

# The Environmental Assessment Office's Assessment of an Application for a Certificate Transfer

CABIN GAS PLANT

## REQUESTED BY:

ENBRIDGE G&P CANADA LIMITED PARTNERSHIP INC., BY ITS GENERAL PARTNER  
ENBRIDGE G&P CANADA INC.  
NORTHRIVER MIDSTREAM CABIN GP INC.

**NOVEMBER 4, 2024**

PURSUANT TO SECTION 33 OF THE ENVIRONMENTAL ASSESSMENT ACT, S.B.C. 2018, C.51



**EAO**

Environmental  
Assessment Office

## 1.0 OVERVIEW OF PROPOSED TRANSFER

On January 28, 2010, the Minister of Environment and the Minister of Energy, Mines and Petroleum Resources issued an Environmental Assessment Certificate #E09-06 (Certificate) to Encana Corporation to construct and operate the Cabin Gas Plant Project (Cabin), a natural gas processing facility located approximately 60 kilometres northeast of Fort Nelson, British Columbia (B.C.). The facility is constructed on 1 square kilometer parcel of provincial Crown land and designed to process natural gas at a rate of up to 800 million standard cubic feet per day. Cabin's Phase 1 is approximately 95 percent constructed and 30 percent commissioned, and Phase 2 is approximately 30 percent constructed and 0 percent commissioned.

On April 27, 2012, Encana Corporation requested a transfer of ownership of the Project to Enbridge G&P Canada Limited Partnership by its General Partner, Enbridge G&P Canada (Enbridge) and consented to transfer the Certificate, as per condition 8 of the Certificate. The Minister of Environment approved the consent to transfer request on October 4, 2012. As a result of changes in market conditions, in October 2012, the owners announced the deferral of any further construction and Cabin has been on care and maintenance since this time.

On December 6, 2012, the Executive Director, of the Environmental Assessment Office (EAO) amended the Certificate by replacing condition 8 with the new conditions 8 and 9, as well as other changes to terms in the Certificate, making Enbridge the Holder of the Certificate.

Cabin was acquired by NorthRiver Midstream Inc. in October 2018 as part of a transaction between Brookfield Infrastructure Partners and Enbridge. On December 6, 2018, the B.C. Energy Regulator approved a change in ownership of the Cabin permit to NorthRiver Midstream Inc. However, at this time the Certificate was not transferred to a subsidiary of NorthRiver as intended, despite the legal change in ownership. The Certificate continues to be held by Enbridge.

On June 29, 2023, Enbridge applied to the EAO to transfer the Certificate from Enbridge to NorthRiver Midstream Cabin GP Inc (Cabin GP Inc.) under Section 33(1) of the *Environmental Assessment Act* 2018 (the Act). The application also included a request for consent from the Chief Executive Assessment Officer for the transfer of the Project and its interest in the Project to Cabin GP Inc. as required by condition 9 of the Certificate.

## 2.0 TRANSFER REVIEW PROCESS

The EAO received and accepted for review the application to transfer the Certificate on June 29, 2023 (Application). Notice was provided, July 17, 2023, to First Nations that were involved in the original Certificate process (as amended).

## 3.0 FIRST NATION CONSULTATION

The EAO and Enbridge engaged with the following First Nations with respect to the Application.

- Blueberry River First Nation;
- Dene Tha' First Nation;
- Doig River First Nation;
- Fort Nelson First Nation;
- Halfway River First Nation;
- McLeod Lake Indian Band;
- Prophet River First Nation;

- Saulteau First Nation; and
- West Moberly First Nation.

In May 2023 Enbridge and NorthRiver notified these same First Nations on their intent to send in an Application. The companies also noted that in their view this Application was administrative in nature and the proposed transfer would not result in any physical changes to the Project, its footprint or its operation. Enbridge also advised that the EAO would notify the First Nations once the Application was filed. Enbridge advised the EAO that to date, no objections or concerns with the Application have been raised.

Doig River First Nation responded to the Enbridge's May 15, 2023, email on the same day, confirming they had received it. McLeod Lake Indian Band replied on May 23, 2023, advising that Cabin was outside of their traditional territory and deferred the commenting to communities within the Project area. On June 25, 2023, Fort Nelson First Nation replied requesting a copy of the original Certificate and it was sent to them that same day.

On July 17, 2023, the EAO notified the above First Nations of the Application and requested comments by August 31, 2023. On August 18, 2023, the EAO sent a reminder email, notifying the above First Nations of the deadline to provide comment on the Application. On August 24, 2023, Fort Nelson First Nation responded that they would like to discuss this transfer with the EAO and the proponent(s), as they indicated the Cabin Gas Plant has and will continue to have serious impacts to their land and treaty rights long into the future. No other First Nations responded to the EAO's email asking if they had any issues with the transfer.

