# KSI LISIMS LNG NATURAL GAS LIQUEFACTION AND MARINE TERMINAL PROJECT

NOTICE REGARDING APPLICATION REVIEW

APRIL 10, 2024



APPLICATION DEVELOPMENT AND REVIEW PHASE

# **SUMMARY**

The Nisga'a Nation, Rockies LNG Limited Partnership and Western LNG LLC (each a Proponent and collectively referred to herein as the Proponents), are proposing to jointly develop the Ksi Lisims LNG - Natural Gas Liquefaction and Marine Terminal Project (Ksi Lisims LNG), a floating natural gas liquefaction facility and marine terminal, including related infrastructure, located at Wil Milit on the northwest coast of British Columbia (B.C.) at the northern end of Pearse Island. Ksi Lisims LNG is a proposed 12 million tonnes per annum liquefied natural gas (LNG) project which will process approximately 575 to 695 billion cubic feet per year of natural gas and temporarily store it between LNG carrier loadings on two permanently installed floating liquid natural gas (FLNG) units. The in-operation lifespan of the Project is anticipated to be a minimum of 30 years.

On March 16, 2023, the Environmental Assessment Office (EAO) issued a notice of the Readiness Decision<sup>1</sup> for Ksi Lisims LNG to proceed to an environmental assessment (EA) under Section 19 of the *Environmental Assessment Act* (2018) (the Act). The Readiness Decision initiated the legislated 120-day Process Planning phase of the EA for Ksi Lisims LNG. On March 27, 2023, the Impact Assessment Agency of Canada (the Agency) issued a decision that an impact assessment is required for Ksi Lisims LNG under the *Impact Assessment Act*. On April 6, 2023, the Minister of Environment and Climate Change approved the Government of B.C.'s request to substitute the provincial review process for the federal impact assessment process.

On July 13, 2023, the EAO issued the <u>Process Order</u> (including the Scope of Proposed Project and Environmental Assessment, Assessment Plan, and Application Information Requirements) and Joint Permitting/Regulatory Coordination Plan under Section 19(2) of the Act. The Process Order and Joint Permitting/Regulatory Coordination Plan provided the procedures and methods for the EA, and detailed the scope of the project, what information must be provided, how the information must be gathered and analyzed, who must be involved, how they must be engaged, and the timing of each of the subsequent phases of the EA.

Ksi Lisims LNG proceeded to the Application Development and Review phase of the EA. During this phase, the Proponents developed its <u>Application for an Environmental Assessment Certificate</u> (Application) and engaged participating Indigenous nations and Technical Advisory Committee members in accordance with the requirements of the Process Order. During this phase, there is a stage where the Application is developed by the proponent, and then a stage where the Application is reviewed by the EAO, participating Indigenous nations, the Technical Advisory Committee, the Community Advisory Committee, and the public.

On October 16, 2023, the Proponents submitted an Application to the EAO for review under Section 27(1) of the Act. The EA process then moved into the 180-day Application Review stage wherein the EAO sought review and comment on the Application from participating Indigenous nations, the Technical Advisory Committee, Community Advisory Committee, and also from the public through a 30-day public comment period. Proponent-led consultation activities with the First Nations, Technical Advisory Committee, and the public were carried out during the Application Development and Review Phase as well.

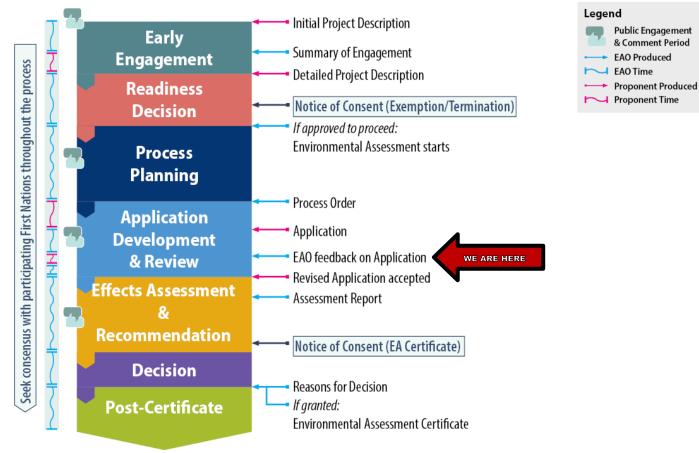
https://www.projects.eao.gov.bc.ca/api/public/document/6411fb800797f30022823ed7/download/ReadinessReport Ksi%20Lisims FINAL%20%286M ar23%29.pdf



