EAO's Assessment of an Application for Certificate Extension

WOODFIBRE LNG PROJECT (#E15-02)

Requested by: Woodfibre LNG Limited

OCTOBER 23, 2020

Pursuant to section 31 of the Environmental Assessment Act, S.B.C. 2018, c.51



Contents

1.0		OVE	RVIEW OF REQUESTED EXTENSION	
2.0		PRO.	JECT DESCRIPTION1	
3.0		EXTENSION REQUEST REVIEW PROCESS		
4.0		REGULATORY CONTEXT AND REQUIREMENTS		
5.0		SUMMARY OF ISSUES AND EFFECTS		
	5.1	Environmental Effects		
		5.1.1	Climate6	
		5.1.2	Pish and Wildlife	
		5.1.3	Baseline Data	
5.2		So	Social Effects	
		5.2.1	Marine Transportation8	
		5.2.2	Off-duty Worker Health9	
	5.3		conomic Effects	
5.4 Other Topics		0	ther Topics	
	5.5	C	Consultation	
6.0		Indigenous Nation Engagement		
	6.1	V	/oodfibre LNG Limited-Led Engagement	
	6.2	E	AO-Led Engagement	
7.0		Con	CLUSIONS 12	



1.0 OVERVIEW OF REQUESTED EXTENSION

Woodfibre LNG Limited (Woodfibre) received Environmental Assessment Certificate (EAC) #E15-02 under the Environmental Assessment Act (2002) for the Woodfibre LNG Project (the Project) on October 26, 2015. The Project also required a federal Environmental Assessment (EA) under the Canadian Environmental Assessment Act, 2012, and federal approval for the Project was granted on March 17, 2016 and reissued on March 7, 2018. Squamish Nation conducted a separate EA and issued the Squamish Nation EA Agreement (#2015-001) on October 14, 2015. Documentation relating to the provincial EA of the Project, including the EAC, Certified Project Description (CPD), and Table of Conditions (TOC) are on the Environmental Assessment Office (EAO) Electronic Project Information Centre (EPIC).

<u>Section 31(2)</u> of the <u>Environmental Assessment Act</u> (the Act) allows for the holder of an EAC to apply for an extension of the deadline specified in the EAC for substantially starting the Project. A decision is required from the EAO's Chief Executive Assessment Officer (CEAO) on whether to provide a one-time, maximum five-year, extension to an EAC. Woodfibre applied for an extension on March 24, 2020 to extend the EAC expiration date from October 26, 2020 to October 26, 2025 (henceforth referred to as the Extension Application). The EAO received the <u>Extension Application</u> on March 24, 2020 and accepted it for review on March 30.

Woodfibre stated that the Project is not anticipated to be substantially started before the October 26, 2020 deadline and that the reasons for the Extension Application relate primarily to unforeseen time required to clean up and remediate the historic pulp mill and work to fulfil its commitments to Indigenous nations and local communities. The Extension Application also notes external factors outside of their control that have influenced the Project, including negotiations regarding an Engineering, Procurements and Construction contract and the coronavirus (COVID-19). Woodfibre notes that an extension to the EAC would also support its efforts to follow the Truth and Reconciliation Committee's Calls to Action and implement the goals of the United Nations Declaration on the Rights of Indigenous Peoples.

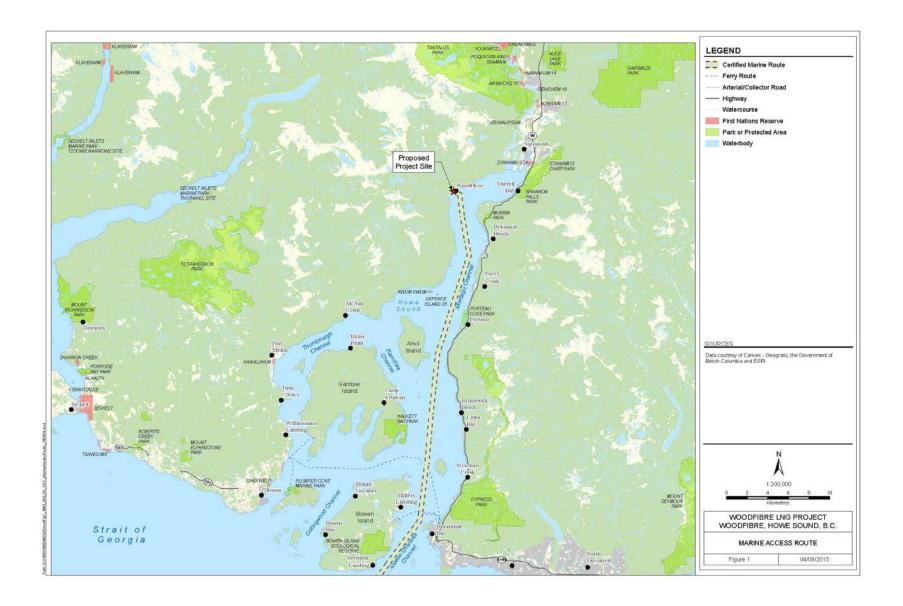
To date Woodfibre has spent \$13 million on clean up and remediation on the Project site including removal of historic marine infrastructure, creosote piles and historic concrete slabs. This work has followed the Squamish Nation EA Agreement and the Ministry of Environment and Climate Change Strategy's Certificate of Compliance. In addition, Woodfibre has advanced engineering design, permitting and Indigenous engagement.

