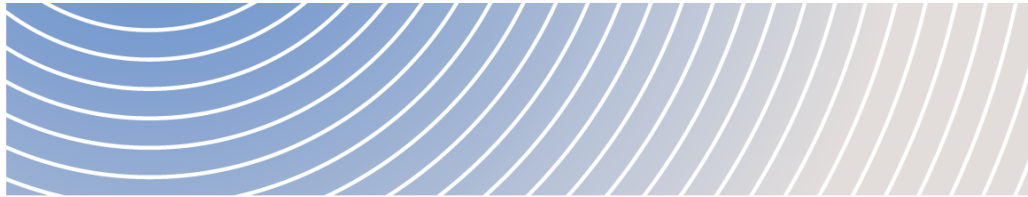




Analysis of Proposed Changes to the Cedar LNG Project



DRAFT REPORT

March 2025



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List of abbreviations and acronyms

Abbreviation/Acronym	Definition
CEAA 2012	Canadian Environmental Assessment Act, 2012
DFO	Fisheries and Oceans Canada
EAO	British Columbia Environmental Assessment Office
ECCC	Environment and Climate Change Canada
ha	Hectare
IAA	Impact Assessment Act
IAAC	Impact Assessment Agency of Canada
km ²	Square kilometer
kV	Kilovolt
LNG	Liquefied Natural Gas
m ²	Square metre
SARA	Species at Risk Act

Glossary

Term	Definition
Liquefied Natural Gas	Natural gas that has been cooled to liquid form

1. Introduction

Cedar LNG Partners LP (the Proponent) proposed to construct and operate a floating liquefied natural gas (FLNG) processing facility and marine export terminal near Kitimat, British Columbia (B.C.). The proposed Cedar LNG Project (the Project) would process and liquefy natural gas to produce approximately three million tonnes of liquefied natural gas (LNG) per year and include storage capacity for up to 250,000 cubic metres of LNG. The Project would have a lifespan of at least 25 years. The Proponent reports having started construction in July 2024.

The Project was subject to an impact assessment under the *Impact Assessment Act* (IAA) and B.C.'s *Environmental Assessment Act*. The Impact Assessment Agency of Canada (IAAC) commenced its impact assessment of the Project on August 30, 2019. On January 24, 2020, the Minister of Environment and Climate Change, under the authority of section 31 of the IAA, granted the substitution of the environmental assessment process set out in British Columbia's Environmental Assessment Act (2002) for the IAA process.

The British Columbia Environmental Assessment Office (EAO) conducted an impact assessment of the Project and submitted an [Assessment Report](#) (Canadian Impact Assessment Registry [CIAR], reference number 80208, document 46) with respect to the impact assessment of the Project to the Minister of Environment and Climate Change on November 16, 2022.

On March 13, 2023, B.C. issued an [Environmental Assessment Certificate](#), accompanied by a certified [Project Description](#) and [provincial conditions](#). The Minister of Environment and Climate Change issued a federal [Decision Statement](#) (CIAR, reference number 160202E, document 50) under the IAA for the Project on May 15, 2023. The [Decision Statement](#) contains legally binding conditions, including conditions requiring the Proponent to notify the Impact Assessment Agency of Canada (IAAC) in advance of carrying out any proposed change to the Project.

Section 68 of the IAA provides the Minister of Environment and Climate Change with the legislative authority to amend a Decision Statement to add new conditions and to remove or modify existing conditions. The Minister must be of the opinion that adding, removing or modifying a condition does not increase the extent to which the effects of the Project, as assessed during the environmental assessment, are adverse. The decision included in the [Decision Statement](#) cannot be changed.

On June 20, 2024, the *Budget Implementation Act* came into force, amending the IAA. On Dec 9, 2024, IAAC issued an updated federal [Decision Statement](#) in alignment with the amended IAA. The present request for an amendment is the first the Proponent has initiated.

Condition 2.17 of the [Decision Statement](#) requires the Proponent to notify the IAAC in advance of carrying out any proposed change to the Project. On October 25, 2024, the Proponent proposed several changes to the Project in the document titled [Impact Assessment Act Decision Statement for the Cedar LNG Project](#) (CIAR, reference number 80208, document 53) consisting of a new distribution powerline, expanding the Marine Terminal Area and adding the option to relocate the transmission line. The Proponent provided additional information on November 25, 2024, in the document [titled Cedar LNG Project Amendment Application – Decision Statement Condition 2.16 – Federal Effects](#) (CIAR, reference number 80208, document 55). On request, the Proponent provided additional information on their public

consultation activities on March 12, 2025, in the document titled [Public Consultation Report](#) (CIAR, reference number 80208, document 52). Lastly, on March 14th, 2025, the Proponent sent an addendum including a new map along with a description of the changes to the proposed Alternative Transmission Line in the document titled [Cedar LNG Project Amendment Application – Revised Alternative Transmission Line Corridor](#) (CIAR, reference number 80208, document 54).

IAAC analyzed the proposed Project changes and the potential adverse environmental effects of those changes, including any additional impacts on the exercise of Rights of Indigenous peoples, to assess:

- whether the changes constitute a new or different designated project as defined in the IAA that may require a new impact assessment; and
- Whether any change (including addition or removal) may be required to the mitigation measures and follow-up program requirements included as conditions in the [Decision Statement](#) address the proposed Project changes.