<sup>&</sup>lt;sup>1</sup> For more information please see the EAO's Readiness Decision Report:

Application review resulted in information requests generated by Technical Advisory Committee members, the EAO, and participating Indigenous nations, which are being responded to by the Proponents through the EA process. The public provided feedback on the characterization of potential effects and the proposed mitigation measures, identified outstanding concerns, and shared experiences with public engagement so far. The Proponents were directed to review and respond to comments from participating Indigenous nations, Technical Advisory Committee members and the public.

# **Environmental Assessment Process**



#### Figure 1-Summary of the EA process from early engagement to post-certificate

# PURPOSE OF THIS DOCUMENT

As outlined by Section 27(2)(b) of the Act, the EAO is required to provide notice to the Proponents with the results of the public comment period, advice received by the Technical Advisory Committee and Community Advisory Committee regarding the Application, and any other matters that the Chief Executive Assessment Officer considers relevant, within 180 days of receiving the Application.

This Notice contains information about the Application review stage for Ksi Lisims LNG including:

- An overview of the feedback the EAO received from the public during the public comment period;
- An overview of the feedback the EAO received from participating Indigenous nations, the Technical Advisory Committee, and the Community Advisory Committee; and

• The EAO's direction to the Proponents respecting the next steps in the EA process.

The EAO notes that the concerns were initially responded to through Application review by the Proponents, and this resulted in additional technical meetings, proposed revisions to the Application, supporting documents, and commitments from the Proponents. The Proponents will continue to work to resolve all comments raised during Application review prior to the submission of the Revised Application. Key concerns will be brought forward and discussed further in the EAO's Assessment Report, which is the final report at the conclusion of the Effects Assessment phase that will form part of the referral package to provincial Ministers for decision.

The Assessment Report is intended to provide a full summary and balanced review of the entire EA process, while characterizing the potential adverse and positive effects of the Ksi Lisims LNG project, mitigation measures committed to by the Proponents, and any requirements the EAO will impose on the Proponents, should an Environmental Assessment Certificate be issued. The EAO's Assessment Report will also be provided to the federal Minister of Environment and Climate Change to inform federal decision-making on the project.

For more information about the Environmental Assessment process, please see the EAO's User Guide.

# PUBLIC COMMENT PERIOD OVERVIEW

Public participation in the EA process helps ensure that community values and public goals are considered in project planning and decision-making. Public comments also help the EAO ensure that all potential adverse effects of a project are captured and appropriately assessed.

During Application review, the EAO held a public comment period from November 1 to December 1, 2023, seeking feedback from the public on the Proponents' Application. This was the third public comment period held for Ksi Lisims LNG, with the first public comment period occurring during the Early Engagement phase and the second occurring during the Process Planning phase. During the third public comment period, the EAO received a total of 536 comments through the EAO's Project Information Centre (EPIC) website.

The comments received came from individuals living in northwest B.C. including Hazelton, Kispiox, Terrace, and Prince Rupert. Other comments came from individuals across B.C. including from the greater Vancouver area and Vancouver Island. The EAO also received comments from individuals living in other Provinces, as well as from the United States of America. Comments either supported the project or indicated concerns about the impacts of the proposed project, including but not limited to concerns such as the potential impacts on climate change. Comments were also received from organizations such as Skeena Wild Conservation Trust, Ecojustice, the T. Buck Suzuki Environmental Foundation, and Dogwood through the EPIC website.

The intent of the third public comment period held during Application review was to seek feedback from the public on some of the following guiding questions:

- How do you think Ksi Lisims LNG could affect you or your community?
- Do you have any concerns about the project that are not listed as a potential effect in the Application?
- Do you have specific knowledge that leads you to believe something in the Application is inaccurate or incomplete?
- Is there any specific knowledge you would like to share about your community that may be relevant to the assessment of the potential impacts of the project?
- On the whole, do you feel like potential impacts to your community have been reflected in the Application?

• Are there any positive or negative effects on the natural environment or on health, social, cultural, or economic conditions that you think may occur from the project that are not considered in the Application?

