

Canadian Environmental Assessment Agency

Agence canadienne d'évaluation environnementale

Vancouver BC V7Y 1C6

410 - 701 West Georgia St 410 - 701 rue Georgia ouest Vancouver (C-B) V7Y 1C6

June 30, 2016

Chief Joe Bevan Kitselas First Nation 2225 Gitaus Road Terrace BC V8G 0A9

Dear Chief Bevan,

RE: Determination of the Requirement for an Environmental Assessment of the Proposed Pacific Future Energy Refinery Project, located 32 kilometres north of Kitimat, B.C.

On June 17, 2016, the Canadian Environmental Assessment Agency (the Agency), received a project description from Pacific Future Energy Corporation (the proponent) for the Pacific Future Energy Refinery Project (the Project). This letter invites you to provide your views on the potential impacts of the Project on your community.

The Project

The proponent proposes to develop an oil refinery located near Lakelse Lake, approximately 32 kilometres north of Kitimat. The refinery has a proposed processing capacity of 31,795 m³ per day of bitumen, over a project life of at least 60 years. Please see the attached summary of the project description for additional information.

The Pacific Future Energy Refinery Project is a separate proposal from the proposed Kitimat Clean Energy Refinery Project (Registry reference 80125) which I wrote to you about on May 17, 2016. I note this to avoid any confusion between the two proposed projects. While both projects propose to locate their refineries in the same general area, they are separate undertakings with separate proponents and as such the Agency will be making a determination for each project as to whether a federal environmental assessment will be required.

Determination of Need for a Federal Environmental Assessment

In accordance with the Canadian Environmental Assessment Act 2012, the Agency is currently determining whether an environmental assessment (EA) of the project is required.

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This determination will be made by considering the characteristics of the Project, the possible adverse environmental effects of the Project on the environment, and any public and Aboriginal comments received during a 20-day consultation period.

The Agency is currently seeking the initial views of the Kitselas First Nation on the following matters based on the information set out in the project description:

- Please identify if there are possible adverse environmental effects of the Project that are of importance to your community. Do you anticipate any potential adverse environmental effects that are not reflected in the project description?
- Please identify if there are potential changes to the environment that may be caused by the Project that would result in changes to your community's:
- health and socio-economic conditions,
- o physical and cultural heritage,
- o current use of lands and resources for traditional purposes, or
- structures, sites or things of historical, archaeological, paleontological or architectural significance.
- Please identify any potential impacts of the Project on your potential or established Aboriginal or Treaty rights.

Please provide your comments by **Thursday, July 21, 2016** to ensure your comments will be considered in the Agency's decision of whether an EA of the Project is required. I have attached a form addressing these items for your convenience; however, you may choose to respond in another format. You will be informed of the decision on whether an EA of the Project will be commenced and any further consultation steps.

Coordination of Federal Crown Consultation

Should the Agency determine that a federal EA is required for the Project, then we will also be the federal Crown Consultation Coordinator for the Project. Accordingly, the Agency would coordinate federal-Aboriginal consultations related to potential and established Aboriginal and Treaty rights that could be adversely impacted by the proposed Project. Please provide us with contact information for staff or other representatives who are authorized to coordinate consultation activities and information-sharing on behalf of the Kitselas First Nation.

Should a federal EA be required, then federal funding would be made available to support the participation of some Aboriginal groups during certain phases of an EA. More information on the federal EA process, including the Agency's Participant Funding Program, is available at *www.ceaa-acee.gc.ca*.

Provincial Review

The Project may also be subject to provincial review. Please contact Scott Bailey at the British Columbia Environmental Assessment Office for additional information. Scott Bailey may be reached at 250-356-1763 or *Scott.Bailey@gov.bc.ca*.

Contacting the Agency

Rob Hajdú will be managing, on behalf of the Agency, the initial EA determination process for the Project, and will be contacting you as a follow-up to this letter.

In the meantime, please do not hesitate to contact Rob at 604-666-2601 or *Rob.Hajdu@ceaa-acee.gc.ca* if you have any questions or wish to provide the Agency with information relating to the Project and any proposed impacts it could have on your potential or established Aboriginal or Treaty rights.

IMPORTANT NOTE: Should you have any documents that contain confidential or sensitive information that you believe should be protected from release to the public, please contact Rob Hajdú <u>before</u> you provide them to us.

Sincerely,

<Original signed by>

Lisa Walls Director, Pacific and Yukon Region

Enclosures: #1

- #2
- Summary of the Project Description Comment Form: Information to Inform the Determination of EA Requirements
- c.c.: Kristin Worsley, British Columbia Environmental Assessment Office Serena Boutros, Major Project Management Assessment Office Jacques Benoit, Pacific Future Energy Corporation Sonja Foss, Kitselas Land Manager

Information to Inform the Determination of EA Requirements Please respond by: Thursday, July 21, 2016

Pacific Future Energy Project – Pacific Future Energy Corporation Agency File No.: 005565

| Nation / Band / Government: | | | Kitselas First Nation | | | |
|---|--|--|--|-----------------------|--------------|----|
| EA Contact Name: | | | | | Telephone: | |
| Address: | | | | | Fax: | |
| Email: | | | | | | |
| 1. | Does the project description accurately identify the potential adverse environmental effects of the Project that would be of importance to your group or community? Please attach additional information that your group or community considers relevant. | | | | | |
| 2. | In your opinion, could the potential changes to the environment caused by the Project result in changes to your community's: | | | | | |
| (a) health and socio-economic conditions? | | | | | 🗌 Yes | No |
| | (b) physical and cultural heritage? | | | | 🗌 Yes | No |
| | (c) current us | current use of lands and resources for traditional purposes? | | | | No |
| | (d) structure, architectu | | ing that is of historical, archaeolc cance? | ogical, paleontologic | al or Ves | No |
| Specify as appropriate: | | | | | | |
| | | | | | | |
| 3. | Does the Project have the potential to impact on your potential or established Aboriginal or Treaty rights? | | | | | |
| | Specify as appropriate: | | | | | |
| | | | | | | |
| Print Name of responder | | | | Signature | | |
| Title of responder | | | Date | | | |

Please respond to the above questions by **Thursday**, **July 21**, **2016** via email at *Rob.Hajdu@ceaa-acee.gc.ca* or fax at 604-666-6990. Thank you.