The EAO and Fort Nelson First Nation met on September 12, 2023, to discuss the Cabin Gas Plant Project, the Transfer Application and Fort Nelson First Nation concerns. In the meeting Fort Nelson First Nation explained that they are looking for a commitment from NorthRiver Midstream to achieve consent for the project and the need to have an agreement in place with the company which must include benefits. The EAO responded that while it is always beneficial for companies to enter into agreements with First Nations, and EAO supports having such agreement in place, the EAO cannot require a company to enter into an agreement. The EAO agreed to reach out to both Enbridge and NorthRiver Midstream to get a meeting set up between the companies and Fort Nelson First Nation to discuss concerns.

The EAO initially notified Enbridge and NorthRiver on August 24, 2023, of the Fort Nelson First Nation email raising concerns regarding serious impacts to their land and treaty rights. Following the EAO's meeting with Fort Nelson First Nation on September 12, 2023, the EAO reached out to Enbridge to try to set up a meeting with them and Fort Nelson First Nation. On September 26, 2023, Enbridge and Fort Nelson First Nation met. Fort Nelson First Nation confirmed their understanding that the transfer is administrative in nature, and they hoped to be able to meet with NorthRiver to discuss the other concerns Fort Nelson First Nation regarding the Cabin Gas Plant.

After this date Fort Nelson First Nation was able to communicate with NorthRiver, where they reiterated their perspective that unless there is a commitment in writing from NorthRiver to work to achieve Fort Nelson First Nation's consent for the project through a social license agreement, there is no basis for them to agree to the transfer of the EA Certificate from Enbridge to NorthRiver, or any provincial decision that could result in the project becoming active. This information was conveyed to the EAO, Enbridge and NorthRiver in an email dated November 1, 2023, from Fort Nelson First Nation.

The Fort Nelson First Nation Chief and Council sent a letter to NorthRiver Midstream dated November 20, 2023, which included the EAO indicating that Fort Nelson First Nation consented to the transfer of the EAO certificate for Cabin Gas Plant.

## 4.0 REVIEW OF ISSUES RAISED BY FORT NELSON FIRST NATION

Outlined below are the key issues that have been raised by Fort Nelson First Nation for the Application to transfer the Certificate.

### 4.1. Benefits Agreement

On November 20, 2023, [\*Fort Nelson First Nation wrote to NorthRiver Midstream on Achieving Fort Nelson First Nation Consent for EAO Certificate on the Cabin Gas Plant Project\*](#). The intent of the letter was to ensure that NorthRiver Midstream understands the steps required to achieve Fort Nelson First Nation's consent for the proposed transfer of the Certificate from Enbridge to NorthRiver Midstream. From Fort Nelson First Nation's perspective, while a transfer may seem like an administrative step, it is the gateway to the development of the Cabin Gas Plant. Fort Nelson First Nation outlined several considerations that inform Council and the Fort Nelson First Nation's community's assessment of whether a project is a good land-use decision. Critical to the issuance of consent from Fort Nelson First Nation's perspective was the execution of a social license agreement with NorthRiver Midstream consistent with Fort Nelson First Nation land and economic objectives.

On October 15, 2024, Fort Nelson First Nation wrote to the EAO regarding a recently approved Agreement that their Chief and Council and NorthRiver Midstream had agreed to that allowed the Nation to consent to the transfer of the EAO certificate for Cabin Gas Plant.

Notably, the Province of B.C. currently has a Revenue Sharing Agreement with Fort Nelson First Nation dated January 18, 2023, that addresses how royalties will be shared with B.C.-based Treaty 8 Nations from petroleum and natural gas developments. While this agreement does not relate directly to Cabin as its operations have been suspended, the benefits provided by the Province under the Revenue Sharing Agreement contribute to the accommodation of impacts from petroleum and natural gas development on Fort Nelson First Nation's treaty rights during the term of the agreement.

### 4.2. Regional Planning & Cumulative Effects Management

Although largely outside the scope of the Application, it is worth noting Fort Nelson First Nation's general concerns around development in the Horn River Basin that were raised in 2009 during the Environmental Assessment for the Cabin Gas Plant. During that time, Fort Nelson First Nation expressed concerns about potential extensive industrial development in the Horn River Basin affecting their treaty rights. They requested a regional planning or cumulative effects study, but the EAO did not find it necessary for the 2009 Environmental Assessment Certificate decision.

The operation of the Cabin Gas Plant was postponed in 2012, and since then, operations have remained suspended owing to unfavorable market conditions. Despite having a valid certificate and the completion of Plant #1, the expected development in the Horn River Basin, including the planned Cabin Plant #2, did not proceed.

