

**Ksi Lisims LNG GP Ltd.**  
Suite 2400 – 550 Burrard Street  
Vancouver BC V6C 2B5

July 29, 2025

**Environmental Assessment Office**

2<sup>nd</sup> Floor, 836 Yates Street  
P.O. Box 9426 Station Provincial Government  
Victoria, BC V8W 9V1

**Attention: Alex MacLennan, Associate Deputy Minister and Chief Executive Assessment Officer**  
**Julie Chase, Executive Director, Environmental Assessment Officer**

**Reference: Ksi Lisims LNG Project**

Dear Mr. MacLennan and Ms. Chase,

We write to request that the Chief Executive Assessment Officer (“**CEAO**”) submit the final referral package and recommendations in respect of the Ksi Lisims LNG Project (the “**Project**”) to the Ministers for decision under sections 29(1) and (4) of the *Environmental Assessment Act* (the “**Act**”) without further delay.

Ksi Lisims LNG is a partnership between the Nisga’a Nation, Western LNG and Rockies LNG. We have a demonstrated commitment to reconciliation with Indigenous peoples and have worked to develop strong relationships with our Indigenous partners and neighbours. Ksi Lisims LNG has been engaging with Indigenous nations in the region for more than five years, well before the environmental assessment process was initiated in July 2021. We have made consistent efforts to understand and accommodate the rights of those nations in whose territories we intend to operate and to mitigate the potential adverse impacts of the Project on local communities. Three Indigenous nations, including the Nisga’a Nation, have provided their express consent to the Project.

Despite these efforts, the environmental assessment process for the Project has been delayed for well over a year as a result of multiple dispute resolution processes initiated by two Indigenous nations. We understand those same nations are seeking to initiate further dispute resolution processes. While we fully support the objectives of the Act in seeking consensus with participating Indigenous nations, we do not believe further dispute resolution is available or appropriate in these circumstances, and only serves to further delay the Project. We have detailed our views on these matters in this letter.

The Project, together with the Prince Rupert Gas Transmission natural gas pipeline project, is a significant undertaking and investment in the province of British Columbia. It is also an important vehicle for economic reconciliation with Indigenous peoples. It is time to proceed to a decision under the Act so that we may advance the Project in manner that benefits all British Columbians.

## 1. Further dispute resolution processes

We understand that Lax Kw'alaams Band ("**Lax Kw'alaams**") and Metlakatla First Nation ("**Metlakatla**") (together, the "**Dissenting Nations**") are seeking to initiate a further dispute resolution process under the Act. Although Ksi Lisims LNG has not been provided a copy of this correspondence, we understand the further request for dispute resolution cites a lack of consensus on the draft assessment report, draft environmental assessment certificate, and the sustainability recommendations. This is the third time that Lax Kw'alaams has initiated dispute resolution and the second time that Metlakatla has initiated dispute resolution under the Act.

The purpose of dispute resolution is to support one of the objectives of the Act in seeking consensus with participating Indigenous nations. The reality, however, is that not all concerns will be resolved by consensus. Neither the environmental assessment process itself nor "time-bound, non-binding dispute resolution"<sup>1</sup> will be capable of resolving all issues. Dispute resolution does not negate other objectives of the Act, including the EAO's responsibility to carry out assessments in a "thorough, timely, transparent, and impartial way,"<sup>2</sup> and should not be used as a tool to delay projects which benefit British Columbians.

At this stage, further dispute resolution is unavailable under the Act, and is inappropriate and unwarranted given the issues raised. The Project should proceed to decision.

## 2. Dispute resolution is a tool for consensus, not leverage or delay

We have serious concerns that dispute resolution is being pursued for an improper purpose. We do not make this allegation lightly.

From the outset of engagement in early 2021, Lax Kw'alaams has expressed its complete opposition to the Project. The position of Lax Kw'alaams has been that the Project is in its territory and it will seek to prevent it from proceeding. As part of early meetings with Ksi Lisims LNG, Lax Kw'alaams repeatedly threatened to oppose the Project by all possible means, including by using the new regulatory tools available under the Act and initiating litigation to undermine investor confidence.