This draft report summarizes the proposed Project changes, IAAC's initial analysis, and initial views expressed by federal authorities and Indigenous groups. It concludes with IAAC's draft recommendations to inform the Minister's decision with respect to [Decision Statement](#) amendments.

2. Proposed Project Changes

The Proponent confirmed that they will move ahead with a catenary mooring system, which consists of sets of chains and anchors holding the FLNG facility in place, instead of a strut mooring system, which consists of onshore foundations with metal struts holding the FLNG facility in place.

The Proponent is suggesting the following changes to the Project (see **Error! Reference source not found.**):

- Expand the Marine Terminal Area from 35.8 ha to 277.3 ha to encompass the mooring lines and anchors for the floating liquefied natural gas (FLNG) facility's catenary mooring system. The increase in hectares (ha) represents the area covered by the submerged mooring lines as shown on Figure 2. The installation of the mooring system will cover approximately 0.09 ha of seabed. No change will occur for the land-based portion of the Facility Area.
- Add a new 2.8 km long, 25 kilovolts (kV) Distribution Powerline, along the Bish Creek Forest Service Road (FSR) to the Marine Terminal Area.
- Add an alternative 8.5 km long 287 kV transmission line route option between the Minette BC Hydro Substation and the Marine Terminal Area (identified as the Transmission Line Corridor 2024 on Figure 1 below):
 - relocated downslope toward Douglas Channel (a shift from Crown to private land);
 - with an increased right of way from 45 m to 90 m to accommodate safety and operability requirements;
 - that results in increased clearing from 32.5 ha to 69 ha; and
 - with a reduced width of permitting corridor from 300 m to 200 m.



The Proponent is not proposing any changes to the production or storage capacity of the LNG facility.

All proposed Project changes have been added to the Description of the Designated Project in Schedule 1 of the Draft Proposed Amended Decision Statement.



FIGURE 1. CEDAR LNG PROJECT FACILITY AND MARINE TERMINAL AREA, TRANSMISSION LINE CORRIDOR, ALTERNATIVE TRANSMISSION LINE CORRIDOR AND DISTRIBUTION POWERLINE