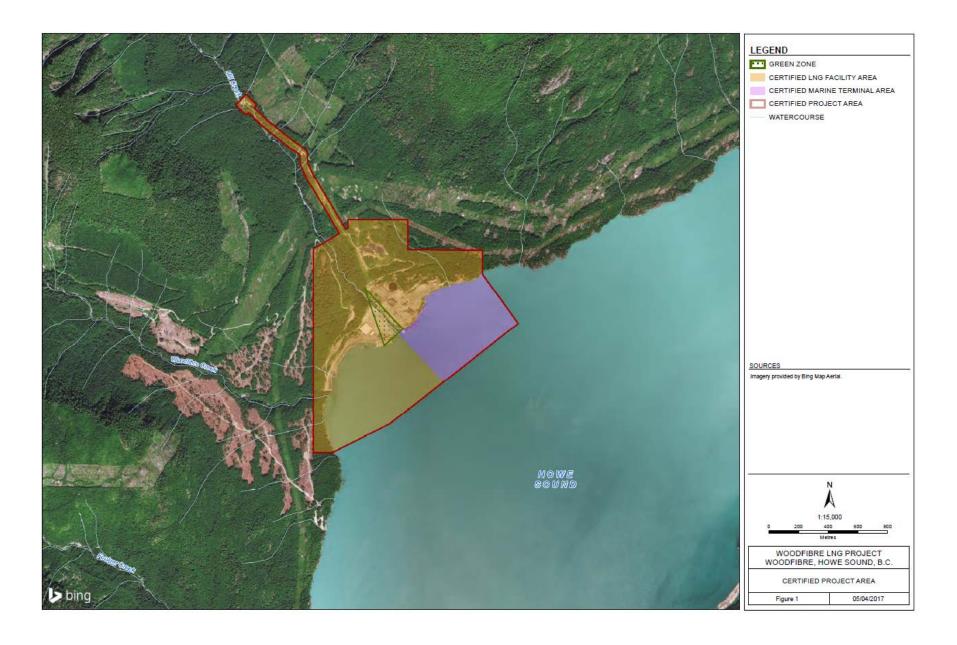
2.0 PROJECT DESCRIPTION

The Project involves the construction and operation of an LNG export facility on the previous Woodfibre Pulp and Paper Mill site located approximately 7 kilometres west-southwest of the urban centre of Squamish, British Columbia (B.C.). The facility will have a storage capacity of 250,000 cubic metres and produce up to 2.1 million tonnes per year of LNG. The facility would receive approximately 40 LNG carrier visits per year, or approximately one carrier every 10 days.

The Project's EA included the LNG production, storage and marine carrier transfer facility for the export of LNG. The Project required an EAC as it exceeded the threshold in the Reviewable Project Regulation (2002) for a "new energy storage facility with the capability to store an energy resource in a quantity that can yield by combustion ≥3PJs of energy". The Project's EA included the LNG facility and its supporting infrastructure, the construction infrastructure, facilities and activities, and the marine shipping associated with the Project within Howe Sound. The Project would have an estimated operating lifetime of more than 25 years. Once operations have ceased, decommissioning is expected to take 24 months. The Project is anticipated to create approximately 1,975 person-years of employment during construction phase in Canada and 1,715 person years in B.C. During operations, the Project expects to create 102 direct full-time equivalent employment positions each year.







Woodfibre requested a first amendment to its EAC on January 27, 2017. The amendment was for a modification of cooling technology from seawater to air cooling, along with additional modifications such as withdraw of water from Woodfibre Creek for short-term needs during construction and use of existing Mill Creek intake as an alternative for constructing new intake for water withdrawals. Amendment #1 to was issued on July 12, 2017.

Woodfibre requested a second amendment to its EAC on April 3, 2019. The amendment was for a modification of definition of Construction, as well as removal of the onsite landfill from the list of supporting permanent infrastructure. <u>Amendment #2</u> was issued on July 19, 2019.

