsite. The Proponent's bid documents must reflect the Proponent's desire to hire locally where possible.	included in permits.	could be more accessible to local contractors as it may be less specialized, not require large equipment and crews and would likely extend over longer periods.
40. The Proponent must encourage local suppliers of goods and services to combine in order to improve their capacity and competitiveness in the bidding process for construction contracts. The general contractor for the Proponent must give the Proponent monthly reports of the number of local companies that have been employed onsite. The Proponent's bid documents must reflect the Proponent's desire to hire locally where possible.	As above	As above
41. The Proponent must insert specific language in the bid documents to encourage local suppliers of goods and services to establish partnerships with First Nations firms in order to establish qualifications of First Nations in the bidding process for construction contracts.	As above	As above
42. The Proponent must put into effect the Proponent's Environmental Protection Plan (Application Appendix B). The Proponent must document employee safety training, and generate and retain incident and malfunction reports in the event of an incident or malfunction.	These matters are addressed in OGAA and Worksafe regulations. Potential for the Protection Plan to conflict with OGAA requirements.	No difference
43. At the end of Project life, the Proponent must decommission the facilities and implement a restoration and reclamation program on the site in accordance with the regulations in force at that time. This restoration and reclamation program must be provided to EAO four weeks prior to Project decommissioning and implementation of the restoration and reclamation program.	Matter is addressed in OGAA regulations. Potential for program required by the EAO to conflict with these requirements.	No difference
44. The Proponent must ensure environmental protection measures for Project construction are carried out in accordance with the Environmental Protection Plan (Application Appendix B).	Environmental protection is addressed in OGAA regulations. Potential for protection plan to conflict with these requirements.	No difference.
45. The Proponent must ensure there are spill kits on the Project site, and in company vehicles, and must ensure spill response training is provided for appropriate construction and operational personnel to the satisfaction of the Ministry of Environment.	Addressed by OGAA emergency response plans and associated requirements	No difference

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
46. For reclamation of the Plant site, the Proponent must use acceptable or approved seed sources as defined by the Seed Mix Policy and Guidelines from the Ministry of Forest and Range, with the preference being utilization of native species.	Addressed by OGAA regulations. Potential conflict between this condition and those requirements	No difference
47. The Proponent must provide the Dene Tha' First Nation and Fort Nelson First Nation with opportunities to participate in the translocation of rare plant species from the Plant site.	Not a legal requirement and would not be included in permits	No difference
48. Botanists employed by the Proponent must meet within one year after the beginning of construction with Dene Tha' First Nation and Fort Nelson First Nation harvesters to share knowledge regarding traditional use plants, including ways to propagate plant species (e.g., community meeting/workshop).	Not a legal requirement and would not be included in permits	No difference
49. The Proponent must allow Dene Tha' First Nation to harvest birch bark from trees on the Project site in the time period between issuance of the Environmental Assessment Certificate No. E09-06 and start of clearing.	Condition is not necessary to allow this activity	No difference
50. The Proponent must make available up to 100 m3 of merchantable timber to be shared by the Fort Nelson First Nation and Dene Tha' First Nation for six months following clearing of the Project site. The logs would be processed by the Proponent, and delivered to a location within 25 km of the Project site. Stumpage fees must be paid by the Proponent.	Not a legal requirement and would not be included in permits	No difference
51. The Fort Nelson First Nation must be provided the opportunity to participate in, or provide input into development of, a pre-construction orientation and training program (e.g. video) that employees and Project contractors would be required to take.	Not a legal requirement and would not be included in permits	No difference
52. The Proponent must ensure that the Fort Nelson First Nation Office and well as the Energy Services BC Office in Fort Nelson are notified of any employment opportunities.	Not a legal requirement and would not be included in permits	No difference
53. The Proponent must provide the Fort Nelson First Nation and Dene Tha' First Nation with information from road use traffic logs on a semi-annual basis as a way of monitoring traffic flow during the Project construction phase.	Not a legal requirement and would not be included in permits	No difference

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
54. The Proponent must share the 2009 - 2010 Horn River Producers Group Environment Sub Committee report on moose in the Horn River Basin with Dene Tha' First Nation.	Not a legal requirement and would not be included in permits	No difference
55. The Proponent must hold workshops two months after construction begins, and annually thereafter during the construction period, to discuss Project construction, mitigation measures, and implementation success of the mitigation measures with Fort Nelson First Nation and Dene Tha' First Nation. The Proponent must invite Fort Nelson First Nation and Dene Tha' First Nation to observe the construction and mitigation measures at key times such as clearing and grubbing and stack set-up, as well as at any other additional times that are mutually agreed upon by both the Proponent and the First Nations.	Not a legal requirement and would not be included in permits	No difference
56. The Proponent must provide start-up support for an elder/youth camp program and/or a community language/traditional skills program, subject to an agreement with Fort Nelson First Nation.	Not a legal requirement and would not be included in permits	No difference
57. With input from the Fort Nelson First Nation Lands Department, the Proponent must produce a map overlay for the Horn River Basin Area that has Dene K'e place names for the use of the Fort Nelson First Nation Lands Department and the Proponent by June 2010, dependant on assistance and input from Fort Nelson First Nation.	Not a legal requirement and would not be included in permits	No difference
58. The Proponent must provide their Emergency Response Plan, including applicable contacts, one month before operations commence for the Project, to Fort Nelson First Nation and Dene Tha' First Nation.	Not a legal requirement unless these First Nations are in the emergency planning zone.	No difference
59. Following closure of the Project and reclamation of the site, the Proponent must provide an opportunity for a site visit for Fort Nelson First Nation and Dene Tha' First Nation during the first growing season after site reclamation		
60. The Proponent must continue to work with Northern Lights College to develop a Power Engineering Program at the Fort Nelson Campus that would provide the pre-qualification training required to be an operator at the Project. When the program is running, the Proponent must commit to funding two scholarships for Fort Nelson First Nation students for the first three cycles that this program is offered. The Proponent must fund two scholarships for Fort Nelson First Nation students in 2010 for the existing	Not a legal requirement and would not be included in permits	No difference

Cabin Gas Plant Certificate Condition	How Requirement Would be Addressed in Absence of Condition	Impact of Few Larger Plants vs Many Smaller Plants
Field Operator Course offered by Northern Lights College. Recipients of these scholarships must meet the qualifications and prerequisites required by Northern Lights College to enter these programs.		

Mudie, Isolde MNGD:EX

From: McDonough, Lindsay
Sent: Wednesday, October 9, 2013 9:15 AM
To: Schwabe, Michelle MNGD:EX
Subject: RE: DRAFT - CAPP Plan for Gas Plant EA Process Review

This is great Michelle – thanks. I'll rework your comments in the track change version we provide back to the group (you, MoE, OGC) for input, prior to it going to CAPP. Trish and I spoke yesterday and agreed that a call this week is unnecessary at this time. We'll be in touch via email and hope to get some written comments on the updated work plan and Decision Note once we provide the next draft.

Happy travels!

Lindsay

From: Schwabe, Michelle MNGD:EX
Sent: Wednesday, October 9, 2013 9:10 AM
To: McDonough, Lindsay EAO:EX
Subject: RE: DRAFT - CAPP Plan for Gas Plant EA Process Review

Hi Lindsay,

I am in leaving for Fort St John at 11:00 and will be there all Thursday/Friday. I could possibly call in for a teleconference only after 4:30.

It is unfortunate that Encana did not make any updates with our comments from the meeting. I don't have any specific edits for the draft but some general comments for your consideration.

What is not really clear to me in the draft is the interaction between govt and the CAPP WG within the plan. When will they be meeting with BC and what while they be sharing with us at these milestones? Or will they want us to be more active participants in the process? If they want to meet certain timelines, I think they need to be clear on what they will deliver and when, in order to give BC adequate time to review and discuss with them. I am not sure we want to be reviewing early drafts unless this is meant to be a more iterative and collaborative process, which personally I don't think it needs to be. As we have already done our background work and analysis, I would like to see what CAPP has to bring forward based on their assessment. They just need to get it done.