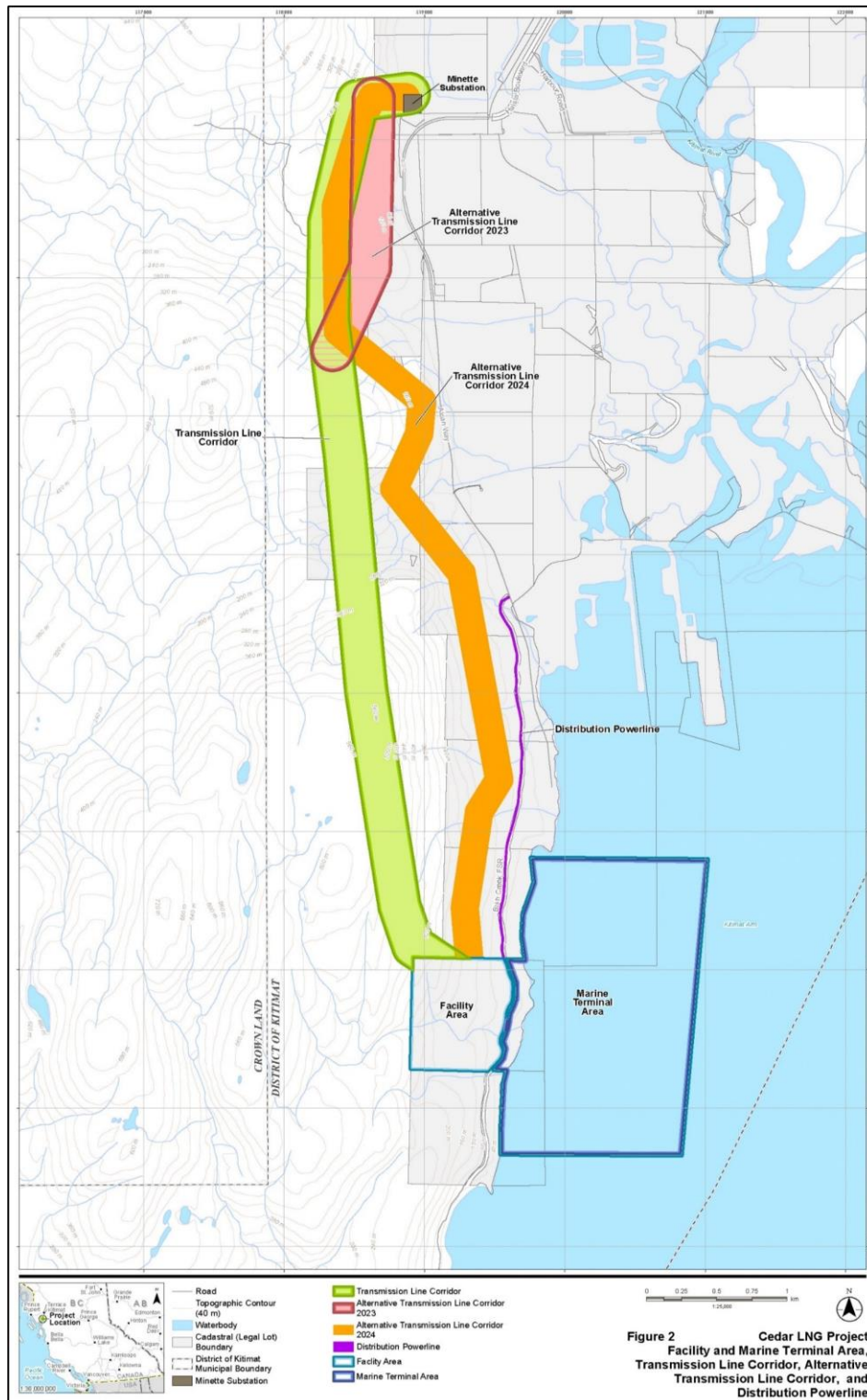
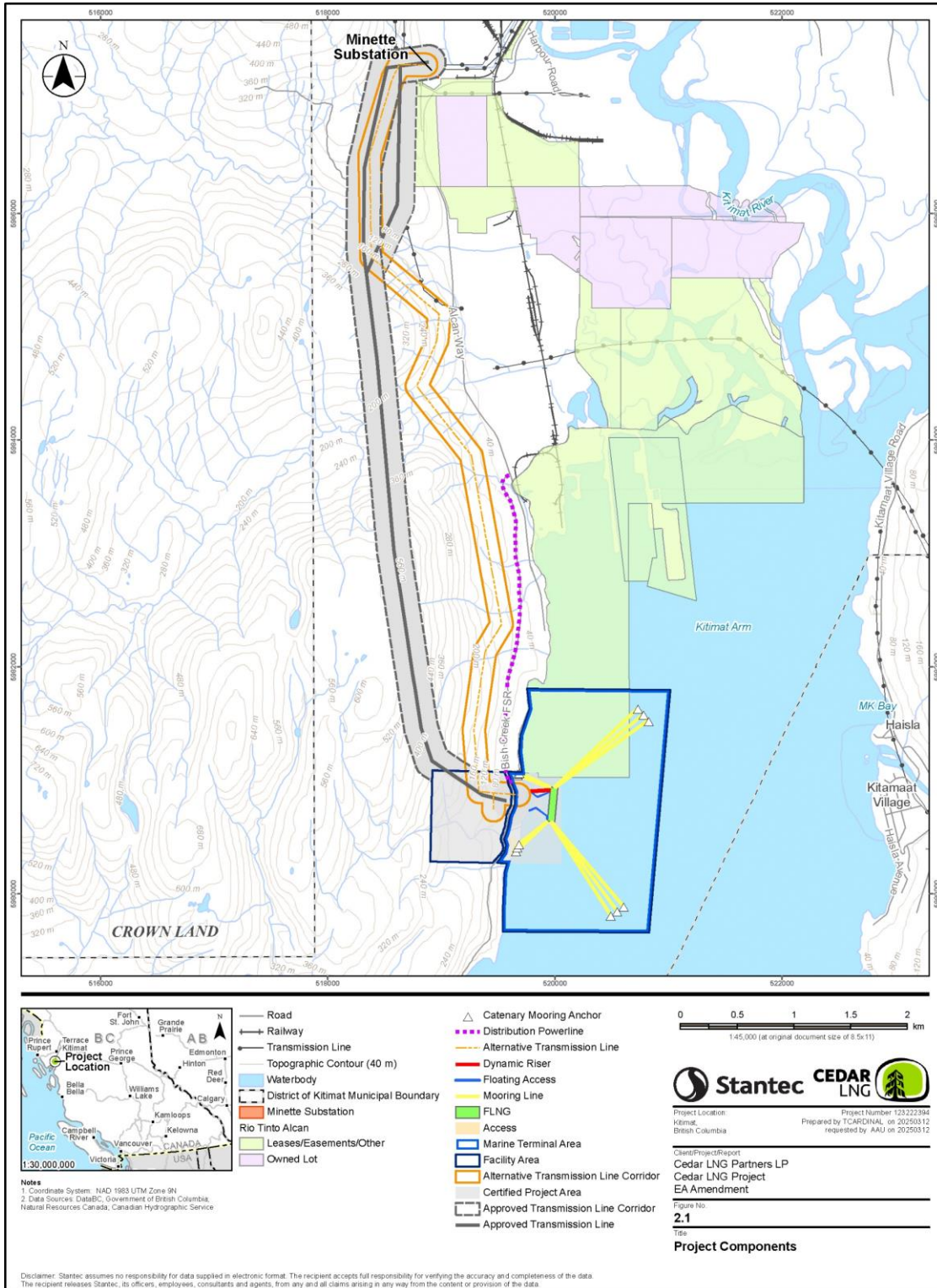


Figure 2 Cedar LNG Project Facility and Marine Terminal Area, Transmission Line Corridor, Alternative Transmission Line Corridor, and Distribution Powerline

Source: Cedar LNG, March 2025



FIGURE 2. CEDAR LNG PROJECT AMENDMENT



Source: Cedar LNG, March 2025



2.1. Analysis under the Physical Activities Regulations

The *Physical Activities Regulations* under IAA identify the physical activities that constitute designated projects that may require an impact assessment.