During the Application review public comment period, the EAO held two in-person open houses and one virtual information session (via Zoom). The first open house, on November 7, 2023, from 6:00 pm to 8:00 pm in Prince Rupert was attended by approximately 17 participants, while the second open house session, on November 8, 2023, from 6:00 pm to 8:00 pm in Terrace was attended by approximately 28 participants. The virtual information session, on November 14, 2023, from 12:00 pm to 2:00 pm was attended by 52 participants. The open house sessions included:

- Sharing information regarding how to make online comments during the public comment period;
- Display of EA process and opportunity to ask questions to EAO representatives about the process; and
- Display of printed materials from the Proponents and opportunity to ask questions from Proponents, their subject matter experts and members of the Nisga'a Lisims Government, on Ksi Lisims LNG.

The virtual information session included:

- A presentation by the EAO on the Application review stage of the EA process;
- A presentation by the Proponents on the proposed project; and
- An opportunity to ask questions online to the EAO and the Proponents.

# SUMMARY OF COMMENTS FROM THE PUBLIC COMMENT PERIOD

A total of 536 comments were received during the *public comment period on the Application*. Feedback received included:

- Potential for the project to contribute to an increase in greenhouse gas emissions;
- Considerations of alternatives to the project such as solar and wind energy projects;
- Concerns about the continued use of fossil fuels in the global economy, the associated impact on climate change, and the obstruction to the Province's ability to transition from fossil fuels;
- Concerns regarding how Ksi Lisims LNG may impact the Province's ability to achieve net-zero by 2050;
- Threats to marine resources such as whales due to the increased maritime traffic;
- Seeking clarity around the feasibility of using electricity and the ability of BC Hydro to provide power to Ksi Lisims LNG to achieve net-zero;
- Questions about the Proponents' statement that the Project will reduce global greenhouse gas emissions;
- Impacts of the project on the presence and relative abundance of fish;
- Seeking clarification around social concerns and community effects from the development of an onsite accommodation camp;
- Impacts of the global transition from fossil fuels on the Project's economic viability; and

• Impacts of Ksi Lisims LNG on the nearby communities in terms of access to infrastructure and services.

The EAO also received several comments during this public comment period regarding the potential agreement between the Proponents and TC Energy for the Prince Rupert Gas Transmission (PRGT) project to supply gas to Ksi Lisims LNG. The PRGT project is not part of the scope of the EA for Ksi Lisims LNG. The PRGT project underwent its own EA and received an Environmental Assessment Certificate (EAC) in 2014. However, when existing projects with EACs are going to be utilized for a proposed project undergoing an assessment, that project is included in the cumulative effects assessment. An assessment of the PRGT project was already conducted and any proposed changes to the existing EAC for the PRGT project would require the Certificate Holder to seek an amendment that would include an assessment of the proposed changes. Despite this, the EAO did receive feedback on the PRGT project which included:

- Concerns regarding transparency in operations and respect for First Nations' concerns by TC Energy in the region;
- The pipeline route and its potential impacts on salmon bearing streams and old growth forests;
- Consultation with affected First Nations when approving the PRGT project;
- Impacts of PRGT compressor stations on air quality;
- Reliance of Ksi Lisims LNG on PRGT pipeline and the subsequent cumulative effects;
- Concerns regarding the accuracy of water quality baseline at terminal location to assess the potential impacts of the pipeline; and
- Potential impacts of fracking and toxicity of fracked methane gas on human health and the environment.

The EAO also received comments from members of the public indicating an interest in Ksi Lisims LNG and a desire for it to proceed. Feedback received relating to this included:

- An interest in economic growth and employment opportunities;
- Nisga'a Nation's right to self governance and economic reconciliation; and
- Development of LNG facilities due to its lower emissions compared with other fossil fuels.

The Proponents developed and submitted a <u>Public Engagement Report</u> within 30 days of the close of the public comment period, which included the Proponents' responses to the public comment received.

The next public comment period, including any additional engagement, will offer the public an opportunity to review the EAO's draft Assessment Report and draft Environmental Assessment Certificate, as well as the Agency's draft potential federal conditions. This is anticipated to take place in the fall of 2024.