Woodfibre <u>requested a third amendment</u> to its EAC on October 29, 2019. The amendment application included the addition of temporary floating worker accommodation, workforce accommodation on marine construction vessel onshore drinking water treatment and pedestrian access path to the floating worker accommodation. The EAO, the Impact Assessment Agency of Canada (IAAC), and Squamish Nation have signed a Memorandum of Understanding for the amendment review, to cooperate in the conduct of the assessment while respecting each Party's processes. The assessment of the proposed amendment has not yet been completed.

3.0 EXTENSION REQUEST REVIEW PROCESS

The EAO invited the following technical reviewers, who were previous members of the EA Working Group, to assist in the review of the Extension Application:

- BC Oil and Gas Commission (BC OGC)
- Bowen Island Municipality (BIM)
- District of Squamish (DoS)
- Environment and Climate Change Canada (ECCC)
- Health Canada
- Islands Trust
- Ministry of Environment and Climate Change Strategy
- Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD)
- Ministry of Health (MOH)
- Ministry of Indigenous Relations and Reconciliation
- Ministry of Municipal Affairs and Housing
- Natural Resources Canada (NRCan)
- Squamish Lillooet Regional District (SLRD)
- Squamish Nation
- Tsleil-Waututh Nation
- Vancouver Coastal Health Authority (VCHA)
- Ministry of Transport and Infrastructure
- Fisheries and Oceans Canada
- Transport Canada (TC)
- District of West Vancouver (DWV)
- Sunshine Coast Regional District
- The Village of Lions Bay (VoLB)

The EAO also notified IAAC of the Extension Application, as the Project had previously undergone a substituted EA review.



As outlined in the Section 11 Order issued on March 21, 2014, the Project area lies in, or is in the vicinity of, the traditional territories of Squamish Nation and Tsleil-Waututh Nation. As such, these two groups were consulted during the EA regarding potential adverse effects on their rights. Also, in accordance with the Section 11 Order, the EAO notified Musqueam Indian Band, Cowichan Tribes, Halalt First Nation, Lake Cowichan First Nation, Penelakut Tribe, Lyackson First Nation, Stz'uminus First Nation and Metis Nation of British Columbia of key project milestones.

Consistent with the above approach, on April 20, 2020, the EAO invited Squamish Nation and Tsleil-Waututh Nation to participate in the Extension Application review. The EAO sought feedback on the approach and schedule for engaging on the review of the Extension Application and informed the participating Indigenous nations that the EAO would be seeking consensus before referring the Extension Application for decision. Musqueam Indian Band, Halalt First Nation, Cowichan Tribes, Lake Cowichan First Nation, Lyackson First Nation, Penelakut Tribe and Stz'uminus First Nation were notified of the Extension Application review and provided a copy of the Extension Application.

On April 20, 2020, the Extension Application was shared with the technical reviewers and the EAO requested review and comment be provided within four weeks. The purpose of this engagement was to better understand whether there had been any changes to the Project setting the EAO should be aware of, or if the technical reviewers had any concerns with the EAO granting an extension request. The EAO received comments from BIM, DoS, DWV, ECCC, FLNRORD, SLRD, TC, Volb, and Tsleil-Waututh Nation. Other technical reviewers did not comment on the Extension Application or indicated they had no comment.

Squamish Nation indicated it was conducting an independent review in April 2020 and would engage directly with Woodfibre to discuss whether the Extension Application would affect the Squamish Nation EA Agreement. Engagement with Indigenous nations is described in Section 6 of this Extension Report.

Key issues identified in relation to the Extension Application are outlined in <u>Section 5</u> of this report. The EAO requested that Woodfibre respond to comments from technical reviewers, which are in the Woodfibre Responses Tracking Table. The EAO provided this tracking table on July 3, 2020, for review and comment to seek feedback on whether responses by Woodfibre were adequately addressed. Technical reviewers were requested to provide comments within two weeks. The EAO received responses from Tsleil-Waututh Nation, DoS and FLNRORD on Woodfibre's responses. ECCC also responded that it had no concerns.

Following a request for public engagement, the CEAO determined that a public comment period was not required. Comments received by technical reviewers and Indigenous nations during the review of the extension were posted to the EAO's website.

The draft Extension Report was provided to technical reviewers for review on August 7, 2020. The reviewers were given three weeks to review and comment. The EAO received responses from BIM, NRCan, Tsleil-Waututh Nation, and comments jointly submitted by MOH and VCHA.