With respect to the Marine Terminal Area, Section 53 of the *Physical Activities Regulations* reads:

53 The expansion of an existing marine terminal, if the expansion requires the construction of a new berth designed to handle ships larger than 25 000 DWT and, if the berth is not a permanent structure in the water, the construction of a new permanent structure in the water.

The Project change does not include the construction of a new berth. The change is to expand the boundary of the approved Marine Terminal Area in the [Decision Statement](#) to encompass the mooring lines and anchors of the catenary mooring system.

With respect to the transmission lines, Section 39 of the *Physical Activities Regulations* reads:

39 The construction, operation, decommissioning and abandonment of either of the following:

(a) a new international electrical transmission line with a voltage of 345 kV or more that requires a total of 75 km or more of new right of way;

(b) a new interprovincial power line designated by an order under section 261 of the [Canadian Energy Regulator Act](#).

Although the alternative transmission line options referenced in the proposed changes are new, neither of them are international or interprovincial, plus they are below the 345 kV and 75 km thresholds.

IAAC is therefore of the view that these Project changes do not constitute a new or different project under the *Physical Activities Regulations*.

3. Consultation and Engagement

Indigenous groups consultation, input from federal authorities, and public participation inform IAAC's analysis of the proposed changes and recommendations to the Minister.

3.1 Proponent's Engagement

The Proponent provided information on their engagement with Indigenous groups and the public about the proposed changes in their submission and in follow-up correspondence.

3.1.1 Engagement with Indigenous groups

The Proponent indicated that they have engaged with the nine Indigenous groups mentioned in condition 1.20 of the [Decision Statement](#) on the proposed Project changes. This engagement reportedly included sharing a presentation summarizing the Amendment Application and the opportunity to meet or discuss the Project changes by telephone or email. The Proponent noted that Haisla Nation, as majority owners in the Project, are well-informed through regular meetings and are directly involved in decision-making.

The Proponent indicated that no areas of concern were raised in meetings with Kitselas First Nation, Kitsumkalum First Nation, and Métis Nation BC and that no dedicated meetings were requested by Gitga'at First Nation, Metlakatla First Nation, Lax Kw'alaams Band nor Haida Nation. The Proponent noted that Lax Kw'alaams Band requested a map of the Project changes, which the Proponent later shared as part of the emailed presentation. The Proponent indicated that Gitxaala Nation was unavailable for a meeting in the given timeframe, but the Proponent addressed via email their questions about baseline marine surveys and potential restrictions to marine use within the Marine Terminal Area.

3.1.2 Engagement with the public

The Proponent notified local communities and stakeholders about Cedar LNG's proposed Project changes through various means, including in writing, in-person and online. The Proponent sent a notification letter by email to local organizations about the Project changes which included an invitation to meet with the Project team, if desired. The letter also included a link to the Proponent's website where information related to the Project changes were detailed. Posters were distributed in five locations in Kitimat to provide open-house notification.

The Proponent hosted a community open house on December 10, 2024 in Kitimat, British Columbia. The announcement of the open house was posted and shared on social media. The Proponent confirmed that most questions and comments discussed with the participants during the open-house revolved around the themes of employment and training opportunities, general project information (e.g. design, timeline, benefits) as well as the Project changes, including modifications to the [Environmental Assessment Certificate](#) and the Federal [Decision Statement](#).

3.2 IAAC's Consultation

IAAC worked in collaboration with EAO to reach out to Indigenous groups and Federal Authorities, mainly Environment and Climate Change Canada (ECCC) and Fisheries and Oceans Canada (DFO), in relation to the proposed changes to the Project as presented below. IAAC is also holding a public comment period from March 31 to April 30, 2025, on this report to request views on the Proponent's proposed changes to the Project from Indigenous groups, government authorities and the public, and to provide an opportunity for further comments before providing advice to the Minister of Environment and Climate Change on potential amendment(s) to the [Decision Statement](#). The results of the public comment period will be considered in IAAC's analysis and in determining if changes to key mitigation measures and/or follow-up requirements included as conditions (including the addition or removal thereof) may be recommended to address the concerns and issues expressed.

3.2.1 Consultation with Indigenous groups

On December 12, 2024, a notification letter was sent to the following Indigenous groups, as listed in the [Decision Statement](#), on the proposed changes to the Project, and invited comments on the potential adverse environmental effects and impacts on Rights of Indigenous peoples from the proposed changes:

- Haisla Nation
- Kitselas First Nation
- Kitsumkalum First Nation
- Gitga'at First Nation
- Gitxaala Nation
- Metlakatla First Nation
- Lax Kw'alaams Band
- Métis Nation BC
- Haida Nation

IAAC received comments from the Kitselas First Nation, which is detailed in section 5.4.2. below. IAAC anticipates additional views will be shared following the posting of this draft Analysis Report, and they will be incorporated into the final Analysis Report, as applicable.