The EAO recognizes these concerns and highlights ongoing initiatives to address them, including watershed level land use plans, shared decision-making pilots, legal direction for considering cumulative effects in decisions, and a new Province/Treaty 8 Stewardship Forum. Additionally, on January 18, 2023, Fort Nelson First Nation and B.C. signed a [\*Letter of Agreement\*](#) to collaborate on land, resource, and cumulative effects management. This agreement, as outlined in the Consensus Document, aims to address the cumulative impacts of industrial development on Treaty 8 rights, restore the land, and provide industry stability. These initiatives aim to address the concerns raised by Fort Nelson First Nation during and after the 2009 Environmental Assessment.

### 4.3. Potential Effects to Treaty Rights

Fort Nelson First Nation has expressed concerns regarding the Cabin Gas Plant, citing "serious impacts to their land and treaty rights." The decision to transfer the certificate is administrative in nature and will not materially alter the potential effects of the project identified during the Environmental Assessment, including the mitigations established to minimize impacts to treaty rights in the 2009 assessment.

The EAO acknowledges that the initiatives underway through the Consensus Document provide an avenue to addressing broader concerns raised by Fort Nelson that are beyond the scope of the Cabin Gas Plant certificate transfer Application process including:

- Provision of restoration funds intended to heal the land and the people and address the cumulative development in Treaty 8 territory;
- Wildlife measures including measures for moose and caribou that commit the parties to develop an approach to wildlife co-management that improves our shared understanding and management of wildlife species; and
- Development of a watershed-level land use plan between the Province, Fort Nelson and Prophet River First Nation for the Liard Basin, based on preliminary work completed by the Nations.

## 5.0 MATTERS UNDER SECTION 25 OF THE ACT

The EAO considered the matters under Section 25 of the *Environmental Assessment Act* (2018) in its review of the Application. The proposed transfer is administrative in nature and is not anticipated to result in any changes to:

- Effects to Indigenous nations and rights recognized and affirmed by Section 35 of the *Constitution Act* (1982);
- Positive and negative direct and indirect environmental, economic, social, cultural and health effects as well as adverse cumulative effects;
- Risks and uncertainties associated with those effects, including the results of any interaction between effects;
- Risks of malfunctions or accidents;
- Disproportionate effects on distinct human populations, including populations identified by gender;
- Effects on biophysical factors that support ecosystem function;
- Effects on current and future generations;
- Consistency with any land-use plan of the government or a First Nation if the plan is relevant to the assessment and to any assessment conducted under Section 35 or 73;
- Greenhouse gas emissions, including the potential effects on the province being able to meet its targets under the *Climate Change Accountability Act*;
- Potential changes to the Cabin Gas Plant Project that may be caused by the environment; and,
- Other prescribed matters.

The EAO considers that matters under Section 25 of the *Environmental Assessment Act* would not be impacted by the proposed transfer.

## 6.0 CONCLUSIONS

Based on:

- The Letter of Agreement between B.C. and the Fort Nelson First Nation dated January 18, 2023;
- The Revenue Sharing Agreement between the Province of B.C. and Fort Nelson First Nation dated January 18, 2023;

- The information contained in Enbridge's Application;
- The EAO's and Enbridge's engagement with First Nations; and
- Fort Nelson First Nation's letter dated November 20, 2023, on Achieving Fort Nelson First Nation Consent for EAO Certificate.

The EAO is satisfied that:

- The proposed transfer would not materially change the potential effects of the project identified during the Environmental Assessment;
- The information and commitments contained in the application for transfer adequately identified the issues and conditions resulting from the proposed transfer. These commitments include:
  - Cabin GP Inc. hereby declares that the proposed transfer has not resulted and will not result in any physical changes to the Cabin Gas Plant, its footprint or its operations; and,
  - Cabin GP Inc. hereby acknowledges that if the Application is granted, Cabin GP Inc. must comply with the Certificate and the conditions in the Certificate.
- Engagement with Blueberry River First Nation, Dene Tha' First Nation, Doig River First Nation, Fort Nelson First Nation, Halfway River First Nation, McLeod Lake Indian Band, Prophet River First Nation, Saulteau First Nation, and West Moberly First Nation about the proposed transfer has been adequately carried out by the Enbridge, Cabin GP Inc., and the EAO; and,
- The EAO has engaged with First Nations on the transfer application including fulfilling its consultation obligations relating to the issuance of a transfer for the Certificate.

The EAO recommends to the Chief Executive Assessment Officer of the Environmental Assessment Office, upon consideration of the conclusions in this report and any other relevant factors, to grant a transfer under Section 33 of the *Environmental Assessment Act* (2018) and provide approval for the transfer of the project and any interests in the project and to transfer the Certificate from Enbridge to Cabin GP Inc.