# **COMMUNITY ADVISORY COMMITTEE**

Following the Process Planning phase, eight individuals had indicated interest in joining the Community Advisory Committee and in response the EAO formed the Community Advisory Committee. Community Advisory Committee members provided comments during all three public comment periods. During the public comment period held in in the Application Development and Review Phase, two submissions were made by members of the Community Advisory Committee and are summarized above in the list under 'Summary of Comments from the Public Comment Period'.

The Proponents developed and submitted a <u>*Public Engagement Report</u>* which provided responses to all comments provided by Community Advisory Committee members in the required timeline during the public comment period. The EAO will continue to engage with the Community Advisory Committee throughout the EA process.</u>

# **FIRST NATIONS**

# Nisga'a Nation

Together with the Nisga'a Nation and the Agency, the EAO developed a Collaborative Workplan<sup>2</sup> for the Ksi Lisims LNG EA. The Collaborative Workplan outlines how the parties will work together through each phase of the EA and at each specific consensus seeking point in the EA process. As set out in the Collaborative Workplan, the Nisga'a Nation, the EAO and the Agency committed to working collaboratively to support the assessments required under Chapter 10 – *Environmental* 

<sup>&</sup>lt;sup>2</sup> The Collaborative Workplan can be found here:

https://projects.eao.gov.bc.ca/api/public/document/62fa9955ce40290022d48413/download/NLG%20EAO%20CEAA%20Workplan%20Ksi%20Lisims% 2018July2022.pdf

Assessment and Protection of the Nisga'a Final Agreement, the Act and the Impact Assessment Act. The Nisga'a Nation, the EAO and the Agency also committed in the Collaborative Workplan to achieving consensus in respect of the Notice to the Proponents and the adequacy of the Revised Application. The EAO shared the Application, as well as a draft of this Notice, with the Nisga'a Lisims Government for review and input. The Nisga'a Nation provided feedback on the Application through its participation in the Technical Advisory Committee and through regularly held meetings with the EAO and on this Notice by submitting comments directly to the EAO.

The EAO and the Agency will facilitate any additional engagement with Nisga'a communities in respect of the Revised Application and will continue to work collaboratively with the Nisga'a Nation in the subsequent phases of the EA.

#### **Haida Nation**

The EAO extended an offer to Haida Nation to become a participating Indigenous nation, based on concerns raised regarding LNG carriers in Haida Nation's traditional territory. The Haida Nation, represented by the Council of the Haida Nation, chose not to identify as a participating Indigenous nation in the Ksi Lisims LNG EA, however, the EAO continues to engage with Haida Nation and offers opportunities to participate as a member of the Technical Advisory Committee to understand the potential impacts of the Project. The Haida Nation has provided comments on the Ksi Lisims LNG Application which were then responded to by the Proponents. The EAO shared the Applications as well as a draft of this Notice Report with Haida Nation for input. Comments shared by Haida Nation included:

- Concerns about the consideration of all alternatives to the Project by the Proponents;
- Potential impacts of marine shipping activities, including the impact of vessel strikes, on areas of ecological and cultural importance;
- Concerns regarding the adequacy of baseline characterization of the Open Water Assessment Area impacted by increased vessel traffic;
- Potential for the marine movement of construction material to increase greenhouse gas emissions and air pollutants;
- The uneven distribution of noise effects experienced by all noise sensitive receptors and the impact of noise from marine shipping on the marine environment;
- Impacts of Ksi Lisims LNG on Council of the Haida Nation governance and the long-term impact on future generations and development of ecotourism and cultural tourism; and
- Concerns regarding the timeliness of emergency tow vessels to arrive to points of the shipping routes and the need for increased capacity of local emergency responders.

All comments on the Application submitted by Haida Nation were responded to by the Proponents in the Application Review Issues Tracking Table. In some cases, these responses included proposed changes to the Application that the Proponents plan to incorporate into a Revised Application as set out in the Next Steps section of this Notice.

# **Participating Indigenous Nations**

In keeping its commitment to reconciliation in the Act, the EAO engaged deeply with the six participating Indigenous nations (Gitga'at First Nation, Gitxaała Nation, Kitselas First Nation, Kitsumkalum First Nation, Lax Kw'alaams Band, and Metlakatla First Nation) on the draft Notice respecting the Application. The EAO shared the Application as well as a draft of this Notice with each participating Indigenous nation for input. Additionally, the EAO held bi-weekly meetings with each participating Indigenous nation Development and Review phase. All six participating Indigenous nations provided comments on the Application for response from the Proponents. The Proponents' responses and proposed updates were shared with the participating Indigenous nations for their final review and comment.