3.2.2 Consultation with Federal Authorities

IAAC sought the expertise of ECCC and DFO on the proposed changes to the Project to inform the analysis of potential adverse effects on the environment. A summary of their views expressed is provided in section 5 below.

3.2.3 Public participation

IAAC invites input from the public on this draft Analysis Report through a public comment period. Input received will inform the final analysis and will be summarized in the final report.

4. Potential Adverse Environmental Effects

The following is an analysis of whether any of the Project changes would increase the extent to which the effects of the Project, as assessed during the environmental assessment, are adverse. The analysis informed whether modifications, including addition or removal, are required to the mitigation measures and follow-up requirements included as conditions in the [Decision Statement](#). The analysis focused on potential adverse effects on fish and fish habitat, migratory birds and Indigenous peoples.

4.1 Fish and fish habitat

Effects to fish and fish habitat were assessed during the original impact assessment of the Project and mitigation measures and follow-up requirements were developed. The [Decision Statement](#) includes related conditions (section 3).

4.1.1 Proponent's assessment

The Proponent is of the view that there are no new or additional effects on fish and fish habitat, including any aquatic species listed under the *Species at Risk Act* (SARA), and that the existing conditions are sufficient to mitigate potential effects on fish and fish habitat that are prohibited by the *Fisheries Act*.

Freshwater fish and their habitat

Although the proposed alternative transmission line and new distribution powerline would cross a total of 5 fish-bearing watercourses, the Proponent is not proposing any new channel realignments, water withdrawals or instream works therein. The Proponent therefore concludes that there would be no new impacts on fish health and mortality, nor on any freshwater aquatic species listed under SARA.

The Proponent notes that the proposed alternative transmission lines and new distribution powerline would increase total riparian clearing from about 1.5 ha to a total of 4.3 ha. The Proponent asserts that standard best management practices such as sediment control would be sufficient to prevent any significant adverse effects of this additional clearing on water quality, freshwater fish and fish habitat.

Marine resources

The Proponent does not expect the construction of the proposed catenary mooring system and the corresponding expanded Marine Terminal Area to result in harmful alteration, disruption or destruction of fish habitat.

The Proponent anticipates minor, localized increases in total suspended solids during the placement of the mooring lines and anchors on the soft sediment of the seafloor, but with no impact on marine fish, invertebrates or marine-habitat-forming structures such as sponges or corals.



The Proponent expects vessels installing the mooring system to generate underwater noise within the range assessed in the original impact assessment, therefore creating no additional impacts on marine mammal or fish behaviour.

The Proponent predicts that the slow placement of anchors on the sea floor would impact only slow-moving or sessile organisms such as crabs, bivalves and sea cucumbers that are unable to move out of the way.

The Proponent does not expect new impacts on marine species listed under SARA, as a fish and fish habitat survey in the proposed mooring system area yielded no species of conservation concern and there are no designated critical habitats for species at risk in the area.

4.1.2 Views expressed

DFO is of the view that harmful effects to fish and fish habitat can be avoided or mitigated, and the marine component of the Project will not require an authorization under the *Fisheries Act*.

Freshwater fish and their habitat

DFO requested more details to support the Proponent's rationale for requiring an expanded right-of-way of 90 m for the alternative transmission line, which will result in an increase in the amount of riparian vegetation clearing along fish-bearing streams, impacting fish and fish habitat. The Proponent responded that the width of the transmission line right-of-way is calculated to meet the safety standards. Potential additional clearing may be required to prevent trees from falling onto the energized conductor. A forestry professional will establish the clearing width along the transmission line corridor, and as such not all the vegetation within the right-of-way (e.g., 90 m) is anticipated to be cleared. The Proponent will retain trees to the extent practicable in riparian zones.

DFO recommended that the Proponent verify the calculation of the amount of riparian clearing associated with the alternative transmission line. DFO also recommended that the Proponent verify the calculation of riparian clearing in the Riparian Management Area around fish-bearing watercourses, as the data does not seem to be consistent. The Proponent confirmed that a 90 m right-of-way width was used for the calculations of riparian clearing in the Freshwater Fish Technical Data Report. The Proponent checked the riparian clearing in the Riparian Management Area of fish-bearing watercourses for the alternative transmission line and asserts that it is correctly summarized.

DFO asked for confirmation that works in or near the new watercourse crossings will be carried on in a manner consistent with the assumptions of the original [Assessment Report](#) (i.e., no instream works, channel realignments, or water withdrawals in fish-bearing watercourses, and limiting riparian clearing at all watercourses to the extent practicable). The Proponent responded that works in and near water will be carried out in a manner consistent with the following assumptions; no instream works, channel realignments, or water withdrawals in fish-bearing watercourses, and limiting riparian clearing at all watercourses to the extent needed to provide safe clearance for the energized conductors.