4.0 REGULATORY CONTEXT AND REQUIREMENTS

Woodfibre is subject to permitting under the *Oil and Gas Activities Act*, as the BC OGC is the primary regulator that oversees the construction and operation of LNG export facilities in B.C. Other authorizations and permits are required for construction and operations, including by other regulatory authorities. Regulatory agencies for many of the required authorizations participated as technical reviewers. A comprehensive list of regulatory authorities and authorizations required for the Project are included in the <u>EA Report</u>, Section 2.5.



5.0 SUMMARY OF ISSUES AND EFFECTS

5.1 Environmental Effects

5.1.1 Greenhouse Gas Emissions

DoS and DWV each passed motions in Council on May 12, 2020 (ratified on May 19, 2020) and June 8, 2020, respectively, that the Districts do not support the Extension Application unless a condition is added to the EAC requiring Woodfibre to meet the Intergovernmental Panel on Climate Change targets to reduce greenhouse gas (GHG) emissions by 45% by 2030 and 100% by 2050. Similarly, the SLRD commented that the SLRD Board is generally supportive of the Extension Application, conditional on the addition of a condition to the EAC requiring net zero GHG emissions related to facility operation by 2050. The SLRD also requested that the EAC extension should incorporate strong climate change targets. BIM questioned how granting an EAC extension to Woodfibre would support the Province in meeting the legislated targets in the *Climate Change Accountability Act* and CleanBC. Tsleil-Waututh Nation requested that the Project compare GHG emissions of upstream, downstream, and indirect emissions to municipal, provincial and federal climate change targets and consider IPCC reports, requirements under the Act, and the Tsleil-Waututh Nation Climate Change Vulnerabilities Report.

Woodfibre responded to comments on climate concerns related to the Project with commitments to working to further reduce GHG emissions. Woodfibre noted that it is currently updating its GHG emissions estimates based on the method used for the initial EA and committed to sharing the updated emissions data, consistent with Condition 4 of the EAC. On September 25, Woodfibre affirmed that it is currently set to produce emissions below the sector-specific targets applicable to the Woodfibre LNG Project under the Climate Change Accountability Act (formerly the Greenhouse Gas Industrial Reporting and Control Act). Woodfibre noted that in response to local community concerns raised, the Woodfibre LNG Project has already modified its design to reduce projected emissions levels by approximately 80% below a typical LNG Project's levels. In addition to committing during the EA to an electric-drive design to substantially reduce potential GHG emissions during operations, Woodfibre also noted steps it will undertake to further reduce emissions, including incorporating electric motors, plans to minimize flaring to the extent practical and safe and including a leak detection and repair system during operations. Woodfibre states that, as currently planned, Woodfibre LNG would have the lowest GHG emission intensity of any LNG facility in the world.

Woodfibre committed to reviewing the Tsleil-Waututh Nation Climate Change Vulnerabilities Report and discussing opportunities to align with Tsleil-Waututh Nation on work conducted by the Nation. Woodfibre noted it also signed a Memorandum of Understanding with a clean energy company to investigate potential ways to work towards further supporting B.C.'s GHG reduction targets, the CleanBC plan, Canada's 2030 emissions reduction goal and the 2050 net-zero emissions commitment.

The EAO notes that IPCC reduction targets are directed at governments and not individual activities/projects and that the Province currently has legislated GHG reduction targets and a suite of legislative, regulatory and policy tools to ensure it will achieve targets. Federally legislated GHG reduction targets are also in place. In an effort to meet the targets, the EAC requires Woodfibre in its environmental management plans to outline the objectives of the mitigation measures that will be implemented at the Project site (Table 22-1 of the EA Application), which includes these best management practices to reduce GHG emissions, as well as reducing emissions from mobile equipment. The EAO has discussed and is aware that the BC Climate Action Secretariat (CAS) and its federal counterparts at ECCC are actively considering opportunities to meet the *Climate Change Accountability Act* goals on a go-forward basis; however, any actions or outcomes from these policy discussions will be contemplated outside of the Woodfibre LNG Project EAC Extension process.



5.1.2 Fish and Wildlife

ECCC noted that the Extension Application acknowledged that construction scheduling is constrained by least risk timing windows, including for work to be conducted during regional nesting periods. Woodfibre also stated in its Extension Application that construction will avoid regional nesting periods. ECCC noted species that may occur in the Woodfibre LNG Project area that were added to Schedule 1 of the *Species at Risk Act* since the EAC was issued and that should they be reported, a recommendation that new mitigation measures be developed per the Wildlife Management and Monitoring Plan. Woodfibre confirmed that the species will be incorporated in the next version of the Wildlife Management and Monitoring Plan. Project effects on wildlife, including vegetation clearing, are addressed through mitigation measures, as required in Condition 11 of the EAC, the Wildlife Management and Monitoring Plan for Construction and a similar plan for Operations in Condition 12.