Thanks,

Michelle
Available by Cel s.17 after 11:00 today and then back in office on Tuesday.

From: McDonough, Lindsay EAO:EX
Sent: Monday, October 7, 2013 2:03 PM
To: Schwabe, Michelle MNGD:EX
Subject: RE: DRAFT - CAPP Plan for Gas Plant EA Process Review

Hi Michelle, yes, Oct 9th was our end date for comment – I was just checking in to see if you were planning to provide any comments as we are in the process of preparing a draft Decision Note for Deputies and would like to include the CAPP work plan as an attachment. Our goal is to have a draft DN to you and other agencies for review/comment by the end of the week.

Also, do you have any time available on Thurs (Oct 10), after 3:30pm, to discuss the draft DN and work plan if need be?

(Meeting is still up in the air but Trish and I thought it would be a good idea to slot some time in with yourself, OGC and MoE to touch base, if needed).

Thanks,

Lindsay

From: Schwabe, Michelle MNGD:EX
Sent: Monday, October 7, 2013 1:53 PM
To: McDonough, Lindsay EAO:EX
Subject: FW: DRAFT - CAPP Plan for Gas Plant EA Process Review
Importance: High

Hi Lindsay,

Just responding to your voice mail. I haven't done any further review of this yet. Did you need it for today? The note below indicated the 9th.

Michelle

From: Balcaen, Trish L EAO:EX
Sent: Thursday, October 3, 2013 9:45 AM
To: Schwabe, Michelle MNGD:EX; O'Hanley, James G OGC:IN; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; McDonough, Lindsay EAO:EX
Cc: Mycroft, Colleen EAO:EX; Scraba, Erin H EAO:EX; Carr, Michelle EAO:EX; Speed, Brittney EAO:EX; Bailey, Scott EAO:EX; Waters, Cory EAO:EX; Craven, Paul IGRS:EX
Subject: DRAFT - CAPP Plan for Gas Plant EA Process Review
Importance: High

Hi all,

Please see Nadia's attached draft project plan for our work on upstream analysis and options. It is the same document that was presented to us verbally a few weeks ago.

What I'd like to propose is:

- Send comments to me and Lindsay **by October 9th** and we'll roll up (need confirmation of reps and comments on the plan itself – also your advice on whether we need a FLNR rep and if so, who you'd propose);
- Lindsay and I will work on getting the briefing note to you all for comment late early next week;
- Get together October 10th to discuss next steps.

I have a quick touch base call with Nadia on October 11th.

s.22 Paul Craven (our newly minted ED of Strategic Policy and Quality Assurance at EAO) will be joining our team.

Let me know if you have other ideas for moving forward.

Cheers,
Trish

From: Monaghan, Nadia [mailto:Nadia.Monaghan@encana.com]

Sent: Tuesday, October 1, 2013 4:22 PM

To: Balcaen, Trish L EAO:EX

Cc: Ezekiel, Jennifer N.; XT:Sian, Sherry FLNR:IN

Subject: Industry Plan for Gas Plant EA Process Review

Hi Trish,

Thank you for the call. Very timely as we are about to get things underway with our industry committee.

As discussed our action items from the Sept 19th meeting are as follows :

- Nadia to provide the Industry project plan to Trish electronically (attached)
- Trish to confirm government representatives for participation and circulate plan for additional review/comments
- Trish and Nadia to follow up on "natural gas 101" and information sharing opportunities

CAPP working group – we have our reps identified and the first industry working group meeting planned for next week, morning of October 8th. The purpose of this meeting will be to review the context for the proposed EA review, and to finalize our workplan, including deliverables and timing.

If you have any additional feedback, please feel free to pass that along and/or contact me to discuss further. Otherwise, we'll chat again Oct 11th.

thanks

Nadia Monaghan

Regulatory and Government Relations

t 403.645.6216

c 403.614.1711

Encana Corporation

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<http://www.encana.com>

CAPP/EAO Natural Gas 101 Tour

- Objective:
 - Provide an overview of natural gas upstream operations in the Montney area, with a focus on natural gas processing plants. Information sharing and discussions will help to inform the review of gas plant EA requirements.
- Possible dates: Oct 24, 25, 28
- Logistics: Travel to Dawson Creek evening before tour, tour/presentation to last ~6-7 hours.

Itinerary

- Presentation: NG 101(hotel or DC office)
- Safety briefing (DC office)
- Tour ~4-5 hours in field
 - Wellsite operations: Drilling rig
 - Gas Plant # 1: electric compression, shallow cut
 - Gas Plant # 2: natural gas compression, deep cut
 - Encana Dawson Creek Water Resource Hub

Presentation – Natural Gas 101

- Well Life Cycle - How we develop the resource:
 - Seismic
 - Road & Less Construction
 - Drilling
 - Completions
 - Pipeline
 - Facilities (field, major processing plants)
 - Production operations
 - Reclamation & Abandonment
- Business environment
 - Scale of resource
 - Competitive challenges
- Development Strategy - Resource Play Life Cycle
 - Making the play work

From: Schwabe, Michelle MNGD:EX
Sent: Wednesday, October 23, 2013 8:25 AM
To: McDonough, Lindsay
Subject: FW: NG 101 Tour - draft proposal from CAPP

Any confirmation yet on the date?

From: Schwabe, Michelle MNGD:EX
Sent: Monday, October 21, 2013 4:28 PM
To: McDonough, Lindsay EAO:EX
Subject: RE: NG 101 Tour - draft proposal from CAPP

Hi Lindsay,

It looks like it will only be me attending from our Division after all, the other analyst is not available.

Michelle

From: McDonough, Lindsay EAO:EX
Sent: Friday, October 18, 2013 10:31 AM
To: Schwabe, Michelle MNGD:EX
Subject: Re: NG 101 Tour - draft proposal from CAPP

Thanks Michelle, good idea on splitting the presentation and tour up. I'll send a note the organizers.

From: Schwabe, Michelle MNGD:EX
Sent: Friday, October 18, 2013 10:29 AM Pacific Standard Time
To: McDonough, Lindsay EAO:EX
Subject: RE: NG 101 Tour - draft proposal from CAPP

Hi Lindsay,

I was just in Dawson Creek last week for the Encana Regulatory tour. Unfortunately it did not include processing plants and I was not able with Nadia to arrange an opportunity for this on my own. Nadia has encouraged me to also participate in this tour but I will have to get travel approval. I will let you know as soon as I find out.

One thing I would suggest, would be to start early or have the presentation the night before in the hotel (late afternoon/early evening), so that the tour can finish early enough for people to catch a decent flight back to Victoria.

Thanks,

Michelle

From: McDonough, Lindsay EAO:EX
Sent: Thursday, October 17, 2013 1:30 PM
To: 'O'Hanley, James G'; Balcaen, Trish L EAO:EX; Scraba, Erin H EAO:EX; Craven, Paul EAO:EX; Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX
Cc: Carr, Michelle EAO:EX; Speed, Brittney EAO:EX; Manahan, Suzanne MNGD:EX; Calder, Kursti D MNGD:EX; Mycroft, Colleen EAO:EX; Bailey, Scott EAO:EX; Braun, Nathan EAO:EX; Westgate, Brian A EAO:EX; Waters, Cory EAO:EX; Howes, Kenneth EAO:EX; Handysides, Josh EAO:EX; Leake, Greg EAO:EX; Balcaen, Trish L EAO:EX
Subject: RE: NG 101 Tour - draft proposal from CAPP

Hi everyone,

Just an heads up that the “NG 101 Tour” will likely take place on October 31st with travel the night before (Oct 30th). Option #2 is the day after (Nov 1st). We will be confirming the tour date/ details within the next couple of days, but would appreciate it if you could put a placeholder in your calendars in the interim.