Participating Indigenous nations are also members of the Technical Advisory Committee. Involvement of participating Indigenous nations in the Technical Advisory Committee is in addition to the EAO's engagement with each participating Indigenous nation individually.

All comments on the Application submitted by participating Indigenous nations were responded to by the Proponents in the Application Review Issues Tracking Table. In some cases, these responses included proposed changes to the Application that the Proponents plan to incorporate into a Revised Application as set out in the Next Steps section of this Notice. To review each comment from the participating Indigenous nations, the Proponents responses, and the status of resolution, please review the <u>Issues Tracking Table</u>.

The EAO highlights the following comments received from the participating Indigenous nations:

- Marine Shipping and Marine Use:
  - o Potential navigational safety issues and increased risk of accidents due to the proposed marine route;
  - Potential adverse effects of increased marine traffic on marine use and marine resources (including fishing activities);
  - Potential effects of increased marine traffic on economic opportunities such as ecotourism or community fishing ventures;
  - Consideration of impacts from accidents and malfunctions to biophysical effects and mitigation measures designed to reduce the perceived risk;
  - Clarity regarding the number of vessels that the Proponents are planning to use for the transportation of crew, materials, and supplies at different phases of the project;
  - o Potential impacts of marine shipping on eulachon fishing grounds;
  - o Changes in the aesthetic conditions; and
  - o Clarity regarding responsibilities towards the LNG carriers and product vessels;
- Marine Resources:
  - o Potential shipping-related impacts such as vessel strikes on marine mammals and marine habitat;
  - o Consideration of pollution (e.g. noise, air) associated with marine vessel traffic; and
  - Potential changes in behavior caused by sensory disturbance and changes in injury or mortality risk as a result of marine transport and shipping;
- Archaeological Resources:
  - o Impacts to archaeological sites and culturally modified trees at various phases of the Project; and
  - o Archaeological potential at the project site and consideration for Indigenous Knowledge;
- Transmission Line Assessment Area (TLAA):
  - Impacts to wildlife and wildlife habitat, vegetation and wetlands, and freshwater fish and fish habitat within the TLAA; and
  - Insufficient characterization of baseline studies within the TLAA as it pertains to valued components within the TLAA;
- Access to Infrastructure and Services:
  - Access to services for Indigenous persons residing away from their communities or residing in their communities but using services outside their community;

- o Impacts of increased use of infrastructure by project workforce on members of Indigenous communities;
- Potential impacts to marine and terrestrial travel routes used to access services, infrastructure and trade routes used by Indigenous peoples; and
- Personal health practices/health status may be affected;
- Culture and Heritage:
  - o Compensation and accommodation for all impacts to culture and heritage;
- Accidents and Malfunctions:
  - o Mitigation measures for accidents and malfunctions to match the magnitude of impacts;
  - The potential inequity and trauma to communities as a result of accidents and malfunctions;
  - Emergency protocols in case of a wildfire in the region; and
  - o Concerns regarding the availability of resources and consultations needed for responding to emergencies;
- Community Health and Well-being:
  - Concerns for assessing the impact of pollution without distinctions based on age, sex, gender and ethnicity as defined under Gender Based Analysis (GBA) Plus;
  - o Impact of noise on rural communities' expectations for peace and quiet;
  - Potential impacts from the project on non-consumptive marine fish, invertebrates, birds, and mammals that are of importance to First Nations;
  - o Changes in the soundscape which has the potential to reduce enjoyment;
  - Impacts to food security, country harvest, and sense of place as a result of land transportation of workforce and construction material; and
  - Effects to the determinants of Indigenous community well-being due to the impacts to the natural environment;
- Wildlife and Wildlife Habitat, Vegetation and Wetlands, and Surface Water:
  - o Increased potential impacts to terrestrial wildlife resulting from vehicle traffic;
  - Incorporation of First Nations' land use studies in the Application;
  - Mitigation measures to avoid birds and bats flying towards the flares;
  - Spatial extent for assessing the impacts of the project on breeding bird and need for enhanced baseline studies;
  - o Mitigation measures regarding the impact of anthropogenic sensory disturbances on wildlife; and
  - o Lack of sufficient baseline studies regarding surface water;
- Greenhouse Gas Emissions and Climate Change:
  - Likelihood and timing of the Project's connection to BC Hydro;
  - Fugitive emissions and methane leaks over the lifecycle of the Project;
  - o Carbon sinks impacted by clearing of existing forests for the transmission line;

o Impacts of the project on global climate change and the ability of B.C. to achieve net zero climate targets;