SLRD expressed concern with effects to herring spawn due to future disturbance or increased activity. Woodfibre noted that EAC conditions (Condition 8) require the development and implementation of a marine fish and fish habitat management and monitoring plan, which would include consideration of effects to herring.

5.1.3 Baseline Data

BIM commented that changes to Howe Sound since the EAC was issued need to be considered, including references to timelines for studies required under the Riparian Areas Protection Regulation. BIM expressed concern with studies conducted five years ago, especially regarding at risk terrestrial and aquatic species. BIM requested that the EAO require assessments on fish habitat, freshwater resources, and species at risk to be updated. Woodfibre responded that it is committed, through existing EAC conditions and in meeting permit application requirements, to supplementing the existing multi-year baseline datasets, where required, to support monitoring of Project effects and the effectiveness of mitigation measures. Woodfibre asserted its commitment to adhere to all current and applicable federal, provincial, and municipal legislation, regulations, and bylaws during all phases of the Project. The EAO and listed parties will review proposed and required mitigation measures to ensure they are effective; this applies during plan development, subsequent reviews and revisions of plans. Additionally, plans and mitigation measures must be implemented to the satisfaction of the EAO.

Tsleil-Waututh Nation requested a review of studies conducted for the initial EA and data collected for the management plans if the extension request is approved. Tsleil-Waututh Nation commented that the review is required to ensure current information is used for monitoring and mitigation. Tsleil-Waututh Nation expressed concern with outdated information on fish, including ling cod and herring, marine mammals, including southern resident killer whales and GHG emissions and the Project's effect on the ability to meet provincial and federal climate targets. Woodfibre responded with a commitment to supplementing existing multi-year baseline datasets, where required. Woodfibre noted that in 2019, baseline studies were conducted for herring and wildlife and continued in 2020, which included surveys to support monitoring and permitting.

Woodfibre committed to working with Tsleil-Waututh Nation and other Indigenous groups through development and implementation of environmental management plans, review of work plans, studies, permits and identifying opportunities to participate in implementation of management plans, baseline data collection and monitoring requirements. Woodfibre's EAC requires them to consult with Indigenous nations and other specified parties in developing the required plans, and also includes a condition requiring ongoing Indigenous engagement. Woodfibre also stated that details would be provided on how changes to legislative requirements and standards since 2015 would be included in management plans and permitting. Tsleil-Waututh Nation requested clarification on the studies conducted in 2019 and 2020 and asked to review the information collected. Woodfibre and Tsleil-Waututh Nation discussed the requests on July 29, 2020, and



Woodfibre committed to providing a work plan for further studies to facilitate participation in development and implementation of plans and follow-up programs.

Tsleil-Waututh Nation requested information on how Woodfibre can be required to submit mitigation effectiveness reports under <u>Section 30</u> of the Act and how Woodfibre will ensure that its proposed mitigations will be robust, effective and enforceable. The EAO's mitigation effectiveness policy approach and program is still under development and will be applied to projects issued an EAC under the Act. Due to the design of the policy approach, the EAO not intending to retroactively apply it to existing EACs at this time.

In its comments, VoLB noted that new information (i.e. baseline data) is available since the EAC was issued in 2015 that could impact conclusions reached in the certificate, including noise impacts to northern resident whales in Howe Sound and the Glass Sponge Reef Marine refuges; cumulative impacts related to a proposed gravel barge terminal at Watts Point and the commitment to reduce greenhouse gas emissions under the B.C. *Climate Change Accountability Act.* In response, Woodfibre noted sections of the original EA that considered northern resident whales, (section 5.19), glass sponges (section 5.16.2.4.1), Watts Point (section 4, table 4-6) and the Marine Baseline Studies Report (Appendix 5.10). Woodfibre also noted the EAC conditions that address the concerns of VoLB, including the marine mammal management plan (Condition 9), the wildlife management plan for Operations (Condition 12), and the visual quality management plan (Condition 20) and conditions 5.1 and 5.2 of the Federal Decision Statement.

The EAO notes that there remains the opportunity for interested and/or concerned parties to influence the development and implementation of management plans; management plans are required pursuant to specific EAC Conditions and the EAC has an overarching condition regarding the development of management plans (Condition 2) that includes Woodfibre's consultation requirements. Condition 2 of the EAC outlines how consultation must take place for any EAC Condition requiring Woodfibre to consult with parties. As part of Condition 2, Woodfibre is required to undertake a full and impartial consideration of views and information provided by parties, as per respective Conditions. Woodfibre must respond to comments with written explanations as to how the views and information have been considered and addressed or, if they have not been addressed in the management plan, why not. Additionally, Condition 21 requires the development and implementation of Environmental Management Plans (EMPs) for construction and operations. The plans must be developed to the satisfaction of the EAO. Parties, including the EAO, have the opportunity during consultation and review to question validity of baseline data and information used for the development of EMPs. The EAO affirms that other regulatory bodies also require Woodfibre to update baseline data sets for specific aspects of the overall permitting and approval process.