To date I have received confirmation from the following:

- EAO – Trish Balcaen, Erin Scraba, Nathan Braun, Lindsay McDonough
- OGC – James O’Hanley
- MoE – Anthony Danks

*Please RSVP to me asap if you haven’t already.

Thanks all,

Lindsay

From: Balcaen, Trish L EAO:EX [<mailto:Trish.Balcaen@gov.bc.ca>]

Sent: Friday, October 11, 2013 1:57 PM

To: McDonough, Lindsay EAO:EX; Scraba, Erin H EAO:EX; Craven, Paul EAO:EX; Schwabe, Michelle MNGD:EX; O’Hanley, James G; Danks, Anthony ENV:EX

Cc: Carr, Michelle EAO:EX; Speed, Brittney EAO:EX; Manahan, Suzanne MNGD:EX; Calder, Kursti D MNGD:EX; Mycroft, Colleen EAO:EX; Bailey, Scott EAO:EX; Braun, Nathan EAO:EX; Westgate, Brian A EAO:EX; Waters, Cory EAO:EX; Howes, Kenneth EAO:EX; Handysides, Josh EAO:EX; Leake, Greg EAO:EX

Subject: NG 101 Tour - draft proposal from CAPP

Hi all,

Please see a draft proposal from CAPP regarding a NG 101 tour to the Dawson Creek area to look at drilling through processing. CAPP views this trip as a component of our work on analyzing and exploring options for regulating upstream development.

Couple questions:

Dates: Would you please let Lindsay and I know what dates might work best for you? They have proposed Oct 24, 25, 31, Nov 1. The idea would be to travel to DC the night before, spend a full day on tour and return that evening/following morning.

Who: There is room for 6-12 provincial reps. Ideally, all folks involved on the ‘to’ list would attend, plus our colleagues in our respective agencies that have an interest in this piece. Suzanne/Kursti – thinking it would be great if you wanted to have a couple reps from your group come to.

Would you please let us know your thoughts on both questions as soon as you’re able? Trying to tie down logistics by mid next week as there is much work for CAPP to put this together for us.

Cheers,
Trish

From: McDonough, Lindsay
Sent: Wednesday, October 16, 2013 9:43 AM
To: 'Nadia.Monaghan@encana.com'
Cc: Mycroft, Colleen EAO:EX; Scraba, Erin H EAO:EX; Balcaen, Trish L EAO:EX; Schwabe, Michelle MNGD:EX; O'Hanley, James G OGC:IN; Danks, Anthony ENV:EX; Paquin, Lisa C ENV:EX; 'Jennifer.Ezekiel@encana.com'
Subject: As promised: DRAFT 2 Work Plan (EA Process Reform)
Attachments: Gas Plant EA Reform - CAPP Project Plan 2013-09-25 (EAO edits 2013-10-11).docx

Hi Nadia,

See attached "Draft 2" work plan for the proposed EA process reform, including review and input from EAO and agencies cc'd. A number of edits are included in track changes. If you could please review our proposed changes and send us an updated (polished) version by the end of this week, it would be much appreciated.

We will put this on the agenda for tomorrow's (Oct 17) EAO/ CAPP call.

Please don't hesitate to call me if you have any questions in the meantime: 250-387-7411.

Lindsay

From: Monaghan, Nadia [<mailto:Nadia.Monaghan@encana.com>]
Sent: Tuesday, October 1, 2013 4:22 PM
To: Balcaen, Trish L EAO:EX
Cc: Ezekiel, Jennifer N.; XT:Sian, Sherry FLNR:IN
Subject: Industry Plan for Gas Plant EA Process Review

Hi Trish,

Thank you for the call. Very timely as we are about to get things underway with our industry committee.

As discussed our action items from the Sept 19th meeting are as follows :

- Nadia to provide the Industry project plan to Trish electronically (attached)
- Trish to confirm government representatives for participation and circulate plan for additional review/comments
- Trish and Nadia to follow up on "natural gas 101" and information sharing opportunities

CAPP working group – we have our reps identified and the first industry working group meeting planned for next week, morning of October 8th. The purpose of this meeting will be to review the context for the proposed EA review, and to finalize our workplan, including deliverables and timing.

If you have any additional feedback, please feel free to pass that along and/or contact me to discuss further. Otherwise, we'll chat again Oct 11th.

thanks

Nadia Monaghan
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c 403.614.1711

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EA Process Reform for Natural Gas Processing Plants - Project Plan DRAFT2

Context:

- Natural Gas production is predicted to increase substantially to meet demand for LNG export.
- Government is interested in exploring options to address the potential increase in production to prevent unnecessary impacts on the land base, while providing a clear, timely and robust regulatory regime.

Overall Objectives/Goals:

1. Identify a best alternative solution to the existing EA requirement for natural gas processing plants, with the outcome providing:
 - Regulatory certainty enabling efficient development of natural gas in BC
 - An legitimate alternative process that meets both the EA objectives and MoE mandate to “ensure timelines are appropriate for both economic development and environmental protection...”
2. To work collaboratively between Industry and Government to ensure that an appropriate solution can be reached in a timely manner— target implementation Spring 2014 (timing to be determined based on government decision regarding preferred option).

Industry Representation:

CAPP Working Group:

Committee:

Co-leads: Sherry Sian (CAPP), Nadia Monaghan (Encana)

Representation/Committee members: upstream producers (CAPP & EPAC), midstreamers (e.g.?)

Government Representation:

EAO - Trish Balcaen (O&G-Executive Project Director); Lindsay McDonough (Project Assessment Officer)

OGC — TBD James O’Hanley

FLNRO — TBD

Ministry of Natural Gas — TBD Michelle Schwabe (Director, Regulatory Policy, Upstream Development)

Ministry of Environment — TBD Anthony Danks (Executive Director, Environmental Sustainability)

Timeline:

— See Table for proposed timeline, target completion of project December 2013

Proposed Joint (Industry/ Government) Workplan:

1. Assess current situation (baseline review)

Deliverable #1: CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.

Deliverable #2: Industry to facilitate a "Natural Gas 101" (tour, presentation) with relevant Government agencies.

Key steps:

a. Outline business case model – brief overview of key issues and rationale for seeking EA process reform

a-b. EA process for typical gas plant - Existing EA objectives / how are these achieved

- applicable EA legislation (thresholds, definitions...)
- EA / exemption - application process, requirements
- EAO methodology for evaluation of projects, including valued components and assessment of potential effects
- results/conditions from recent applications (EA/exemptions, gas plants or other relevant projects may be considered)

b-c. Other existing BC regulations/processes for sweet gas plants

- OGC (OGAA), FLNRO (Heritage conservation Act, Wildlife Act), ALC
- Cumulative effects (FLNRO, OGC) – current, future plans

e-d. Comparison of a & b above

- identify potential overlap / areas for streamlining based on existing processes
- identify gaps where existing processes don't provide intended outcomes

~~Comments – Exchange knowledge with OGC/EAO where appropriate for baseline review.~~

2. Evaluate alternative solutions (preferred option)

Deliverable #3: CAPP Working Group provides recommendations report to Government for review and input.

Deliverable #4: Meeting to discuss Government feedback on CAPP recommendations.

Key steps:

a. Outline the options for further evaluation:

- Exemption - with/without additional OGC regs/ requirements (meaning?)
- Modify thresholds (regulatory change)
- Class Assessment

b. Analysis of each option

- Map out the regulatory process and key actions
- Test for desired outcomes – timing/certainty, integrity of EA objectives
- Advantages / disadvantages / risks

c. Selection of preferred option and develop recommendations/justification

3. Confirm preferred option and approach to implementation

Deliverable #5: Government provides response to CAPP Working Group regarding confirmed option.

Deliverable #6: Government engages CAPP Working Group in development of process steps and implementation strategy (including community/ stakeholder/ FNs outreach).