Since that time, the Dissenting Nations have made every effort to delay the environmental assessment process. The first dispute resolution process initiated by Lax Kw'alaams led to a nearly eight-month delay in the environmental assessment process. The second dispute resolution initiated by both Lax Kw'alaams and Metlakatla in relation to the draft assessment report, draft environmental assessment certificate and conditions, and draft project description under section 28(2) of the Act, led to a nearly five-month further delay in the environmental assessment process. We understand that the EAO proposed that the second dispute resolution process include both the matters under section 28(2) of the Act and preparation of the sustainability recommendation under section 29(2)(b)(i) of the Act, recognizing that these were

---

<sup>1</sup> Environmental Assessment Office, *EAO User Guide*, April 23, 2021, online: [https://www2.gov.bc.ca/assets/gov/environment/natural-resource-stewardship/environmental-assessments/guidance-documents/2018-act/eao\\_user\\_guide\\_v102\\_april\\_2021.pdf](https://www2.gov.bc.ca/assets/gov/environment/natural-resource-stewardship/environmental-assessments/guidance-documents/2018-act/eao_user_guide_v102_april_2021.pdf) [EAO User Guide], p. 14.

<sup>2</sup> *Environmental Assessment Act*, S.B.C. 2018, c. 51, s. 2(b)(i)(A) (emphasis added) [EA Act].

interdependent components of the “Effects Assessment and Recommendation Phase” of the environmental assessment.<sup>3</sup>

It appears the Dissenting Nations rejected the EAO’s proposal to engage on the sustainability recommendation under section 29(2)(b)(i) of the Act as part of the same process. This was so despite the fact that all of the draft referral materials, including the sustainability recommendation, were already available to the parties at that time. Instead, the Dissenting Nations “reserved” their ability to initiate further dispute resolution processes under section 29(1) of the Act, and to continue to delay a decision in respect of the Project.

This pattern of seeking to oppose and delay the Project does not appear to be because the Dissenting Nations are opposed to LNG development. Each of the Dissenting Nations has long-supported LNG development in northwest British Columbia, including signing multiple agreements to support Pacific Northwest LNG and the Prince Rupert Gas Transmission Line. Lax Kw’alaams is also actively seeking to attract an LNG facility to its territory.

The issues in dispute are not about the potential effects of the Project, but rather a more fundamental dispute about Aboriginal rights and title. Specifically, Lax Kw’alaams and Metlakatla claim that they hold Aboriginal title to the lands on which the Project is located and therefore should be the primary economic beneficiaries of the Project. This despite the Project being located on former reserve lands of the Nisga’a Nation, and “Category A lands” within the meaning of the Nisga’a Final Agreement.

While the Nisga’a Nation has consistently rejected the claims of Lax Kw’alaams and Metlakatla, this is ultimately irrelevant to the approval process for the Project. The environmental assessment is not a rights determining process. The resolution of Aboriginal rights and title issues are far beyond the scope of the environmental assessment and any single project.

The obligation of the EAO under the environmental assessment is to seek to achieve consensus, where possible, and satisfy the Crown’s duty to consult. The EAO has met these obligations. Dispute resolution was not intended to be used as a tool to delay otherwise beneficial projects indefinitely.

The environmental assessment of the Project has already extended far beyond the timeline contemplated in the Act at a considerable financial cost to Ksi Lisims LNG and its Indigenous partners. Over a year of the Project’s four-year long environmental assessment process has been dedicated to dispute resolution, during which time the province’s regulatory work was put on hold. This delay deteriorates public confidence in our regulatory processes and diminishes investor confidence in British Columbia. It has a significant financial cost, which has delayed or constrained the benefits available to all British Columbians.

---

<sup>3</sup> Letters from CEO to MediateBC dated February 21, 2025, p.1, online:

[https://projects.eao.gov.bc.ca/api/public/document/67bca9864f8542002201fe88/download/Lax%20Kw'alaams\\_Ksi%20Lisims%20Section%2029%281%29%20Dispute%20Resolution%20--%20CEO%20Referral%20%281%29.pdf](https://projects.eao.gov.bc.ca/api/public/document/67bca9864f8542002201fe88/download/Lax%20Kw'alaams_Ksi%20Lisims%20Section%2029%281%29%20Dispute%20Resolution%20--%20CEO%20Referral%20%281%29.pdf)

and [https://projects.eao.gov.bc.ca/api/public/document/67b91e20a3cb750022c091f4/download/Metlakatla\\_Ksi%20Lisims%20Section%2029%281%29%20Dispute%20Resolution%20--%20CEO%20Referral.pdf](https://projects.eao.gov.bc.ca/api/public/document/67b91e20a3cb750022c091f4/download/Metlakatla_Ksi%20Lisims%20Section%2029%281%29%20Dispute%20Resolution%20--%20CEO%20Referral.pdf).