DFO also asked for more information regarding the fish species present in Beaver Creek and the tributary to Douglas Channel (a new fish-bearing Project crossing in the Amendment Application) where the alternative transmission line and distribution powerline intersect the watercourses. The Proponent

responded that the main channel of Beaver Creek is not crossed by the Project and that there are barriers to fish passage downstream of Project crossing, thus concluding that anadromous fish species are not expected to be present in proximity to the Project crossing's locations. However, DFO highlighted that the Proponent's Amendment Application indicates that coho salmon have been observed in proximity to a Project crossing that is included in the Amendment Application. Therefore, DFO recommended that the Proponent verify the fish-bearing status of watercourse WC-14 during construction planning. The Proponent responded that field work in October and November 2024 already confirmed that WC-14 was not fish-bearing. Additionally, this status is not expected to change because there are four major obstacles (gradient barriers extending from 40% to 60%) preventing fish from moving upstream up to WC-14.

Marine resources

DFO is of the view that impact pile driving during construction of the mooring system and transfer docks occurring both in or near water could result in elevated underwater noise levels being transmitted into the water and have the potential to harm fish (including marine mammals). The [Decision Statement](#) already includes pile-driving and underwater noise mitigation measures under condition 3.5, although they are related exclusively to the construction of a small craft jetty. As such, DFO recommended amending the federal conditions to require underwater noise mitigation and monitoring for all impact pile driving with the potential to result in underwater noise. The Proponent committed to implementing mitigations measures and to monitoring underwater noise during pile driving, adjusting methods or adding mitigations if levels exceed 160 decibels.

ECCC expressed concern about the relevance of established water quality monitoring locations to the proposed expanded Marine Terminal Area.

ECCC also highlighted that the mooring lines and anchors could resuspend sediments, increasing total suspended solids and potentially affecting nearby benthic invertebrate communities. ECCC recommended that the Proponent conduct sediment and infaunal monitoring during construction and possibly operation. The Proponent noted that the catenary mooring system is similar to temporary vessel anchoring, which regularly occurs in the region. Their analysis estimates that installing the mooring system would disturb 869 m² of seabed during installation and that 1:1 year storm events (this will occur over 3 hours in every year) would disturb 2790 m² of seabed, which is about 0.01% of the 25 km² of seabed in Kitimat Arm of Douglas Channel. The Proponent asserts that sediment impacts would be localized and temporary.

4.1.3 IAAC's analysis and conclusions

Mitigation measures and conditions set out in the original [Decision Statement](#) will minimize impacts for fish and fish habitat. However, modifications to conditions 3.4, 3.5 and 3.11 would ensure that the Project changes would have minimal impact on marine resources.

Freshwater fish and their habitat

IAAC is of the view that, while some riparian clearing will increase, the proposed changes are not expected to significantly impact freshwater fish, their habitat, or water quality, as no instream works, channel realignments, or water withdrawals would occur.

Marine resources

IAAC recommends the broadening of conditions 3.5 (underwater noise management) and 3.11 (follow-up program on underwater noise and suspended particulates), which are specific to in-water pile-driving for the construction of the small craft jetty to all pile-driving in water and in the intertidal zone. Therefore, IAAC recommends the broadening of the scope of the conditions 3.5 and 3.11 by removing the references to the small craft jetty, which will result in these conditions applying to all pile driving activities in water or in the intertidal zone. Potential minor adverse effects related to sediments for all phases of the Project will also be mitigated through conditions 3.1 and 3.10 of the [Decision Statement](#)

IAAC also recommends removing the reference to the strut mooring system in conditions 3.4 so that the modified condition 3.4 will now apply to all types of mooring systems.

4.2 Migratory birds

Effects to migratory birds were assessed during the original impact assessment of the Project and mitigation measures and follow-up requirements were developed. The [Decision Statement](#) includes conditions related to migratory birds (section 4).

4.2.1 Proponent's assessment

The Proponent is of the view that the proposed changes would not significantly impact migratory birds or their nesting. The Proponent asserts that relocating the alternative transmission line downslope would mean that marbled murrelet nesting habitat would no longer be impacted. Additionally, the reduction in habitat availability for old forest songbirds would be less than previously assessed, as old forest would no longer be affected.

The Proponent predicts the loss of young forest songbird habitat within the marine terminal Local Assessment Area would increase from 9.1% to 25.4% due to the relocated and widened alternative transmission line and new distribution powerline. However, the Proponent argues, these species are adapted to early seral, recovering forest conditions, and thus some are expected to use the maintained habitat within the transmission line right of way after construction. This songbird community does not include species of conservation concern under the SARA.

The Proponent does not expect the alternative transmission line and the addition of the distribution powerline to alter marine bird habitat, as there will be no new interactions with shipping, infrastructure or lighting, nor any effects on terrestrial habitat. Lastly, no pileated woodpecker nest cavities were identified during the 2024 wildlife surveys in the Project area.

4.2.2 Views expressed

ECCC asked for clarifications on the impacts on marine birds regarding the impacts on marine resources listed in the Project change application. ECCC recommended that the Proponent carry forward marine birds for further assessment, including a comparison of the potential impacts on forage fish and any subsequent links these impacts may have on marine birds. The Proponent responded to ECCC's

comment that although there is a change in proposed works and activities, there is no predicted changes in effects to marine resources, including forage fish.