5.2 Social Effects

5.2.1 Marine Transportation

The Tsleil-Watuth Nation, BIM, and the VoLB commented regarding safety concerns of LNG tanker traffic in Howe Sound and the TERMPOL (technical review of marine terminal systems and transshipment sites) process to be completed by Woodfibre. TC requested an update from Woodfibre on its timeline and next steps with the TERMPOL review process.

As described in the EAO's <u>Woodfibre LNG Project Assessment Report</u>¹, TERMPOL is a voluntary review process that may be requested by proponents involved in building and operating a marine terminal system for bulk handling of oil,

¹ British Columbia Environmental Assessment Office. 2015. Woodfibre LNG Project Assessment Report. Accessed at https://www.projects.eao.gov.bc.ca/api/public/document/58869291e036fb01057690bc/download/Assessment%20Report%20and%20Appendices% 20for%20the%20Woodfibre%20LNG%20Project%20dated%20August%2019%2C%202015.pdf



chemicals and liquefied gases. It focuses on the marine transportation components of a project and examines the safety of tankers entering Canadian waters, navigating through channels, approaching berthing at a marine terminal and loading or unloading oil or gas. The review may consider any safety measures above and beyond existing regulations to address any site-specific circumstances.

Woodfibre initiated the TERMPOL review process through submission to Transport Canada in 2015. Woodfibre responded to reviewer comments stating it remains committed to the TERMPOL process, will be continuing the review with TC in 2021, and is required by Condition 21 of the EAC to implement TERMPOL recommendations consistent with mitigation measure M7.2-7, <u>Table 22-1</u> of the EA Application. The EAO notes that Condition 17 of the EAC requires development and implementation of a marine transport management and monitoring plan, which must include methods to inform the public, commercial marine user groups and Aboriginal Groups about the results of the Project's TERMPOL process.

Tsleil-Waututh Nation requested an assessment of the Project's marine transportation and shipping from the mouth of the Howe Sound to the 200 nautical mile limit of Canada's Exclusive Economic Zone. Tsleil-Waututh Nation expressed concerns associated with increased marine shipping in the Salish Sea, including effects on Southern Resident Killer Whales (SRKW) from increased underwater noise, increased risk of vessel strikes and increased pollution and destruction of SRKW critical habitat. Additional concerns were expressed by Tsleil-Waututh Nation with the effects of increased marine shipping on their ability to conduct cultural practices because of impacts to cultural and spiritual areas, reduced access to fisheries because of the presence of large vessels and wake from the large vessels interfering with fishing activities and causing shoreline erosion possibly resulting in destruction of Coast Salish heritage.

The request for a marine shipping assessment was based on new case law rendered since the EAC was issued, namely *Tsleil-Waututh v Canada (Attorney General)*, 2018 FCA 153, which pertained specifically to the Trans Mountain Expansion Project. It was the Acting CEAO's view (letter of July 24, 2020) that the *Tsleil-Waututh* decision does not have direct application to the review of the Project's Extension Application. He determined, based on a consideration of the relevant provisions in the *Environmental Assessment Act*, that the marine component of the project, as scoped in the EA and as authorized in the EAC, would not change for the purpose of the Extension Application. Tsleil-Waututh Nation noted their disagreement with the CEAO's view. The EAO and Tsleil-Waututh Nation had a phone call to discuss this issue on July 29, 2020. At the meeting, the Acting CEAO committed to reconsider his views in light of the concerns TWN raised in the meeting, which were then outlined in its subsequent letter of August 14, 2020. The EAO verbally expressed the view that the information provided did not change the EAO's perspective in meetings on September 16, 2020 and October 14, 2020. At the request of Tsleil-Waututh Nation, the EAO provided a formal written response on October 14, 2020.