There is no reasonable basis for initiating a further dispute resolution process to engage on issues which have already been canvassed. We ask that the CEAO decline to do so on the following basis.

### 3. Effects Assessment & Recommendation phase is closed

The EAO is responsible for administering the environmental assessment process under the Act and its regulations. The process involves several discrete “phases.”

The “Effects Assessment and Recommendation Phases” are treated as a single phase in the environmental assessment process.<sup>4</sup> This phase encompasses the activities under sections 28(2), 29(2), and 29(3) of the Act. The phase begins when the EAO posts a “Notice of Application Acceptance” and ends when the final assessment report, draft environmental certificate, and CEAO recommendations (the “Referral Package”) are submitted to the Ministers for a decision.<sup>5</sup>

Treating this as a single, comprehensive phase is not solely a matter of practice—it also reflects the scheme of the Act. Together, sections 28 and 29 of the Act codify the process for finalizing and submitting the Referral Package to the Ministers for decision:

- Sections 28(2)(a) and (b) of the Act require the EAO to prepare a draft assessment report and draft environmental assessment certificate, including proposed conditions, for public comment.<sup>6</sup>
- Following the public comment period, section 28(2)(c) requires the EAO to prepare final versions of the assessment report and environmental assessment certificate, which forms the Referral Package.
- The CEAO must then provide the final Referral Package *and* the sustainability recommendation to the Ministers pursuant to section 29 of the Act.
- The deadline for submission of the Referral Package under section 29(2) of the Act is “no later than 150 days from acceptance of a proponent’s revised application.”<sup>7</sup>

Read together, it is clear the entire object of the Effects Assessment and Recommendation is to deliver both the Referral Package and the recommendations to the Ministers for decision. The Act provides a single timeline for the activities under sections 28 and 29 to be completed.

The Effects Assessment and Recommendation phase is now closed. The Referral Package has been prepared, a public comment period has occurred, and dispute resolution in respect of these matters has been conducted. This phase has taken twice the amount of time prescribed by the Act (330 days).<sup>8</sup> Although that process did not achieve consensus on all matters within the scope of this phase, that is not a requirement to move to the “Decision” phase. There is no mechanism in the Act allowing a phase of the

---

<sup>4</sup> Environmental Assessment Office, *Guide to Consensus-Seeking under the Environmental Assessment Act, 2018*, April 2020, online: [https://www2.gov.bc.ca/assets/gov/environment/natural-resource-stewardship/environmental-assessments/guidance-documents/2018-act/guide\\_to\\_consensus\\_seeking\\_under\\_the\\_ea\\_act\\_v1\\_-\\_april\\_2020.pdf](https://www2.gov.bc.ca/assets/gov/environment/natural-resource-stewardship/environmental-assessments/guidance-documents/2018-act/guide_to_consensus_seeking_under_the_ea_act_v1_-_april_2020.pdf) [EAO Guide to Consensus-Seeking], §3.5.

<sup>5</sup> EAO Guide to Consensus-Seeking, p. 14. EAO User Guide, p. 42.

<sup>6</sup> EA Act, ss. 28(2)(a)(i), 28(2)(a)(ii), 28(2)(b).

<sup>7</sup> EA Act, s. 29(2). EAA, s. 18(1) permits an extension of time where the Minister or CEAO “considers it appropriate in the circumstances.” There is no appropriate basis for an extension here.

<sup>8</sup> The EAO accepted the revised application on September 3, 2024.

environmental assessment process, once completed, to be reopened to permit additional dispute resolution.

#### **4. Issues raised have been the subject of prior dispute resolution**

Even if dispute resolution were available, there is no practical value in referring matters already canvassed in the earlier dispute resolution to a further facilitated process. A lack of consensus on the sustainability recommendation was the subject of dispute resolution earlier this year.

