



File: 30050-20/WLNG-05-06

Ref: 104958

December 29, 2014

SENT VIA EMAIL

Byng Giraud
Vice President, Corporate Relations
Woodfibre Natural Gas Limited
#1020 - 1075 West Georgia St.
Vancouver BC V6E 3C9

Dear Mr. Giraud:

The Environmental Assessment Office (EAO) received an application for an environmental assessment certificate (Application) for the proposed Woodfibre LNG Project (proposed Project) from Woodfibre LNG Ltd. (WLNG) on November 28, 2014.

The section 11 Order issued on March 21, 2014 states that the Project Assessment Manager, with advice from the Working Group, will evaluate whether the Application contains the information required in the Application Information Requirements (AIR). In accordance with the section 11 Order and the subsequent section 13 Orders issued on June 3, 2014, June 24, 2014 and November 6, 2014, EAO has evaluated the Application and considered the feedback received from Working Group members, including Aboriginal Groups.

In response to EAO's review and in consideration of Working Group comments, I identified a number of items which required clarification or additional information in order to meet the requirements of the AIR. Information requested included:

- Clarification regarding accidents and malfunctions section;
- Addition of technical reports and memos to be appended to the Application;
- Additional information regarding regulatory context and requirements;
- Clarification of heritage assessment;
- Additional information provided in Part C (Aboriginal Interests);

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- Clarification of the key author qualifications;
- Addition of a map of the Areas of Environmental Concern associated with the site contamination;
- Clarification of the temporal boundaries for each valued component (VC); and
- Clarification of proposed dredging activities.

During the screening period, WLNG provided additional explanation and edits to the Application to respond to EAO's requests.

As a result, I have concluded that the Application, including the additional information provided to EAO with respect to the above issues, provides an appropriately meaningful treatment of the requirements in the AIR. Therefore, I have determined to formally accept the Application for detailed review. I should reiterate that a screening is a scan of the Application, not an in-depth review to determine whether or not issues have been satisfactorily resolved.

WLNG has indicated to EAO that they will update the Application to incorporate all the additional information provided to EAO during the screening period. EAO has also provided WLNG with a list of minor errors that should be considered prior to resubmission of the Application. All changes between the Application submitted to EAO for screening on November 28, 2014 and the Application that will be provided to EAO for review should be separately tracked, for ease of reference by the Working Group.

Updating and Distributing the Application for Review

It is my understanding that WLNG will be providing an updated version of the Application and Appendices, including the information requests and clarifications from the list above, for Application Review purposes.

WLNG is responsible for supplying and distributing all necessary copies of the Application for review purposes. EAO has provided WLNG with contact information for all Working Group members who have requested to receive paper or digital copies of the Application.

EAO will initiate the 180-day review once we have received and approved the revised Application and WLNG has verified that copies of the Application have been distributed to members of the Working Group. Based on discussions with WLNG, I expect that the review period will commence the week of January 12, 2015.

Public Notice

WLNG must advertise in local newspapers the locations where the Application is available for public review, the opportunities for providing comment, the dates of

open houses, and any other notifications requested by EAO. A 45-day public comment period will be held. WLNG must ensure that the first newspaper advertisement is published at least seven days before the start of the public comment period.

Initial Supplemental Information Requests

Through the course of the screening review, I have become aware of additional information that will be required to inform my assessment of the proposed Project. Under separate cover, I will provide WLNG with a selection of comments that are requests for further information or assessment, which are more appropriate for Application Review. Please consider these comments as initial information requests and issues to be carried over to Application Review and track and respond to them accordingly. Please create a tracking table of these comments and your responses to be provided to EAO by the start of Application Review. I anticipate that additional discussions will be required to resolve certain issues and clarify requests. I also anticipate the Working Group review time of approximately four weeks will identify additional issues and information requests.

As per the section 11 Order, WLNG will be required to respond to issues identified in comments submitted to EAO from government agencies, Aboriginal Groups and the public. Where requested by the Project Assessment Manager, WLNG may be required to supplement the information provided in the Application.

Aboriginal Groups and Public Consultation Assessments

The section 11 Order identifies reporting requirements regarding WLNG's Aboriginal Consultation and Public Consultation activities and indicates that EAO will make an assessment of this information and may instruct WLNG to undertake further measures, within a specific time, to ensure adequate consultation with respect to the proposed Project. This assessment is presented below.

1. Aboriginal Consultation Assessment

WLNG has been delegated procedural aspects of consultation with Aboriginal Groups listed on Schedule B of the section 11 and section 13 Orders.

EAO acknowledges that WLNG has made efforts to consult with each of the identified Aboriginal Groups, including efforts to meet with and respond to Aboriginal Groups' comments and questions in the pre-Application phase. Generally, EAO considers WLNG to have satisfied the basic requirements of the section 11 Order to this point in the EA process. EAO agrees with the WLNG's overall objectives and goals regarding on-going Aboriginal Consultation.