~~3. Presentation preferred solution and recommendations to BC EPG, Government~~

NOTE:

Within this body of work, ~~working group should~~ the parties need to recognize parallel processes/issues and provide recommendations where appropriate. For consideration:

- a. Cumulative effects assessment – current and future processes
- b. Area Infrastructure Planning - potential
- c. Plant Proliferation - potential

[Above-noted needs more context setting – meaning is unclear]

EA Project Action Plan with Deliverables / Timing Work Plan – Key Deliverables & Timing:

<u>Deliverable</u>	<u>Description</u>	<u>Responsibility</u>	<u>Anticipated Timing/ Key meetings</u>
<u>#1</u>	<u>CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.</u>	<u>Industry – lead</u>	<u>2 week review (Oct 21-31 proposed)</u>
<u>#2</u>	<u>Industry to facilitate a “Natural Gas 101” (tour, presentation) with relevant Government agencies.</u>	<u>Industry - lead</u>	<u>TBC – Oct 24, 25, 31 or Nov 1</u>
<u>#3</u>	<u>CAPP Working Group provides recommendations report to Government for review and input.</u>	<u>Industry – lead</u>	<u>3 week review (Nov 4-22 proposed)</u>
<u>#4</u>	<u>Meeting to discuss Government feedback on CAPP recommendations.</u>	<u>All</u>	<u>TBC – Week of Nov 25-29</u>
<u>#5</u>	<u>Government provides response to CAPP Working Group regarding confirmed option.</u>	<u>Government – lead</u>	<u>TBC – Early December proposed</u>
<u>#6</u>	<u>Government engages CAPP Working Group in development of process steps</u>	<u>Government – lead</u>	<u>TBC – End of December</u>

	<u>and implementation strategy (including community/ stakeholder/ FNs outreach).</u>		<u>proposed</u>
<u>#7</u>	<u>Implementation of preferred option</u>	<u>Government – lead</u>	<u>TBC – Timing for delivery of preferred option subject to Government direction and priorities.</u>

DRAFT

From: Balcaen, Trish L EAO:EX
Sent: Wednesday, October 23, 2013 9:44 AM
To: O'Hanley, James G OGC:IN; Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; Craven, Paul EAO:EX; Scraba, Erin H EAO:EX
Cc: McDonough, Lindsay; Mycroft, Colleen EAO:EX; Carr, Michelle EAO:EX; Speed, Brittney EAO:EX
Subject: Upstream DN
Attachments: DM BN_Upstream plants_draft_Oct 22 TB Edits.docx

Importance: High

Follow Up Flag: Follow up
Flag Status: Completed

Hi all,

Lindsay and I have taken another stab at the DN on upstream stuff.

You'll note several changes:

- Purpose – for early direction from Paul J, Steve C and Doug C (this to help us in our work with CAPP)
- Shortened significantly (my DM likes 2 page notes, this one is 3)
- Took out status quo and class assessment options as I don't think we would support going there

Would you please let me know if you're ok with this note going up the chain? Would like to do this week if you give the blessing to do so.

Thanks
Trish

**ENVIRONMENTAL ASSESSMENT OFFICE
DECISION NOTE**

Date: October xx, 2013
File:30050-ENER
CLIFF/tracking #:103308

PREPARED FOR:

Doug Caul, Associate Deputy Minister, Environmental Assessment Office
Paul Jeakins, Commissioner, Oil & Gas Commission
Steve Carr, Deputy Minister, Ministry of Natural Gas Development

ISSUE: Whether to modify the regulatory process for natural gas processing plants required to supply the Liquefied Natural Gas (LNG) industry

BACKGROUND:

Current natural gas production in BC is approximately 3.5 billion cubic feet. If approved, the three LNG export facilities in the environmental assessment (EA) process would require an additional 9.5 billion cubic feet of natural gas from BC.

To meet the LNG demand, approximately 26 - 45 natural gas processing facilities would be required (depending on capacity 400 million cubic feet/day (mmcf) or 200 mmcf respectively). This demand marks an 80% increase in projects in EA.

The *Reviewable Projects Regulation* under the *Environmental Assessment Act* requires EAs for facilities that process more than 200 mmcf of natural gas.

The Canadian Association of Petroleum Producers (CAPP) has stated that industry has an incentive to build more facilities under 200 mmcf to avoid lengthy regulatory process. The Environmental Assessment Office (EAO) has anecdotal evidence this activity may already be occurring.

The purpose of this briefing note is to seek early direction from agency leaders to focus analysis and action by staff to drive the issue to resolution.

DISCUSSION:

EAO is of the view that EAs conducted on sweet natural gas processing facilities¹ are not providing value that the Oil and Gas Commission (OGC) could not deliver². Sweet natural gas processing facilities are a proven technology with a relatively small footprint on the land base that can be fully remediated on closure. If greenhouse gas emissions become an issue for facilities in the Horn River

¹ Sweet natural gas refers to natural gas that contains either zero or trace amounts of hydrogen sulphide which does not require removal to meet transmission pipeline specifications.

² Spectra exempted from EA spring 2013, Encana currently being reviewed for exemption, and Shell considering an exemption – all on plants 400 mmcf. (Exemption based on determination of no significant adverse effects).

Basin³, both EAO and OGC would take the same policy direction on mitigation strategies from the Ministry of Environment.

As such, EAO, OGC and the Ministries of Environment (MOE) and Natural Gas Development (MNG) staff are interested in:

- Providing incentives for industry to build fewer and larger facilities to reduce cumulative effects impacts;
- Maintaining the integrity of the regulatory processes while shortening the duration of review;
- Providing greater certainty and transparency for Proponents and participants in the regulatory process; and
- Increasing the efficiency and effectiveness of EAO and OGC.

EAO, OGC, MOE and MNG have discussed and analyzed a number of options for sweet natural gas processing facilities. The limitation to sweet gas is intended for two reasons: 1) to generate consistency with other jurisdictions including Alberta and Canada; and 2) sour gas facilities⁴ produce air emissions that would likely require an EA regardless of their production capacity.

In addition, EAO, OGC, MOE and MNG are engaged with CAPP to analyze, discuss and present options to government for consideration on this issue. The work is collaborative and will be completed by December 2013 (see Appendix 1). Government will maintain independence on presenting and deciding on the most suitable option.

For the sake of brevity and because it is not supported, a status quo option is not presented; nor are other options that did not meet the intent of the principles outlined above (ie. partial/full class assessment under the EA Act).

Option 1: Equivalency Agreement with the Oil and Gas Commission

An agreement between EAO and OGC to set out the additional steps needed to make the OGC process equivalent to an EA. OGC would be required to carry out the EA and Ministers would continue in the same decision-making role as if EAO conducted the review. Implications would include:

- Timeline would be 18 months inclusive of permitting;
- Requires review and changes to OGC process and negotiation of an equivalency agreement;
- Potential strain on OGC resourcing and capacity;
- Change may be controversial with First Nations and ENGOs; and
- Process is predictable and transparent.

³ The Horn River Basin has a 12% CO₂ content versus the Montney with approximately 2.0-2.5% CO₂ content. EAO found a significant adverse residual effect due to greenhouse gas emissions for facilities proposing to process gas from the Horn River Basin.

⁴ Sour gas contains larger amounts of hydrogen sulphide that can cause significant human health issues and risks.

Option 2: Regulation change

The Reviewable Project Regulation could be amended to increase the trigger for sweet natural gas processing facilities from 200 mmcf/d to 400 mmcf/d, or removed entirely. Implications would include:

- Incentive for industry to build fewer and larger facilities;
- Significant timeline savings to industry;
- Eliminate unnecessary overlap between EAO and OGC regulations;
- May require minor changes to existing OGC regulations (e.g. consultation and notification);
- EA Regulation changes would likely be controversial with First Nations, ENGOs, and may be perceived as a relaxation of the regulatory regime; and
- Highly efficient model for future project proposals.

NEXT STEPS:

With direction from agency leaders on preferred option(s), staff will conduct further analysis and recommend a course of action to Ministers in December 2013. The plan will include a proposed implementation strategy and engagement plan.