- o Uncertainty regarding sufficient offset credits for the Project;
- The Project's compliance with the Net-Zero New Industrial Intentions Paper and B.C.'s new Energy Action Framework; and
- Request for additional detail on direct emission sources during operation (including emissions resulting from the transport of personnel to and from the site);
- Third Party Owned Subcomponents:
  - Lack of assessment around third party owned sub-components (i.e., new natural gas pipeline with subsea section, new private 287 Kilovolt (kV) transmission line with subsea section, and new 500 kV BC Hydro transmission line with new substation);
- Mitigation Measures and Baseline Studies:
  - o Concerns regarding proposed Nation-specific mitigation measures and baseline studies.

# **TECHNICAL ADVISORY COMMITTEE**

The EAO engaged with, and sought advice from, the Technical Advisory Committee on the Application as well as a draft of this Notice. Additionally, the EAO held meetings with the Technical Advisory Committee throughout the Application Development and Review phase as well as additional issue-specific meetings. The EAO received comments from the following members of the Technical Advisory Committee on the Application:

- Federal Authorities:
  - o Employment and Social Development Canada;
  - o Canadian Coast Guard;
  - o Fisheries and Oceans Canada;
  - o Health Canada
  - Public Health Agency of Canada;
  - o Women and Gender Equality Canada;
  - o Transport Canada;
  - o Indigenous Services Canada;
  - o Environment and Climate Change Canada; and
  - o Natural Resources Canada;

#### Provincial Agencies:

- Fossil Management Office;
- Ministry of Municipal Affairs;
- o Ministry of Environment and Climate Change Strategy;
- o Ministry of Transportation and Infrastructure;
- Ministry of Energy, Mines and Low Carbon Innovation;

- o BC Energy Regulator;
- o Northern Health Authority; and

#### o Climate Action Secretariat.

The EAO notes that Nisga'a Nation, Haida Nation, and the participating Indigenous nations mentioned above are also members of the Technical Advisory Committee. Involvement of Nisga'a Nation, Haida Nation, and the participating Indigenous nations on the Technical Advisory Committee is in addition to the EAO's engagement with each of these First Nations individually.

The Proponents were required to respond to comments submitted by the members of the Technical Advisory Committee. The comments and status of each comment from the Technical Advisory Committee and the Proponents' responses were tracked through an <u>Issues Tracking Table</u>. There were three rounds of comments in Application review, and following each response round from the Proponents, the members of the Technical Advisory Committee determined if the comment was resolved (i.e., closed for the purposes of Application Review stage) or remained unresolved (i.e., open pending further action). Engagement with the Technical Advisory Committee will continue, and the Proponents will need to show how outstanding comments were addressed and associated updates that were made in response. Responses to comments will be factored into the decision on whether or not to accept the Revised Application.

Although all issues raised by the Technical Advisory Committee are detailed in the *Issues Tracking Table*, the EAO highlights the following comments received from the Technical Advisory Committee grouped into ten areas:

- Archaeological and Heritage Considerations:
  - Need for identifying and cataloging fossil resources and cultural heritage artifacts of importance to Indigenous peoples;
- Mitigation Measures and Baseline Studies:
  - o Concerns regarding proposed mitigation measures for various valued components;
  - o Concerns regarding the baseline studies for various valued components;
  - Insufficient baseline information for marine resources including, but not limited to, a lack of dispersion modelling for aquatic contaminants and field sampling;
  - Concerns regarding the Proponents proposing to provide information on the effectiveness of mitigation measures during provincial permitting processes rather than within the impact assessment process, leading to a higher degree of uncertainty of environmental effects within the environmental assessment; and
  - Concerns regarding the reliance on undeveloped mitigation plans to assess and address potential impacts that are not assessed within the environmental assessment;
- Air Quality:
  - o Potential impacts of different flaring scenarios discussed by the Proponents; and
  - An effective air quality management program to be used for monitoring purposes and also as an adaptive management strategy;
- Greenhouse Gas Emissions and Climate Change Considerations:
  - Ensuring the calculations of Global Warming Potentials are based on the recent Intergovernmental Panel on Climate Change report;
  - Need for an updated estimate of annual greenhouse gas emission for the life of the project, including the decommissioning phase (e.g., identify decommissioning greenhouse gas emissions separately from operational emissions);
  - Questions regarding the exclusion of LNG carriers and tugboats from calculations of net greenhouse gas emissions as it pertains to the Federal requirements under the 2050 net-zero plan;

