

File: ENVA-30150-20/KSILIS 05 06

Reference: 415205

March 28, 2025

SENT VIA EMAIL

Sandra Webster
Vice President, Environment and Regulatory Affairs
Ksi Lisims LNG
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Dear Sandra Webster:

I am writing to inform you of clarifications to government policy, which have recently been communicated to the Environmental Assessment Office (the EAO) by Minister Dix, Minister of Energy and Climate Solutions.

On July 24, 2024, the EAO sent you a <u>letter</u> regarding the net-zero standard and the requirement for a credible net-zero plan to achieve net-zero greenhouse gas (GHG) emissions by 2030. Attached is a letter from Minister Dix, dated March 21, 2025, providing clarifications on the net-zero plan and considerations for grid electricity.

The Minister's letter states that Liquefied Natural Gas (LNG) proponents must provide a credible plan for their project to achieve net-zero by 2030. If an LNG project intends to use grid electricity for operations and it is not reasonably possible for the LNG project to be served by grid electricity by 2030, due to circumstances beyond the control of the proponent (including the inability, despite reasonable commercial efforts, to finalize arrangements for the provision of grid electricity with a provider thereof), the proponent must provide a credible net-zero plan subject only to the provision of grid electricity to the project.

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Where it is not reasonably possible for an LNG facility be served with grid electricity by 2030 despite a proponent's best efforts, the LNG proponent's plan must demonstrate how they will achieve net-zero GHG by 2030, in respect of project emissions that are unrelated to the provision of electricity (e.g.: combustion unrelated to electricity generation such as heaters or thermal oxidizers, natural gas flaring or on-site transport).

In addition, the proponent's plan must include information concerning its efforts to obtain grid electricity, and information the proponent has received from the provider of the grid electricity regarding the estimated date by which grid electricity will be provided.

An updated net-zero plan requirements document is attached (Attachment 2).

The EAO Oil, Gas, and Industrials Project Team and the B.C. Climate Action Secretariat, at the Ministry of Energy and Climate Solutions, are available to meet to discuss the net-zero plans with you and help address any questions you may have.

Sincerely,

Alex MacLennan

Chief Executive Assessment Officer and Associate Deputy Minister

Attachment (2)

cc: John Antill, Project Lead

Environmental Assessment Office

John.Antill@gov.bc.ca

Daisy Lilley, Unit Head, Industrial Net Zero Climate Action Secretariat Daisy.Lilley@gov.bc.ca