Contact:

Name: Trish Balcaen
Title: Executive Project Director
Phone: 250-952-6507

Reviewed by	Initials	Date
Executive Director		
EPD (Trish Balcaen)		
ED (Paul Craven)		
OGC (James O’Hanley)		
MNG (Linda Beltrano)		
MOE (Anthony Danks)		

Appendix 1 – Joint (Government & Industry) Work Plan

Goals:

1. Identify a best alternative solution to the existing EA requirement for natural gas processing plants, with the outcome providing:
 - o Regulatory certainty enabling efficient development of natural gas in BC
2. An alternative process that meets both the EA objectives and the Ministry of Environment’s mandate to “ensure timelines are appropriate for both economic development and environmental protection...”
3. To work collaboratively between Industry and Government to ensure that an appropriate solution can be reached in a timely manner– target implementation Spring 2014 (timing to be determined based on government decision regarding preferred option).

Industry Representation:

CAPP Working Group Co-leads: Sherry Sian (CAPP), Nadia Monaghan (Encana)
 Committee members: Upstream producers (CAPP & EPAC) and Midstream

Government Representation:

EAO: Trish Balcaen, Executive Project Director
 Lindsay McDonough, Project Assessment Officer
 OGC: James O’Hanley, Deputy Commissioner, Resource Development
 MNG: Michelle Schwabe, Director, Regulatory Policy, Upstream Development
 MOE: Anthony Danks , Executive Director, Environmental Sustainability

Key Deliverables & Timing:

Deliverable	Description	Responsibility	Anticipated Timing
#1	CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.	Industry – lead	2 week review (Oct 21-31 proposed)
#2	Industry to facilitate a “Natural Gas 101” (tour, presentation) with relevant Government agencies.	Industry - lead	TBC – Oct 24, 25, 31 or Nov 1
#3	CAPP Working Group provides recommendations report to Government for review and input.	Industry – lead	3 week review (Nov 4-22 proposed)
#4	Meeting to discuss Government feedback on CAPP recommendations.	All	TBC – Week of Nov 25-29
#5	Government provides response to CAPP Working Group regarding confirmed option.	Government – lead	TBC – Early December proposed
#6	Government engages CAPP Working Group in development of process steps and implementation strategy (including community/ stakeholder/ FNs outreach).	Government – lead	TBC – End of December proposed

**ENVIRONMENTAL ASSESSMENT OFFICE
DECISION NOTE**

Date: October xx, 2013
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PREPARED FOR:

Doug Caul, Associate Deputy Minister, Environmental Assessment Office
Paul Jeakins, Commissioner, Oil & Gas Commission
Steve Carr, Deputy Minister, Ministry of Natural Gas Development

ISSUE: Whether to modify the regulatory process for natural gas processing plants required to supply the Liquefied Natural Gas (LNG) industry.

BACKGROUND:

Current marketable natural gas production in BC is approximately 3.5 billion cubic feet. If approved, the three LNG export facilities in the environmental assessment (EA) process would require an additional 9.5 billion cubic feet of natural gas from BC. To meet the LNG demand, approximately 26 - 45 natural gas processing facilities would be required.¹ This demand could result in an 80% increase in projects in EA over the next two years.

Comment [a1]: I think we're saying 3.8 these days.

The Reviewable Projects Regulation under the *Environmental Assessment Act* requires EAs for facilities that process more than 200 mmcf² of natural gas and emit more than 2 tonnes/day of sulphur to the atmosphere.

The Canadian Association of Petroleum Producers (CAPP) has stated that industry has an incentive to build more facilities under the EA threshold to avoid a lengthy regulatory process. The Environmental Assessment Office (EAO) and Oil and Gas Commission (OGC) have anecdotal evidence this activity may already be occurring.

The purpose of this briefing note is to seek early direction from responsible agency leaders to focus analysis and action by staff to drive the issue to resolution. A working group of responsible agencies (EAO, OGC, MNGD and MOE) and industry representatives has come together to address the issue of gas plant proliferation and impacts on the land base (Appendix 1).

¹ Depending on capacity: 400 million cubic feet/day (mmcf) or 200 mmcf respectively.

² 200mmcf = 5.634 million m³/day

DISCUSSION:

Responsible agencies have been using the following criteria when considering options for managing the anticipated proliferation of natural gas processing facilities entering EA:

- Incentive for industry to build fewer and larger facilities to reduce cumulative effects impacts;
- Maintain the integrity of the regulatory processes while shortening the duration of review;
- Provide greater certainty and transparency for Proponents and participants in the regulatory process; and
- Reducing or eliminating duplication between EAO and OGC.

Scoping of options was limited to sweet³ natural gas processing facilities in order to:

- ensure consistency with other jurisdictions including Alberta and Canada;
- sour gas facilities⁴ produce air emissions that would likely require an EA regardless of plant production capacity; and
- sweet natural gas processing facilities are a proven technology with a relatively small footprint that can be fully remediated on closure.

Following preliminary analysis and discussion, the following options are *not* supported by agency staff as they do not meet the criteria specified above:

- EA class assessment for facilities in the Montney Basin (does not provide incentive to industry, nor predictability/timeliness of process);
- equivalency agreement with the OGC (does not streamline process and creates resourcing challenges for OGC); and
- status quo.

Responsible agencies are of the view that modifying EAO's trigger for sweet natural gas processing plants in conjunction with adjustments to existing Oil and Gas Commission (OGC) processes would achieve the criteria noted above⁵. Policy direction from the Ministry of Environment to mitigate potential effects related to greenhouse gas⁶ (GHG), air quality emissions and health impacts would be considered by any agency responsible for conducting reviews of proposed projects.

³ Sweet natural gas refers to natural gas that contains either zero or trace amounts of hydrogen sulphide which does not require removal to meet transmission pipeline specifications.

⁴ Sour gas contains larger amounts of hydrogen sulphide that can cause significant human health issues and risks.

⁵ Spectra exempted from EA spring 2013, Encana currently being reviewed for exemption from EA requirements, and Shell considering an exemption – all on plants 400 mmfcd. (Exemption based on determination of no significant adverse effects).

⁶ The Horn River Basin has a 12% CO₂ content versus the Montney with approximately 2.0-2.5% CO₂ content. EAO found a significant adverse residual effect due to greenhouse gas emissions for facilities proposing to process gas from the Horn River Basin.

Recommended Option: EA Regulation change and enhanced OGC process

EAO's Reviewable Projects Regulation could be amended to increase the trigger for sweet natural gas processing facilities from 200 mmcf to 400 mmcf, or removed entirely. The OGC process could be enhanced to capture key components of the EA process. Implications would include:

- Significant timeline savings to industry;
- Allows EAO to focus review on projects with potential for significant adverse effects;
- Eliminate unnecessary overlap between EAO and OGC regulations and processes;
- May require minor changes to existing OGC regulations (e.g. consultation and notification); and,
- EA Regulation changes would likely be controversial with First Nations, ENGOs, and may be perceived as a relaxation of the regulatory regime.

NEXT STEPS:

With direction from agency leaders on whether to pursue regulatory change, staff will continue to engage CAPP in conducting further analysis. An options paper and supporting implementation material will be developed and presented to Ministers for decision in December 2013 (see Appendix 1). Government will maintain independence on presenting and deciding on the most suitable option.

Contact:

Name: Trish Balcaen
Title: Executive Project Director
Phone: 250-952-6507

Reviewed by	Initials	Date
Executive Director		
EPD (Trish Balcaen)		
ED (Paul Craven)		
OGC (James O'Hanley)		
MNGD (Aaron Nelson)	AN	11/29/13
MOE (Anthony Danks)		

Appendix 1 – Joint (Government & Industry) Work Plan

Goals:

1. Identify a best alternative solution to the existing EA requirement for natural gas processing plants, with the outcome providing:
 - o Regulatory certainty enabling efficient development of natural gas in BC
2. An alternative process that meets both the EA objectives and the Ministry of Environment’s mandate to “ensure timelines are appropriate for both economic development and environmental protection...”
3. To work collaboratively between Industry and Government to ensure that an appropriate solution can be reached in a timely manner– target implementation Spring 2014 (timing to be determined based on government decision regarding preferred option).