There are several key requirements for Aboriginal Consultation during Application Review:

A. Aboriginal Consultation Report 3

WLNG's consultation activities during Application Review must ensure that comments or issues raised by Aboriginal Groups are fully understood and responded to in a meaningful and timely manner. Under the section 11 Order, a third Aboriginal Consultation Report must be provided to EAO on day 120 of the 180-day review, after the draft has been reviewed by Aboriginal Groups. In Aboriginal Consultation Report 3, EAO requires more detailed reporting of any specific issues raised by Aboriginal Groups, including potential impacts to the exercise of Aboriginal Interests and site-specific concerns, as well as how WLNG has addressed, or proposes to address these issues. The status of issue resolution must be explained along with proposed next steps for consulting on the issues.

B. Squamish Nation Report

As per the section 13 Order issued on November 6, 2014, a separate report addressing consultation with Squamish Nation is required by day 105.

C. Current Use for Traditional Purposes Analysis

WLNG's assessment of the potential effects of the proposed Project on the Current Land and Resource Use for Traditional Purposes VC, related to the Aboriginal Groups listed on schedule D of the section 11 Order are required by day 60.

D. Consultation with Tsleil-Waututh Nation

In response to EAO's review of the Application and of the Aboriginal Consultation Report 2, and in consideration of comments received from Tsleil-Waututh Nation, specific consultation requirements with respect to Tsleil-Waututh Nation were identified. I understand that WLNG met with Tsleil-Waututh Nation on December 16, 2014 and agreed to conduct a traditional use study and to meet on a regular basis to discuss the proposed Project.

EAO requires that WLNG provide a report to EAO by day 75 on: the status of consultation with Tsleil-Waututh Nation; any new information available about Tsleil-Waututh Nation's Aboriginal Interests in the area of the proposed Project; assessment of the potential effects to Tsleil-Waututh Nation's Aboriginal Interests and identification of any specific mitigation measures; and, a revised assessment of the "Current Land and Resource Use for Traditional Purposes" VC in consideration of any new current use information.

EAO will continue to consult with Aboriginal Groups during Application Review, and may instruct WLNG to undertake further measures to ensure adequate consultation takes place. I will also notify WLNG of any concerns identified by Aboriginal Groups regarding the consultation approach.

2. Public Consultation Assessment

EAO acknowledges the efforts WLNG has made to consult with the public including stakeholders and potentially directly affected individuals. EAO agrees with WLNG's overall objectives and goals regarding on-going public consultation. WLNG has consulted with the general public as well as with key stakeholder and community groups. WLNG used multiple methods for public notification and communication, and has reported on key issues raised and proposed mitigation measures.

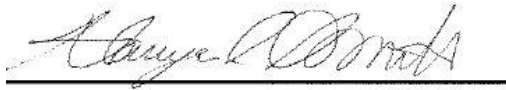
In the subsequent Public Consultation Report, EAO requires more detailed reporting of WLNG's efforts, specific issues raised by the members of the public and stakeholders, as well as WLNG's responses/mitigation measures, and the status of all issues.

EAO requires WLNG to undertake the following activities described below during the Application Review Stage:

- Make reasonable efforts to inform all impacted residents, businesses, land owners and tenure holders of the EAO-hosted open houses and public comment period;
- As required by the section 11 Order, provide EAO with a Public Consultation Report within 30 days of the close of the public comment period, which must include, but is not limited to:
 - A complete list of public stakeholders WLNG has contacted, including local community groups;
 - The results of the consultation activities and the issues and concerns raised by the public and stakeholder groups, including:
 - A description of the key consultation activities undertaken including dates, purpose, attendees and outcomes and whether the key issue(s) has been resolved, or whether there is a follow-up action proposed by WLNG; and
 - A public issues tracking table containing comments received from the public during the EAO's formal public comment period including themes of comments heard at the public open houses during the Application Review Stage, WLNG's responses to comments and the Proponent's evaluation of the status of issues.

If you have any questions or require further information, please contact me at 250-387-2406 or Alanya.Smith@gov.bc.ca. You may also contact Mike Shepard at 250-387-8745 or Michael.Shepard@gov.bc.ca or Amber Paulson at 250-387-2413 or Amber.Paulson@gov.bc.ca.

Yours truly,

A handwritten signature in black ink, appearing to read "Alanya Smith", is written over a solid black horizontal line.

Alanya Smith
A/ Project Assessment Manager

cc: Josh Handysides, Regulatory Manager
Woodfibre LNG Ltd.

Vivian Au, Project Manager
Canadian Environmental Assessment Agency

Michael Shepard, Project Assessment Manager
Environmental Assessment Office

Amber Paulson, Project Assessment Officer
Environmental Assessment Office