Marbled Murrelet

ECCC requested that the Proponent confirm any potential loss of marbled murrelet suitable nesting habitat as a result of the amended Project design and elaborate on the potential impacts to marbled murrelet suitable nesting habitat as part of the construction of other infrastructure and temporary workspaces. Additional survey requirements were also identified as part of the original Application to confirm the extent of marbled murrelet suitable nesting habitat impacted by the Project prior to construction. ECCC recommends that the Proponent confirm these surveys will still be conducted to address gaps in the baseline data and predicted areas of suitable nesting habitat loss.

The Proponent responded that no other infrastructure, temporary workspaces, or other Project activities are predicted to interact with marbled murrelet suitable nesting habitat. Nesting habitat suitability was assessed in the Project Amendment Application as low for marbled murrelet. The areas of the Amendment components with potential for negative effects on habitat for other wildlife indicators (e.g., moose winter shelter, marten living, bats roosting and foraging, and old forest songbird community) do not overlap with habitat requirements for marbled murrelet.

4.2.3 IAAC's analysis and conclusions

IAAC is of the view that the alternative transmission line proposed in the Amendment Application avoids the marbled murrelet nesting habitat, which is a migratory bird and threatened species under SARA. IAAC is in the view that this change reduces a negative effect that was part of the initial [Impact Assessment](#).

4.3 Indigenous Peoples

The Kitimat region, located on the northwest coast of British Columbia, has been home to Indigenous Peoples for thousands of years. This area is part of the traditional territories of the Haisla Nation, the Haida Nation, as well as the Coast Tsimshian First Nations which includes the Gitga'at, Kitselas, Kitsumkalum, and Metlakatla. They overlap and/or share territories with their neighbours, namely the Lax Kw'alaams and Gitxaala First Nations, as well as the Métis Nation BC.

4.3.1 Proponent's assessment

The Proponent's Amendment Application focused on evaluating potential effects on physical heritage and Haisla Nation's interests, as the proposed Project changes would not overlap the territory of any other Indigenous group and there are no proposed changes to employment for the Project.

The Proponent's 2024 heritage survey identified two new archaeological sites within the alternative transmission line area, but none in the distribution powerline right-of-way. The number of affected culturally modified tree features increased from one to four across three sites, but two are low-significance stumps from historically logged trees. The Proponent has committed to avoid or mitigate all known heritage sites and follow a chance find procedure if new sites are discovered. Haisla Nation has not raised



specific heritage concerns, and the Proponent does not anticipate any residual adverse effects on heritage or culturally important sites.

Most clearing activities would occur on private lands currently inaccessible for traditional activities. The Proponent expects traditional plant species to persist post-construction. The Proponent does not expect the Project to significantly impact culturally important species, freshwater fish habitats, or Haisla Nation's ability to access harvesting sites. Temporary access restrictions would be in place during construction and operation and the Proponent asserts that, while the landscape would be visually altered, no new lighting impacts would occur. The Proponent assessed noise-related health risks as minimal and deems existing mitigation measures effective.

The Proponent is of the view that as a Haisla-owned project, the proposed changes align with Haisla Nation's governance and decision-making over its traditional territory. The Proponent reports that engagement with Haisla Nation confirms that there is no change in the effects and impacts identified during the previous assessments.

4.3.2 Views expressed

In February 2025, IAAC received initial views from the Kitselas First Nation. IAAC anticipates that further comments will be shared following the posting of this draft analysis report, which would inform the final Analysis Report.

Despite the overall increase in area of vegetation cleared, Kitselas First Nation supports the resulting reduction in affected old forest, ecological communities at risk, and wetlands. However, as the proposed changes would result in an increase in carbon emissions by 62% from the Project construction phase, Kitselas encourages the Proponent to consider carbon offsets. Kitselas First Nation also supports the use of grid electricity rather than diesel generators that the new distribution powerline would allow for during the construction phase.

As the footprint of the anchor blocks and area of seabed disturbance resulting from anchor chains would be increased, Kitselas First Nation recommends surveying the habitat within the area to be affected preceding construction to ensure additional habitat compensation measures are not required.

Kitselas First Nation expects that management plans and ongoing monitoring programs will be updated to account for any new potential impacts related to the Project changes. The Proponent thanked the Kitselas Nation for their comments and provided additional references and information regarding the assessment of marine resources and habitats in relation to the Project changes. The Proponent committed to update the Kitselas Nation on the Project in the future.

4.3.3 IAAC's analysis and conclusions

IAAC is of the view that the proposed changes to the Project are unlikely to cause adverse impacts on the exercise of Rights of Indigenous peoples beyond those assessed during the environmental assessment. IAAC is also of the view that the mitigation measures and follow-up program requirements included in the [Decision Statement](#), combined with the recommended amendment of condition 6.1 related to physical and cultural heritage and structures, sites or things of historical, archaeological, paleontological or architectural significance that need to be amended in order to include the new components of the alternative



transmission line and the distribution powerline (see table 1), are sufficient with respect to mitigating potential impacts to Rights of Indigenous peoples in relation to the proposed changes to the Project.