Industry Representation:

CAPP Working Group Co-leads: Sherry Sian (CAPP), Nadia Monaghan (Encana)
 Committee members: Upstream producers (CAPP & EPAC) and Midstream

Government Representation:

EAO: Trish Balcaen, Executive Project Director
 Lindsay McDonough, Project Assessment Officer
 Erin Scraba, Manager, Legislation, Policy and Project Assessment
 OGC: James O’Hanley, Deputy Commissioner, Resource Development
 MNG: Michelle Schwabe, Director, Regulatory Policy, Upstream Development
 MOE: Anthony Danks , Executive Director, Environmental Sustainability

Key Deliverables & Timing:

Deliverable	Description	Responsibility	Anticipated Timing
#1	CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.	Industry – lead	Evaluation currently underway. Report available from industry Nov 1 for review. Gov’t review period, 2 weeks (Nov 1-14). 1 week for industry/ gov’t final revisions (Nov 14-21).
#2	Industry to facilitate a “Natural Gas 101” (tour, presentation) with relevant Government agencies.	Industry - lead	Oct 30 & 31
#3	CAPP Working Group provides recommendations report to Government for review and input.	Industry – lead	3 weeks analysis (Nov-21). Draft report available Nov 22 for gov’t review. Review by gov’t, 2 weeks (Nov 26-Dec 5).

#4	Meeting to discuss Government feedback on CAPP recommendations.	All	Week of Dec 9-13
#5	Government provides response to CAPP Working Group regarding confirmed option.	Government – lead	TBC – Early December proposed
#6	Government engages CAPP Working Group in development of process steps and implementation strategy (including community/ stakeholder/ FNs outreach).	Government – lead	TBC – Timing for delivery of preferred option subject to gov't direction and priorities.

DRAFT

Appendix 2: Comparison of EA Thresholds for Natural Gas Processing Plants

BC-New Facility	Alberta	New Brunswick	CEAA (current)	CEAA (expected amendments for 2013)
<p>Natural gas processing plants:</p> <p><5.634 million m³ / day processing rate and will result in sulphur emissions to the atmosphere of ≥ 2 tonnes / day</p> <p>Or</p> <p>Design capacity to process natural gas at a rate of ≥ 5.634 million m³/day</p> <p>Expansion: meet new project requirements and an incremental increase in sulphur emissions to ≥ 2 tonnes / day or change in design capacity to be ≥ 5.634 million m³ /day</p>	<p>Exempt if emits < 384 kg of nitrogen per day</p> <p>Reviewable if emits > 2.8 tonnes of sulphur / pay</p>	<p>All commercial extraction or processing of combustible energy yielding materials</p>	<p>a sour gas processing facility with a sulphur inlet capacity of more than 2000 t/d; expansion by 35%</p>	<p>a sour gas processing facility with a sulphur inlet capacity of more than 2 000 t/d; expansion by 50% or more and total production capacity of 2000 t/d</p>

From: Schwabe, Michelle MNGD:EX
Sent: Tuesday, October 29, 2013 9:01 AM
To: Balcaen, Trish L EAO:EX; Scraba, Erin H EAO:EX; McDonough, Lindsay
Cc: Mycroft, Colleen EAO:EX; Speed, Brittney EAO:EX; Danks, Anthony ENV:EX; Carr, Michelle EAO:EX; Lesiuk, Tim ENV:EX; O'Hanley, James G OGC:IN; Craven, Paul EAO:EX
Subject: RE: FINAL - DM_BN_Upstream_plants_draft3_Oct_26
Attachments: DM_BN_Upstream_plants_draft3_Oct_26 ms.docx

Thanks Trish,

Reviewed – a comment and edit in tracked changes.

Thanks all for moving forward,

Michelle

From: Balcaen, Trish L EAO:EX
Sent: Monday, October 28, 2013 5:00 PM
To: Danks, Anthony ENV:EX; Schwabe, Michelle MNGD:EX; Scraba, Erin H EAO:EX; McDonough, Lindsay EAO:EX; Craven, Paul EAO:EX; O'Hanley, James G OGC:IN; Lesiuk, Tim ENV:EX
Cc: Mycroft, Colleen EAO:EX; Speed, Brittney EAO:EX; Carr, Michelle EAO:EX
Subject: FINAL - DM_BN_Upstream_plants_draft3_Oct_26

Hi all,

Here is the BN updated with all comments received and I'm thinking it's time to hit send.

If folks have any 'clangers' to identify, will you please do so before Wednesday? Looking forward to getting this one into the system.

Colleen – if you'd format and hold until Wednesday, that would be great. Once done, I'll send you all the final version to share with your ADMs, DMs.

Cheers,
Trish

EA Process Reform for Natural Gas Processing Plants Joint (Government & Industry) Work Plan

Context:

- Natural Gas production is predicted to increase substantially to meet demand for LNG export; and,
- Government is interested in exploring options to address the potential increase in production to prevent unnecessary impacts on the land base, while providing a clear, timely and robust regulatory regime.

Goals:

1. Identify a best alternative solution to the existing EA requirement for natural gas processing plants, with the outcome providing:
 - Regulatory certainty enabling efficient development of natural gas in BC.
2. An alternative process that meets both the EA objectives and MoE mandate to “ensure timelines are appropriate for both economic development and environmental protection...”
3. To work collaboratively between Industry and Government to ensure that an appropriate solution can be reached in a timely manner– target implementation Spring 2014 (timing to be determined based on government decision regarding preferred option).

Industry Representation:

CAPP Working Group:

Co-leads: Sherry Sian (CAPP), Nadia Monaghan (Encana)

Committee members: upstream producers (CAPP & EPAC), midstreamers

Government Representation:

Environmental Assessment Office – Trish Balcaen (Executive Project Director); Lindsay McDonough (Project Assessment Officer); Erin Scraba (Manager, Legislation, Policy and Project Assessment)

Oil and Gas Commission – James O’Hanley (Deputy Commissioner, Resource Development)

Ministry of Natural Gas Development – Michelle Schwabe (Director, Regulatory Policy, Upstream Development)

Ministry of Environment – Anthony Danks (Executive Director, Environmental Sustainability)

Finalized: October 25, 2013

EA Process Reform for Natural Gas Processing Plants Joint (Government & Industry) Work Plan

Work plan:

1. Assess current situation (baseline review)

Deliverable #1: CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.

Deliverable #2: Industry to facilitate a “Natural Gas 101” (tour, presentation) with relevant Government agencies.

Key steps:

- a. Outline business case model – brief overview of key issues and rationale for seeking EA process reform.
- b. EA process for typical gas plant - *Existing EA objectives / how are these achieved*
 - applicable EA legislation (thresholds, definitions);
 - EA / exemption - application process, requirements;
 - EAO methodology for evaluation of projects, including valued components and assessment of potential effects; and,
 - results/ conditions from recent applications (EA/exemptions, gas plants or other relevant projects may be considered).
- c. Other existing BC regulations/processes for sweet gas plants
 - OGC (OGAA), FLNRO (Heritage conservation Act, Wildlife Act), ALC
 - Cumulative effects (FLNRO, OGC) – current, future plans
- d. Comparison of b & c above
 - identify potential overlap / areas for streamlining based on existing processes; and,
 - identify gaps where existing processes do not provide intended outcomes.
- e. Jurisdictional comparison

2. Evaluate alternative solutions (preferred option)

Deliverable #3: CAPP Working Group provides recommendations report to Government for review and input.

Deliverable #4: Meeting to discuss Government feedback on CAPP recommendations.

