

# PROJECT AGREEMENT FOR THE LNG CANADA EXPORT TERMINAL PROJECT IN BRITISH COLUMBIA

## PREAMBLE

The Canadian Environmental Assessment Agency (CEA Agency) has commenced an environmental assessment (EA) pursuant to the *Canadian Environmental Assessment Act, 2012* (CEAA 2012) for LNG Canada Development Inc.'s (the Proponent) LNG Canada Export Terminal Project (the Project).

The proposed project consists of the construction and operation of a natural gas liquefaction facility and marine terminal for the export of liquefied natural gas (LNG) in the District of Kitimat, British Columbia. The proposed project would convert natural gas to LNG, approximately 26 million tonnes per annum, for export to global markets. The project is expected to have a life of at least 25 years.

The Minister of the Environment (the Minister) has approved British Columbia's request to substitute the EA process by the CEA Agency pursuant to CEAA 2012 with the EA process under the British Columbia *Environmental Assessment Act*. British Columbia will undertake the substituted EA in accordance with the process set out in the [\*Memorandum of Understanding between the Canadian Environmental Assessment Agency \(the Agency\) and the B.C. Environmental Assessment Office \(EAO\) on the Substitution of Environmental Assessments \(2013\)\*](#) (the MOU).

Following the submission of an EA report and Aboriginal consultation record by British Columbia, the CEA Agency will provide its advice to the Minister on his or her EA decision and the issuance of an EA Decision Statement, including mitigation and follow-up conditions.

Nothing in this Project Agreement (the Agreement) fetters the powers, statutory authorities and functions of federal departments/agencies and their respective Ministers.

The signatories to this Agreement (the Parties) commit to work together to facilitate an effective, accountable, transparent, timely and predictable federal review in relation to the proposed project and to contribute to fulfilling the Crown's duty to consult Aboriginal groups.

## 1.0 PURPOSE

The purpose of this document is to provide information pertaining to the engagement of the CEA Agency, federal authorities and federal regulators with respect to a substituted EA. For further information regarding the federal review process, please refer to [\*The Federal Review Process for Major Projects: Project Agreement Companion Document\*](#) (the Companion Document).

## **2.0 ROLES AND RESPONSIBILITIES**

The following federal departments and agencies have identified an interest in the Project, and will participate in the federal review:

- Responsible authority: The CEA Agency will maintain a liaison role with the British Columbia Environmental Assessment Office (EAO) during the conduct of the environmental assessment and will ensure that an EA Decision Statement is issued;
- Federal authorities (FAs): Fisheries and Oceans Canada (DFO), Transport Canada (TC), Environment Canada (EC), Health Canada (HC), and Natural Resources Canada (NRCan) may be in possession of specialist or expert information or knowledge with respect to the Project and will, if requested by the British Columbia EAO, make that information or knowledge available in support of the examination of the environmental effects of the Project;
- The EAO Project Lead and the CEA Agency Liaison will work together to identify federal departments in possession of specialist or expert information or knowledge with respect to the proposed project as it relates to their respective mandates and contacts within those departments to identify representatives to participate in the environmental assessment working group;
- Regulatory departments: DFO, TC and EC may have regulatory and statutory duties in relation to the Project;
- Aboriginal Affairs and Northern Development Canada has advisory responsibilities in relation to the Project to support consistency with the Government of Canada's Whole of Government approach to Aboriginal consultation activities; and,
- The Major Projects Management Office will engage with federal regulators during the EA process, with a particular focus following the submission of the EA Report to the CEA Agency by the Province through to the completion of the regulatory phase in relation to the Project to ensure adherence to the service standards and roles and responsibilities of all Parties as described in the Agreement and the Companion Document.

## **3.0 ABORIGINAL CONSULTATION**

The Parties are committed to a Whole of Government approach to Aboriginal consultation that is integrated with the EA and regulatory process, to the extent possible. For more information on the Whole of Government approach, including roles and responsibilities of departments and agencies, as well as coordination during the project review, please refer to Annex I of the Companion Document.