- Request for clarification of the breakdown of the greenhouse gas reduction potential by technology/practices and why lower emitting options were not selected;
- o Calculating greenhouse gas emissions from accidents and malfunctions under different scenarios;
- o Consideration of emissions from the floatel during construction; and
- Request to include land use change emissions arising from the transmission line construction within the construction phase greenhouse gas emissions estimates;
- Wildlife and Wildlife Habitat, Vegetation and Wetlands, and Marine Resources:
  - o Concerns around mitigation measures and baseline data collected for various valued components;
  - o Impacts of the project on for migratory birds, including Marbled Murrelet;
  - Lack of clarity regarding the need for permits under *Species at Risk Act* (SARA) and federally listed aquatic species at risk;
  - o Impacts of the planned site clearing on old growth forests and species at risk in the area;
  - o Transmission line impact on wildlife and wildlife habitat, and fish and fish habitat within the TLAA;
  - Loss of wetlands functions and associated impacts on migratory birds and SARA listed species within the project footprint and TLAA;
  - Proposed pre-construction surveys are deemed inadequate for the purpose of identifying wildlife features;
  - Potential impacts from project site lighting on wildlife and marine resources and need for mitigation measures;
  - Impact of underwater noise due to pile driving or operation of floating liquefied natural gas vessels on marine mammals;
  - Insufficient data regarding how the Proponents intend to implement mitigation measures for wildlife (e.g., timing constraints, setbacks, and offsets); and
  - Need for an updated offsetting plan to mitigate the impacts of the Project on fish and fish habitat and a description of the effectiveness and feasibility of the plan;
- Effects of the Environment on the Project:
  - Ensuring clarity regarding the seismic design considerations and mitigation measures related to seismic hazard; and
  - o Consideration of the impact of sea-level rise on the Project;
- Marine Shipping, Accidents, and Malfunctions:
  - o Insufficient data regarding measures designed to mitigate the effects of vessel strikes on marine mammals;
  - o Cumulative effects of marine shipping activities in the Northern Shelf Bioregion;
  - o Potential risk to off-duty workers living in workers' accommodation from onshore or offshore fires;
  - Establishment of communication protocols in case of spills to ensure timely communication and spill containment;
  - o Assessment of potential impact of project-related lighting on marine navigation; and

o Inquiries regarding accidents and malfunctions related to construction of the transmission line;

- Human Health and Community Health and Well-being:
  - Concerns regarding the uneven distribution of residual cumulative effects of the noise produced by project activities and lack of clarity regarding the assessment of impacts to noise sensitive receptors (e.g. Indigenous marine users);
  - Impacts of diesel particulate matter on human health;
  - Need for regular monitoring of non threshold air pollutants such as Nitrogen Dioxide (NO<sub>2</sub>) and fine particulate matter (PM<sub>2.5</sub>); and
  - o Concerns for health of workers working around LNG carriers and natural gas liquid product vessels;
- Transmission Line Assessment Area:
  - o Insufficient baseline studies and mitigation measures within the TLAA; and
  - Provide confidence the Proponent led portion of the transmission line will be completed by the start of operations or at least by 2030;
- Workforce Requirements and Economic Growth:
  - Ability and willingness of local workers to be employed on Ksi Lisims LNG and impacts of that on the project's expected success;
  - Lack of clarity regarding expected income and direct employment and it's related calculations in the Application; and
  - Workers' safety during transport to the project site (via Highway and ferry).

# **NEXT STEPS**

Pursuant to Section 27(2)(b) of the Act, this Notice is provided to advise the Proponents of the results on the Application Review phase for the proposed Ksi Lisims LNG project. The Proponents may submit a Revised Application under Section 27(3) of the Act. In accordance with Section 27(4) of the Act, the Chief Executive Assessment Officer may accept a Revised Application for review only if the Chief Executive Assessment Officer is satisfied that the Revised Application contains the information required by the <u>Ksi Lisims LNG Process Order</u> and that the Revised Application responds to the matters set out in this Notice, including the matters set out in the <u>Issues Tracking Table</u>.