EA Process Reform for Natural Gas Processing Plants Joint (Government & Industry) Work Plan

Key steps:

- a. Outline options for further evaluation:
 - Exemption - with/without additional OGC regs/ requirements;
 - Modify thresholds (regulatory change);
 - Class Assessment.
- b. Analysis of each option
 - Map out the regulatory process and key actions;
 - Test for desired outcomes – timing/certainty, integrity of EA objectives
– Advantages / disadvantages / risks.
- c. Selection of preferred option and develop recommendations/justification

3. Confirm preferred option and approach to implementation

Deliverable #5: Government provides response to CAPP Working Group regarding confirmed option.

Deliverable #6: Government engages CAPP Working Group in development of process steps and implementation strategy (including community/ stakeholder/ FNs outreach).

*Refer to page 4 for key deliverables and timing of above-noted.

EA Process Reform for Natural Gas Processing Plants Joint (Government & Industry) Work Plan

Work Plan – Key Deliverables & Timing:

Deliverable	Description	Responsibility	Anticipated Timing
<u>#1</u>	CAPP Working Group provides summary document/ report on baseline review to Government Working Group for review and input.	Industry – lead	Evaluation currently underway, report available from industry Nov 1 for review. Gov't review period, 2 weeks (Nov 1-14) 1 week for industry/gov't final revisions (Nov 14-21)
<u>#2</u>	Industry to facilitate a "Natural Gas 101" (tour, presentation) with relevant Government agencies.	Industry - lead	Oct 31
<u>#3</u>	CAPP Working Group provides recommendations report to Government for review and input.	Industry – lead	2-3 weeks analysis, Nov 1-21; Draft report available November 22 nd for Gov't review Review by Gov't - 2 weeks (Nov 26-Dec 5).
<u>#4</u>	Meeting to discuss Government feedback on CAPP recommendations.	All	TBC – Meeting to discuss feedback week of December 9-13th
<u>#5</u>	Government provides response to CAPP Working Group regarding confirmed option.	Government – lead	TBC - Mid-December proposed
<u>#6</u>	Government engages CAPP Working Group in development of process steps and implementation strategy (including community/ stakeholder/ FNs outreach).	Government – lead	TBC – End of December proposed
<u>#7</u>	Implementation of preferred option	Government – lead	TBC – Timing for delivery of preferred option subject to Government direction and priorities.

From: Schwabe, Michelle MNGD:EX
Sent: Friday, September 6, 2013 12:30 PM
To: Balcaen, Trish L EAO:EX
Subject: RE: Meeting Agenda: Natural Gas Processing Plant Policy

Thanks Trish for letting me know – I will focus on getting the others up to speed until you get there.

Michelle

From: Balcaen, Trish L EAO:EX
Sent: Friday, September 6, 2013 11:51 AM
To: Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; 'O'Hanley, James G'; 'Scraba, Erin H ENV:EX'; Bailey, Scott EAO:EX; Feyrer, Laura ENV:EX
Cc: Beltrano, Linda MNGD:EX; Koncohrada, Karen MEM:EX
Subject: RE: Meeting Agenda: Natural Gas Processing Plant Policy

Thanks Michelle

Looking forward to the conversation. Had a good discussion with Encana this am as well as the project lead from CAPP on this topic.

I'll be a few minutes late – sorry, can't prevent it, Not Responsive so will pop over right after that.

Cheers,
Trish

From: Schwabe, Michelle MNGD:EX
Sent: Friday, September 6, 2013 10:11 AM
To: Danks, Anthony ENV:EX; Balcaen, Trish L EAO:EX; 'O'Hanley, James G'; 'Scraba, Erin H ENV:EX'; Bailey, Scott EAO:EX; Feyrer, Laura ENV:EX
Cc: Beltrano, Linda MNGD:EX; Koncohrada, Karen MEM:EX
Subject: Meeting Agenda: Natural Gas Processing Plant Policy

Good Morning,

Please find attached the agenda for this afternoon's meeting.

<< File: Agenda Sep 6 Natural Gas Processing Plant Policy.docx >>

Thanks,

Michelle

Michelle Schwabe
Director, Regulatory Policy Development
Geoscience and Strategic Initiatives Branch
Ministry of Natural Gas Development

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**Natural Gas Processing Plant Policy
Working Group**

Agenda

September 6, 2013

1:30 – 3:00 pm

Room 5091 1810 Blanshard St

1. Introductions
2. Review and discuss background and policy drivers
 - Agency perspectives
3. Issue scoping and areas to be addressed
 - Identify issues, sub- issues and priorities
 - BC context - existing policy/regulations
 - Cross-Jurisdictional overview
4. Review/Discuss project charter
 - Confirm purpose, roles and accountability
 - Confirm Deliverables and Timelines
5. Next Steps and Action Items

From: Schwabe, Michelle MNGD:EX
Sent: Friday, September 6, 2013 4:16 PM
To: Scraba, Erin H EAO:EX
Subject: FW: Next Steps: Natural Gas Processing Plant Policy

Sorry! I keep using your wrong email!

From: Schwabe, Michelle MNGD:EX
Sent: Friday, September 6, 2013 4:14 PM
To: Balcaen, Trish L EAO:EX; 'O'Hanley, James G'; 'Scraba, Erin H ENV:EX'; Feyrer, Laura ENV:EX
Subject: Next Steps: Natural Gas Processing Plant Policy

Thanks for everyone's participation in the meeting today. As promised here is a summary of next steps.

Next Steps

1. Trish: Follow-up with CAPP re date/time of meeting with Nadia – inform working group.
2. Erin/Trish: Update Briefing note:
 - expand discussion on Option 4 Regulation Change
 - change scope from Montney focus to all sweet gas plants projects irrespective of Basin
 - sour gas threshold to remain
 - include summary analysis
3. James/Michelle* - Analysis – Regulatory robustness comparison table : gas plant project with EA (current) compared to project without EA – what is covered or not covered by other regulations or OGC policy
 - Comparison will consider key environment factors for gas plants such as:
 1. Valued components used in Cabin and Fortune Creek EA's;
 2. Alterations to the proposed project as a result of EA (Michelle to send to James for Fortune Creek)
 3. Conditions of certificate.
 - Complete draft analysis to Erin for **Wednesday Sep 11**.
4. Laura: Follow up with Anthony re: informing CAS about policy working group

*James – I can make a first attempt to frame-out the analysis if you like and you can fill in and flesh out further as needed – I will get you something for **Monday pm**.

Hope that covers it – if I missed something please let us all know!

Have a great weekend all,

Michelle

From: Schwabe, Michelle MNGD:EX
Sent: Friday, September 6, 2013 10:11 AM
To: Danks, Anthony ENV:EX; Balcaen, Trish L EAO:EX; 'O'Hanley, James G'; 'Scraba, Erin H ENV:EX'; Bailey, Scott EAO:EX; Feyrer, Laura ENV:EX
Cc: Beltrano, Linda MNGD:EX; Koncohrada, Karen MEM:EX
Subject: Meeting Agenda: Natural Gas Processing Plant Policy

Good Morning,

Please find attached the agenda for this afternoon's meeting.



Agenda Sep 6
Natural Gas Proce..

Thanks,

Michelle

Michelle Schwabe
Director, Regulatory Policy Development
Geoscience and Strategic Initiatives Branch
Ministry of Natural Gas Development
Telephone: (250) 387-1585
e-mail: Michelle.Schwabe@gov.bc.ca

From: Scraba, Erin H EAO:EX
Sent: Wednesday, September 11, 2013 3:05 PM
To: O'Hanley, James G OGC:IN; Balcaen, Trish L EAO:EX; Feyrer, Laura ENV:EX; Schwabe, Michelle MNGD:EX
Cc: McDonough, Lindsay
Subject: history of natural gas processing plant thresholds
Attachments: RPR and NG plants.docx

Follow Up Flag: Follow up
Flag Status: Completed

Hello everyone,

We were able to do some file sleuthing (mostly for our own interest) to chart the evolution of the natural gas processing plant threshold in the reviewable projects regulation. I believe this is consistent with the information Michelle gathered.