On September 25, 2020, in response to Tsleil-Waututh Nation's concerns, Woodfibre restated its commitment to the TERMPOL review process and noted that the TERMPOL review is applicable to the movement of LNG vessels along the shipping route from Buoy-J to the berth at the Woodfibre LNG Project facility (i.e., within and outside of Howe Sound). Woodfibre noted the maritime legislation that applies the Woodfibre LNG Project, including the <u>Canada Shipping Act</u> and the <u>Pacific Pilotage Regulation</u>. Woodfibre explained the role of qualified pilots, legal requirements of pilots and vessels and voluntary measures followed by pilots and vessel Masters, within the limits of vessel safety. Woodfibre also noted several vessel pollution prevention and emergency response measures required of vessels and the Project within and outside of Howe Sound. The EAO notes that marine shipping associated with Woodfibre LNG would be required to adhere to various existing legal requirements, primarily within federal jurisdiction, both within and outside of Howe Sound.

5.2.2 Off-duty Worker Health

MOH and VCHA jointly submitted comments on the draft Extension Report expressing concern that concerns with offduty worker health related to the proposed floating worker accommodation would not be addressed if the EAO grants the



extension. Woodfibre provided a response on September 25, 2020 clarifying that the existing EAC and CPD does not include the floating worker accommodation, and that this proposed change is subject to an ongoing amendment review process. The EAO confirms that the concerns with off-duty worker health raised by MOH and VCHA will be considered as part of the amendment process currently underway.

5.3 Economic Effects

Comments were received from DoS, VoLB, and Tsleil-Waututh Nation on economic aspects of the Project. DoS requested to see timelines for operations to plan for and allocate District resources for supporting permits and approvals, anticipated local employment and taxation. DoS also requested a plan to address the altered economic climate referenced in the Extension Application. VoLB commented that the EAO should require confirmation of the parent company's commitment to ensure Woodfibre is a sustainable project and that the financial structure of the company should be considered. Tsleil-Waututh Nation asked about the contractor going through Chapter 11 proceedings in the United States and if the company will still be the preferred contractor should there be a delay in the proceedings.

In response, Woodfibre reiterated its commitment to the Project, noting the work completed to date as demonstrations of the commitment. Woodfibre and DoS were in communication regarding the requests for Project plans. Woodfibre indicated that it was not in a position to comment on the Chapter 11 proceedings in the United States or negotiations with contractors.

5.4 Other Topics

Questions and comments were raised by some reviewers on the validity of reasons provided by Woodfibre for the extension request, such as whether the COVID-19 pandemic or the previously granted or proposed amendment contributed to project delays. Additionally, questions were raised about the proposed amendment to the EAC to include floating worker accommodations, including if the amendment process has been impacted by COVID-19.

Several reviewers provided comments on legislation and policies that are new or revised since the EAC was issued in 2015. Concerns were expressed and questions asked about the EAC requiring new conditions or revisions to existing ones because of new or updated legislation and policies. Woodfibre is required to comply with all current legislation. New or updated legislation does not require reassessment of projects. Additionally, management plans and other requirements under the EAC must consider and comply with existing, new, and revised legislation and policies.

5.5 Consultation

BIM, DoS, DWN, and SLRD expressed concerns with Woodfibre's consultation efforts, including the adequacy of early engagement prior to submission of the Extension Application and the EAO's lack of public consultation on the extension application. A digital letter campaign also occurred during the EAC Extension process, in which individuals submitted general concerns letters to the EAO, citing the concerns noted prior in this Extension Report.

The EAO's Acting Chief Executive Assessment Officer considered the request for a public comment period on the application and determined that it was not required. The EAO's Certificate Extension Policy articulates the procedures for the review of extension applications, including the review by Indigenous Nations and technical reviewers. While comments were not sought by the public, the review of the Application was informed by technical reviewers that include the relevant federal, provincial and local governments, as well as Indigenous nations. All comments received by technical reviewers and Indigenous nations during the review of the extension will be posted publicly.



The review of the Extension Application has been informed by technical reviewers that include the relevant federal, provincial and local governments, as well as Indigenous Nations (Section 3). The EAO notes that a public comment period is not a requirement of Section 31 of the Environmental Assessment Act, and all relevant materials will be posted publicly on the EAO EPIC webpage for the Project. Additionally, the EAC also includes conditions requiring Woodfibre to consult with Indigenous nations (Condition 22), the public (Condition 24 and 25) and several other conditions require consultation with various groups in the development of management plans.

6.0 INDIGENOUS NATION ENGAGEMENT

6.1 Woodfibre LNG Limited-Led Engagement

A supplementary letter from Woodfibre to the EAO, dated July 27, 2020, outlined the consultation undertaken by Woodfibre to inform its Extension Application. The EAO understands that Woodfibre and Squamish Nation discussed the Extension Application during monthly meetings since 2019. On June 11, 2020, Squamish Nation informed the EAO that they would directly engage Woodfibre to discuss whether Woodfibre's Squamish Nation EA Agreement would be affected by the Extension Application. Squamish Nation and the EAO continued to engage as-needed during the Extension review.