5. Conclusion

IAACs preliminary conclusion is that, based on the information provided by the Proponent, DFO, ECCC and Indigenous groups, the proposed changes to the Project are not likely to cause significant adverse environmental effects taking into account existing mitigation measures and follow-up program requirements identified as conditions in the [Decision Statement](#). Proposed changes to the Project are also not anticipated to cause any changes to environmental effects and impacts to the exercise of Rights of Indigenous peoples identified in the initial [Assessment Report](#).

Given that the Project changes are captured by the amended Description of the Designated Project as currently recommended by IAAC in Schedule 1 of the Draft Proposed Amended Decision Statement, the conditions included in the [Decision Statement](#) will also apply to the proposed changes to the Project.

In addition, IAAC recommends amending conditions 3.5 and 3.11 to remove the reference to the small craft jetty and to add a reference to the intertidal zone so that these conditions apply to all pile driving activities in or near water. IAAC also recommends removing the word “strut” in condition 3.4 so that the condition applies to all types of mooring systems since the Proponent confirmed that they will move ahead with a different type of mooring system and in condition 6.1 to include the new components of the alternative transmission line and the distribution powerline. A summary of the proposed amendments to the conditions is presented in Table 1.

TABLE 1. PROPOSED AMENDMENTS TO CONDITIONS

Current Decision Statement (2024)	Proposed Amendment (2025)
<p>3.4 The Proponent shall install any pile required in the intertidal zone for the floating LNG facility strut mooring system in a manner such that installation occurs in dry working conditions at all times.</p>	<p>3.4 The Proponent shall install any pile required in the intertidal zone for the floating LNG facility strut mooring system in a manner such that installation occurs in dry working conditions at all times.</p>
<p>3.5 If the Proponent opts to build a small craft jetty as part of the Designated Project, the Proponent shall manage underwater noise from the building of the jetty in a manner that avoids injury to or mortality of fish and marine mammals. In doing so, the Proponent shall:</p>	<p>3.5 If the Proponent opts to <u>build a small craft jetty</u> any structure that requires pile driving in <u>water or in the intertidal zone</u> as part of the Designated Project, the Proponent shall manage underwater noise from the building of the jetty in a manner that avoids injury to or mortality of fish and marine mammals. In doing so, the Proponent shall:</p>
<p>3.5.1. conduct any in-water work only between September 1 to February 15 of any year during</p>	<p>3.5.1. conduct any <u>work</u> in-water <u>work or in the intertidal zone</u> only between September 1 to</p>

<p>which in-water work required for the building of the jetty shall occur;</p>	<p>February 15 of any year during which <u>such in-water work required for the building of the jetty shall occur;</u></p>
<p>3.5.2. use vibratory pile driving to install the piles required for the jetty, unless not technically feasible, as determined by a Qualified Professional;</p>	<p>3.5.2. use vibratory pile driving to install the all piles <u>required for the jetty located in water or in the intertidal zone</u>, unless not technically feasible, as determined by a Qualified Professional;</p>
<p>3.11. If the Proponent opts to build a small craft jetty as part of the Designated Project, the Proponent shall develop, prior to construction of the jetty and in consultation with Indigenous groups and relevant authorities, and implement, during construction of the jetty, a follow-up program with respect to adverse federal effects on marine fish and marine mammals from underwater noise and suspended particulates caused by the building of the jetty.</p>	<p>3.11. If the Proponent opts to <u>build a small craft jetty</u> <u>install any piles in water or in the intertidal zone</u> as part of the Designated Project, the Proponent shall develop, prior <u>to construction of the jetty</u> <u>installation of such piles</u> and in consultation with Indigenous groups and relevant authorities, and implement, <u>during construction of the jetty</u>, a follow-up program with respect to adverse federal effects on marine fish and marine mammals from underwater noise and suspended particulates caused by the <u>building of the jetty installation of these piles.</u></p>
<p>6.1 The Proponent shall develop, prior to construction and in consultation with Haisla Nation, a Chance Find Procedure to implement in the event that suspected physical and cultural heritage resources (including culturally modified trees and physical evidence of human habitation or use) and structures, sites or things of historical, archaeological, paleontological or architectural significance are discovered by the Proponent, or brought to the attention of the Proponent by another party, within the local assessment area for heritage resources shown on Figure 7.13.1 of the Application during construction. As part of the procedure, the Proponent shall develop and implement procedures respecting the handling, recording, transferring and safekeeping of any discovery, including procedures to prevent unauthorized access to any such discovery.</p>	<p>6.1 The Proponent shall develop, prior to construction and in consultation with Haisla Nation, a Chance Find Procedure to implement in the event that suspected physical and cultural heritage resources (including culturally modified trees and physical evidence of human habitation or use) and structures, sites or things of historical, archaeological, paleontological or architectural significance are discovered by the Proponent, or brought to the attention of the Proponent by another party, within <u>the local assessment area for heritage resources shown on Figure 7.13.1 of the Application the Designated Project (Figure 2 of Schedule 1 of the Decision Statement)</u> during construction. As part of the procedure, the Proponent shall develop and implement procedures respecting the handling, recording, transferring and safekeeping of any discovery, including procedures to prevent unauthorized access to any such discovery.</p>

Additional amendments are recommended to support translation consistency. Those proposed amendments, in addition to the amendments related to the Project changes, are presented in the Draft Proposed Amended Decision Statement.