EAO will be working on reframing the briefing note this week.

Cheers,
Erin

From: Takeda, Louise EAO:EX
Sent: Wednesday, September 11, 2013 2:55 PM
To: Scraba, Erin H EAO:EX
Subject: RPR and natural gas processing

Very small change – please use this version.

Louise Takeda | Policy and Legislation Advisor | BC Environmental Assessment Office
T 250.387-0358 | F 250.387-6762 | Louise.Takeda@gov.bc.ca

Natural Gas Processing Plants – Evolving Thresholds and Rationale

Summary Table of Reviewable Projects Regulation 1995-1998		
Year	New natural gas processing plant	Modification of natural gas processing plant
1995	Any new energy facility	An increase of: <ul style="list-style-type: none"> • 3 petajoules or more/year of energy processed
1997	Production capacity of : <ul style="list-style-type: none"> • >2.817 million m3/day; or • <2.817 million m3/day and >2.0 tonnes/day sulfur or 	An increase of: <ul style="list-style-type: none"> • >2.817 million m3/day
1998	Production capacity of: <ul style="list-style-type: none"> • >5.634 million m3/day or • <5.634 million m3/day and >2,0 tonnes/day sulfur 	An increase of: <ul style="list-style-type: none"> • >5.634 million m3/day or • >2.0 tonnes/day sulfur

Rationale for 1995 thresholds

- 1995 thresholds applied generally to facilities that use, convert or process energy resources.
- Thresholds essentially the same as those set out in the B.C. *Utilities Commission Act*, which reviewed energy projects prior to the Environmental Assessment (EA) Act.
- Thresholds based on the quantity of energy involved in the project (petajoules).
- Originally designed in a time of perceived energy shortages when government wanted to ensure control over energy resource development; intention not focussed on projects with potential significant environmental impacts.¹

Rationale for 1997 thresholds

- Evaluation of EA found most natural gas plant projects to be low-impact in comparison to other projects being reviewed.
- RPR amended to include specific thresholds for natural gas processing plants.²
- New thresholds based on a combination of sulphur emissions and plant throughput.
- Intention was to capture processing plants with the potential to produce significant sulphur emissions as well as plants of a large scale regardless of associated sulphur emissions.

Rationale for 1998 thresholds

- Most extensive revisions to RPR enacted in November 1998 as part of the government's response to an independent evaluation of the EA process after its first 2 years.

¹ BC Environmental Assessment Office (1997) "On Revising the Thresholds set out in the *Environmental Assessment Act* 'Reviewable Projects Regulation' for Natural Gas Processing Plant Projects" (Discussion paper, August 1997). Earlier proposal for Reviewable Projects Regulation (RPR) recommended specific thresholds for both sweet gas processing plants (processing of 3 PJ energy or more per year) and sour gas processing plants (emission of more than 2.8 tonnes of sulphur per day) but were not utilized at this time ("Promoting Sustainability: Proposals for an Environmental Assessment and Project Review Act for BC").

² OIC 1316, BC Reg. 276/95 - section 28.1 amended to include "Natural Gas Processing Plants."

- Thresholds for natural gas processing plants revised with intent to remove projects where issues could be addressed by permitting processes.
- Oil and Gas Commission (created earlier in 1998) takes over regulation of smaller natural gas processing plants.

From: Balcaen, Trish L EAO:EX
Sent: Wednesday, September 11, 2013 8:34 PM
To: O'Hanley, James G OGC:IN; Scraba, Erin H EAO:EX; Schwabe, Michelle MNGD:EX; Feyrer, Laura ENV:EX
Cc: Mycroft, Colleen EAO:EX
Subject: FW: Sept 19 Encana/EAO Meeting

Hi all,

See below from CAPP.

Meeting will be Thursday the 19th from 1-2pm at EAO offices. Hope that works for you. We're tying it to the project specific meeting (processing plant exemption application) that will be held that morning (folks are flying in from Calgary to make it).

Colleen - will you please send meeting logistics to the crew?

Thanks
Trish

From: Monaghan, Nadia [Nadia.Monaghan@encana.com]
Sent: September 11, 2013 8:24 PM
To: Balcaen, Trish L EAO:EX
Cc: Ezekiel, Jennifer N.; Mycroft, Colleen EAO:EX
Subject: RE: Sept 19 Encana/EAO Meeting

That works just fine for meeting time and even better if OGC and MNG can be present as well. Thanks for setting this up.

Nadia

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

From: Balcaen, Trish L EAO:EX [Trish.Balcaen@gov.bc.ca]
Sent: Wednesday, September 11, 2013 04:33 PM Mountain Standard Time
To: Monaghan, Nadia
Cc: Ezekiel, Jennifer N.; Mycroft, Colleen EAO:EX
Subject: RE: Sept 19 Encana/EAO Meeting

Hi Nadia,

Sounds good – I'd appreciate spending the time with you and CAPP on these topics. Suggest we break for lunch then come back together at 1 for an hour on the same day.

I'm working with a team of folks from OGC, MNG (peripherally with MOE) on the bigger picture piece. Would you be opposed to having those folks join us?

Cheers,
Trish

From: Monaghan, Nadia [mailto:Nadia.Monaghan@encana.com]
Sent: Wednesday, September 11, 2013 3:28 PM

To: Balcaen, Trish L EAO:EX
Cc: Ezekiel, Jennifer N.
Subject: Sept 19 Encana/EAO Meeting

Hi Trish,

I was thinking it would be a good idea if we could tack on additional time next week to discuss a few other items that are not directly related to the Encana 4-26 Refrigeration project:

1. Industry working group to address EA process for sweet gas plants - I'd like to provide you with a draft of industry's plan on this initiative prior to a CAPP working group kick-off
2. Outline for a "Natural Gas 101" (presentation / tour) - as follow-up to our meeting last week, I am drafting outline of what this may look like and would like to gather your feedback

Recognizing that we will need the full hour already scheduled to focus in on the 4-26 Project, another 0.5-1 hour should allow us to discuss these items. Please let me know if you have availability? I would also suggest that we invite a CAPP representative to be part of this discussion as well (likely Sherry Sian could attend, she will be helping lead industry's efforts on this).

Thanks,

Nadia Monaghan
Environmental Policy Group Lead
Regulatory and Government Relations
t 403.645.6216
c 403.614.1711

Encana Corporation
encana.com

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<http://www.encana.com>

From: McDonough, Lindsay
Sent: Friday, October 25, 2013 9:31 AM
To: Schwabe, Michelle MNGD:EX; Danks, Anthony ENV:EX; O'Hanley, James G OGC:IN
Cc: Balcaen, Trish L EAO:EX; Mycroft, Colleen EAO:EX
Subject: FYI: Final joint work plan - upstream strategy
Attachments: Gas Plant EA Reform - Joint Work Plan 2013-10-25 FINAL.docx

Hi all, see final work plan attached, re: upstream strategy.

Looking forward to seeing you all at next week's NG 101 tour (final itinerary forthcoming).

Lindsay

From: McDonough, Lindsay EAO:EX
Sent: Friday, October 25, 2013 8:19 AM
To: Monaghan, Nadia
Cc: Balcaen, Trish L EAO:EX; Ezekiel, Jennifer N.; XT:Sian, Sherry FLNR:IN; Ody, Giles; Mycroft, Colleen EAO:EX
Subject: RE: CAPP EA Working Group - Updates

Hi Nadia,

See final Joint Work Plan attached (let me know if there is anything amiss).

Thanks as well for the update on the tour - we're looking forward to it. In terms of attendees, I now have the following confirmed:

- Trish Balcaen (EAO)
- Erin Scraba (EAO)
- Lindsay McDonough (EAO)
- Nathan Braun (EAO)
- Anthony Danks (MoE)
- Michelle Schwabe (MNGD)
- James O'Hanley (OGC) - still TBC

See you next week.

Lindsay