Woodfibre's supplementary letter also described two meetings between Woodfibre and Tsleil-Waututh Nation, held on February 6 and June 18, 2020. The meeting on February 6, 2020 included a tour of the Project site and discussion of the Extension Application. On June 16, 2020, Woodfibre provided its draft responses to Tsleil-Waututh Nation comments on the Extension Application prior to the two parties meeting on June 18 to discuss the responses. Woodfibre and Tsleil-Waututh Nation met again on July 29, 2020, to further engage on the extension process and discuss other regulatory matters. Woodfibre and Tsleil-Waututh Nation met again on October 8, 2020.

Woodfibre sent email notifications to Musqueam Indian Band, Cowichan Tribes, Lake Cowichan First Nation, Halalt First Nation, Lyackson First Nation, Penelakut Tribe, Stz'uminus First Nation and Métis Nation British Columbia. Stz'uminus Nation provided a response to Woodfibre on March 26, 2020 acknowledging the notification and requesting to be kept informed.

6.2 EAO-Led Engagement

As noted in <u>Section 3</u> of this Extension Report, on April 20, 2020, the EAO invited Squamish Nation and Tsleil-Waututh Nation to participate in the Extension Application review. On June 12, 2020, the EAO also notified and provided copies of the Extension Application to Musqueam Indian Band, Cowichan Tribes, Halalt First Nation, Lake Cowichan First Nation, Lyackson First Nation, Penelakut Tribe and Stz'uminus First Nation.

Squamish Nation informed the EAO that it would conduct an independent review of the information in the Extension Application. Squamish Nation has a separate environmental assessment process for the Woodfibre LNG Project and, as a result, did not provide responses or feedback to the EAO during the EAC Extension process.

Tsleil-Waututh Nation engaged extensively in the extension review process. The EAO met with Tsleil-Waututh Nation throughout the review process and exchanged emails and letters related to their key areas of concern, which were discussed previously in this report. Recognizing that Tsleil-Waututh Nation expressed disagreement with the EAO's conclusions and the process of engagement during the Extension Application Review, the EAO provided Tsleil-Waututh Nation the opportunity to provide a separate submission directly to the decision-maker for her consideration. This was provided to the EAO on October 19, 2020.



No other Indigenous groups provided any comments during the review.

During the review period, a public health emergency was declared on March 17, 2020, in relation to the COVID-19 pandemic. With respect to the Indigenous nations who were invited to engage as participating Indigenous nations in the Extension Application review, the EAO was aware that Squamish Nation and Tsleil-Waututh Nation had closed their offices for non-essential services and staff were shifting to work from home as much as possible, which affected consultation timelines. Tsleil-Waututh Nation indicated additional time was required to review the request and to internally discuss previous consultation on the Project.

7.0 CONCLUSIONS

Based on:

- The information contained in Woodfibre's Extension Application;
- Woodfibre's consultation with Indigenous nations;
- The EAO's engagement with Indigenous nations and Technical Reviewers;
- Comments on the Extension Application from Technical Reviewers, Indigenous nations and Woodfibre's responses to those comments;
- Woodfibre's requirements under the EAC to mitigate and monitor the effects of the Project;

The EAO is satisfied that:

- The clarifications requested by Technical Reviewers, which were within the scope of the assessment of the Extension Application, were adequately and reasonably addressed by Woodfibre;
- There are no changes proposed to the EAC and the conclusions predicted in the original EA of the Project are still valid, notwithstanding pending Management Plans that are still to be finalized, and may require baseline data set updates;
- The Extension Application is unlikely to cause incremental or additional negative effects to the Indigenous nations or their rights;
- Within the scope of the Extension process and the EAO's authority, efforts were undertaken to seek consensus on concerns that Indigenous nations in B.C. raised with the Extension Application and draft Report; these efforts are made to support reconciliation as set out in Section 2(2)(b)(ii) of the Act;
- The provincial Crown has fulfilled its statutory and constitutional obligations owed to Indigenous nations relating to the issuance of an extension to the EAC; and
- The EAC should be extended.

The EAO recommends that the Chief Executive Assessment Officer of the EAO, upon consideration of the Extension Application and conclusions in this Report and any other relevant factors, issue an extension of the EAC under Section 31 of the Act to allow for a one-time, five-year extension of EAC #E15-02 for the Woodfibre LNG Project. The EAO notes that all other conditions and requirements arising from the original assessment remain in effect for the duration of the lifecycle of the Project. Extending the EAC would allow the EAC Holder an additional five years to obtain required regulatory approval and substantially start the Project. If the Project is not substantially started in five years, the EAC will expire.