During the substituted process, procedural aspects of Aboriginal consultation are delegated to the British Columbia EAO, including responsibility for gathering information from Aboriginal groups about the impact of the proposed project on their potential or established Aboriginal or

treaty rights and ways to prevent, mitigate or otherwise address those impacts as appropriate. Additional information on the procedural delegation requirements can be found in the Annex to the MOU.

Upon submission of the EA report and Aboriginal consultation record by the British Columbia EAO, the CEA Agency will undertake an assessment of the adequacy of the Aboriginal consultation to inform the Minister's EA decision.

Where applicable, the terms and conditions of all existing agreements or protocols and/or MOUs between the Crown and Aboriginal groups will be respected.

#### **4.0 TIMELINES**

Timelines identified in the Agreement represent either the time elapsed that the Agency will report based on information provided by British Columbia or the time expected to be taken by federal departments and agencies in carrying out their respective tasks. The timelines do not account for time taken by the Proponent to collect information or undertake a study at the request of British Columbia (or the CEA Agency, when applicable) during the EA or regulatory departments during the regulatory phase. The target timelines for the federal review are as follows:

- a) Completion of the EA, as per CEAA 2012 – 365 days from the posting of the Notice of Commencement (NoC) on the Canadian Environmental Assessment Registry Internet Site (CEARIS) to the Minister's EA Decision about whether the project is likely to cause significant adverse environmental effects.
- b) Regulatory decisions pursuant to the *Fisheries Act* – 90 days from receipt of a complete application assuming the Minister's EA Decision Statement has been posted on the CEARIS and no additional consultation is required.
- c) Regulatory decisions pursuant to the *Canadian Environmental Protection Act, 1999* – 90 days from notification by Environment Canada that the application is deemed complete assuming the Minister's EA Decision Statement has been posted on the CEARIS and assuming that requirements under the *Disposal at Sea Regulations* have been met.
- d) Regulatory decisions pursuant to the *Navigation Protection Act* – 90 days from the Minister's EA Decision Statement posted on the CEARIS, assuming submission of all applications no later than the time of the submission of the Environmental Impact Statement, or equivalent provincial document.

## 5.0 SIGNATORIES

The Parties hereto have signed the Agreement, in counterpart, on the dates indicated below.

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**Bob Hamilton**

Deputy Minister  
Natural Resources Canada

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December 23, 2014

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**Ron Hallman**

President  
Canadian Environmental Assessment Agency

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January 12, 2015

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**Matthew King**

Deputy Minister  
Fisheries and Oceans Canada

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January 8, 2015

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**Yazmine Laroche**

Associate Deputy Minister  
Infrastructure Canada  
(on behalf of Louis Lévesque  
Deputy Minister, Transport Canada)

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December 31, 2014

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**Michael Martin**

Deputy Minister  
Environment Canada

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January 8, 2015

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**Colleen Swords**

Deputy Minister  
Aboriginal Affairs and Northern Development Canada

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January 23, 2015

## Annex I

### Key Milestones and Service Standards for the Environmental Assessment and Aboriginal Consultation

	Milestone	Lead	Support As Needed	Timeline/ Completion Date
1	Post the Notice of Commencement (NoC) on the CEARIS	CEA Agency	FAs	Day 0
2	Finalize Application Information Requirements	EAO	CEA Agency, FAs	February 24, 2014
3	Submit Application	Proponent		To be determined by the Proponent
4	Provide draft EA Report	EAO	CEA Agency, FAs	To be determined by the Province
5	Provide final EA Report	EAO	CEA Agency	To be determined by the Province, no later than Day 305
6	Minister Makes EA Decision	Minister	CEA Agency, FAs	Day 306-365 (60 Days)
7	Issue and Post the Minister's EA Decision Statement on the CEARIS <sup>1</sup>	CEA Agency		Day 365 (0 Days)

<sup>1</sup> In the event that the Minister of the Environment determines that a project will result in significant adverse environmental effects, the Minister must refer the matter to the Governor in Council as to whether the effects are justified in the circumstances. If this decision were to occur, the timelines identified in this step do not apply.

## Annex 2

### Gantt Chart: Target Timelines for the Environmental Assessment and Regulatory Phase