The entire draft Referral Package had been provided to the Dissenting Nations when they initiated their prior dispute resolution. The sustainability recommendation was integrated directly into the draft assessment report at Chapter 10 titled “Ksi Lisims LNG’s Contribution to Sustainability.” The draft assessment report included all of the information relied on by the CEO to make their recommendation that “Ksi Lisims LNG is consistent with the promotion of sustainability in B.C.”<sup>9</sup> The EAO has not released any new information or documents concerning the sustainability recommendation since the earlier facilitation.

The Dissenting Nations had the opportunity to, and did, raise their specific concerns about the sustainability recommendation. It appears the EAO proposed revisions intended to address greenhouse gas emissions (and project electrification), cumulative effects, and marine shipping.<sup>10</sup> Although no consensus was achieved, this is not a reason for a further dispute resolution to occur in respect of what we understand are the same or substantially similar issues.

We understand the Dissenting Nations allege they have “reserved their right” to address the sustainability recommendation in section 29(2).<sup>11</sup> Indigenous nations have an obligation to act in good faith as part of the consultation processes for the Project, of which dispute resolution forms part. The Dissenting Nations cannot demand further dispute resolution on matters that they had an opportunity to earlier address, but refused to do so. That is inconsistent with the statutory scheme and purpose of the Act.

The EAO articulates the objective of dispute resolution as addressing “issues of concern in a timely manner, consistent with the timelines under the Act, at the appropriate phase of the EA process and in a manner that is mutually agreeable.”<sup>12</sup> For facilitation to be meaningful, participants ought to put their

---

<sup>9</sup> Draft Assessment Report for Ksi Lisims LNG dated November 12, 2024 at p. 81, online:

[https://projects.eao.gov.bc.ca/api/public/document/672e686c3469000022491301/download/KSILSI\\_Assessment%20Report\\_PCP\\_Nov12.pdf](https://projects.eao.gov.bc.ca/api/public/document/672e686c3469000022491301/download/KSILSI_Assessment%20Report_PCP_Nov12.pdf).

<sup>10</sup> K. Douglas, “Final Facilitator’s Report: Ksi Lisims LNG Project Dispute Resolution – s. 29(1)” (Metlakatla) at pp. 3-4, online:

<https://www.projects.eao.gov.bc.ca/api/public/document/686bfb00e11aa0022755a60/download/FINAL%20FACILITATOR%20REPORT%20-%20METLAKATLA.%20s.29.%2030June2025.pdf>.

<sup>11</sup> Letter from Lax Kw’alaams to EAO dated January 31, 2025, p. 1, online:

<https://projects.eao.gov.bc.ca/api/public/document/67db01c5deaf970022a011d6/download/2025-01-28%20LT%20Lax%20Kw'alaams%20to%20EAO%20re%20Notice%20of%20Non%20Consent%20and%20Dispute%20Resolution%20%28with%20encl%29.pdf>.

<sup>12</sup> EAO Guide to Consensus-Seeking, p. 7.

best foot forward and address all of the issues within the scope of the facilitation. That is inherent in the consensus-seeking function of the facilitation process.

**5. The Minister should not appoint a facilitator**

In our view, given that there is no prospect of achieving consensus in a further facilitated dispute resolution over matters that have already been addressed, the EAO has released no new materials or recommendations for discussion, and our legitimately held concern about the use of dispute resolution to delay, this is an appropriate case for the Minister to exercise their discretion to *not* appoint a facilitator.

The Dissenting Nations will have an opportunity to raise their outstanding concerns in a meeting with the Ministers during the 30-day decision-making phase set out in the Act. This further opportunity for consultation directly with the Ministers will ensure the Dissenting Nations' concerns are fully canvassed, without the delay likely to follow from a further facilitated process.

We respectfully request that the CEO submit the final Referral Package and recommendations in respect of the Project to the Ministers for decision.

Regards,



**H. Davis Thames**

President & Chief Executive Officer

cc. Chris Trumpy, Assistant Deputy Minister and Deputy Chief Executive Assessment Officer  
John Antill, Project Assessment Director, Environmental Assessment Office  
Mayor (Chief) Garry Reece, Lax Kw'alaams Band  
Robert Nelson, Chief Councillor, Metlakatla First Nation