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September 9, 2016

Agency Registry File: 80125

Mr. David Black Chief Executive Officer/President Kitimat Clean Ltd. 818 Broughton Street Victoria B.C. V8W 1E4

Dear Mr. Black:

Re: Kitimat Clean Refinery Project – Request for Information Regarding Activities that are Incidental to the Project

The Canadian Environmental Assessment Agency (the Agency) is preparing the Environmental Impact Statement Guidelines (EIS Guidelines), a document that specifies the information and analyses on potential environmental effects that need to be included in Kitimat Clean Ltd.'s Environmental Impact Statement for the proposed Kitimat Clean Refinery Project (the Project). However, in order to complete the EIS Guidelines, the Agency requires additional information from Kitimat Clean Ltd.

In Kitimat Clean Ltd.'s May 2016 Project Description, the Agency notes that seven physical activities incidental to the Project are described:

- Transport of refinery modules to the refinery;
- Transport of pure bitumen to the refinery;
- Export of refined product from the refinery;
- Export of by-products from the refinery;
- Supply of electrical power to the refinery and marine terminal;
- Selling of excess electricity to B.C. Hydro; and
- Supply of natural gas to the refinery.

With respect to the above activities incidental to the Project, the Agency requests the following information:

A) Identify and describe whether any upgrades are required to existing rail infrastructure (Terrace-Kitimat) associated with the transport of pure bitumen to the refinery. Describe all components and/or activities associated with the required upgrades.



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- B) Identify and describe all shipping activities associated with the import of modules for the construction of the refinery, including vessel size, frequency and shipping route.
- C) Identify and describe Kitimat Clean Refinery Ltd.'s preferred option or identify and describe all technically and economically feasible options for the export of by-products from the refinery. Describe all the components and/or activities associated with each option.
- D) Describe how Kitimat Clean Refinery Ltd. plans to sell excess electricity produced during the operation of the refinery to B.C. Hydro.
- E) Refineries in Canada typically have a blending facility to add ethanol, as required under *Renewable Fuels Regulations* for products sold in Canada. Please indicate whether a blending facility will be a component of the Project.
- F) For each question above, identify potentially affected Indigenous groups.

The Agency is of the view that this information is required to understand the full extent of the potential effects of the Project and inform the completion of the EIS Guidelines. To allow the Agency to complete the EIS Guidelines in a timely manner, please provide your response in a concise manner (similar to the level of detail provided in the Project Description).

Should you have any questions, please contact me at 613-957-0249 or Brett.Maracle@ceaa-acee.gc.ca.

Regards, <Original signed by>

Brett Maracle Panel Manager

c.c.: Mellissa Winfield-Lesk, Hatch Ltd.