In responding to the matters set out in the Issues Tracking Table the Proponents must complete the columns as follows (currently indicated as columns Q through W):

- Explain how a comment on the Application was dealt with (e.g. no further action, additional mitigation measure, carry forward to permitting, or change to the Application);
- For all comments that led to a change to the Application:
  - o Indicate the section of the Revised Application where the change can be found; and

- State whether the specific change to the Application to address the comment was reviewed by the commenter or a representative from the commenter's organization (characterized either as 'Reviewed during the EAO-led review rounds in Application Review' or 'Reviewed after the Notice was issued');
- For comments that remain open at the time of this Notice:
  - For those comments in respects of which the Proponents and the commenter (or representatives from the commenter's organization) have reached agreement on how it will be dealt with, indicate the date of the agreement (this may occur via email or meeting); or

- For those comments in respect of which the Proponents and the commenter (or representatives from the commenter's organization) have not reached agreement on how it will be dealt with, the Proponents must set out:
  - A description of the steps taken to seek resolution; and
  - An explanation of why agreement was not reached;
- The Proponents must also maintain and submit a redline version of the Revised Application to show how the Application was changed.

Should the Proponents wish to make any changes to the Application for Ksi Lisims LNG after this Notice is issued that are not covered by the Issues Tracking Table, the Proponents must circulate the proposed change; the rationale for it; and a statement of whether the change alters the conclusions in the Application) to the Technical Advisory Committee for review and comment.

During the Application Review phase, the Nisga'a Nation provided additional information in respect of the proposed transmission line at a meeting with the Technical Advisory Committee on March 11, 2024. The information presented by the Nisga'a Nation included, among other things, the proposed routing of the transmission line within the Transmission Line Assessment Area<sup>3</sup>. As a result, the EAO and the Agency require that the Revised Application reflect this updated understanding of the proposed route for the transmission line within the Transmission Line Assessment Area to support provincial and federal decision-making. This would further support the EAO in meeting the conditions of the Notice of Substitution Approval under the *Impact Assessment Act*. Specifically, the EAO requires the Proponents to submit, to the satisfaction of the EAO, supplemental information alongside the Revised Application that provides an updated assessment of the potential effects of the proposed transmission line route within the Transmission Line Assessment Area. This supplemental information must be circulated to the Technical Advisory Committee for review and comment prior to the Revised Application being submitted to the EAO. The supplemental information must:

- identify an updated Transmission Line Assessment Area based on the proposed route and assess the potential effects of the transmission line within this refined Transmission Line Assessment Area;
- provide revised responses to all comments relating to the transmission line in the Issues Tracking Table to reflect the additional information provided to the Technical Advisory Committee; and
- identify mitigation measures for the construction, operation and decommissioning of the proposed transmission line within the Transmission Line Assessment Area.

If a Revised Application is accepted, Ksi Lisims LNG would proceed to the Effects Assessment phase, during which the EAO will develop a draft Assessment Report and a draft Environmental Assessment Certificate, with certificate conditions and project description. The Effects Assessment phase does not begin until the Revised Application is accepted by the EAO. Prior to the decision on whether to accept a Revised Application, the EAO will seek to achieve consensus with participating Indigenous nations as to whether it meets the requirements set out in Section 27(4) of the Act. The EAO will also coordinate with the Agency during this phase so that the Agency may develop or revise draft potential federal conditions, informed by the draft Assessment Report, to be considered for a federal Decision Statement. For more information about the Effects Assessment phase, please see the EAO's *Effects Assessment Policy*.

For information on deliverables and timelines, as well as roles and responsibilities of the EAO, the Proponents, participating Indigenous nations, the Technical Advisory Committee, the Community Advisory Committee, and the public for each of subsequent EA phases, please see the Ksi Lisims LNG <u>Assessment Plan</u>.

<sup>&</sup>lt;sup>3</sup> The scope of the transmission line remains as defined in section 1.2.7 of the Process Order: "Construction of new transmission lines and associated access roads between Ksi Lisims LNG and Nisga'a Lands (as defined under the Nisga'a Treaty) for electricity supply."