Minutes of Community Information Forum (CIF) Meeting Crest Hotel

Wednesday, October 18, 2017 5:00 p.m. – 6:30 p.m.

Jankan and Jankan and

Members present

Brian Musgrave
Sarah Dantzer
Mark Rudderham
Luanne Roth
Michal Sluka
Ken Lippett
Peter Freeman
Dan Harris
Bill Mounce

Guests: Jacob Hardy, Marketing Manager, Wolverine Terminals

Serge Brisson, President, Wolverine Terminals

Bart deFreitas, Golder & Associates

PRPA staff Present Ken Veldman

Krista Ediger

Regrets Ken Shaw

Sebastian Paquet Mike Slubowski Ralph Weick

Don Scott

Sheila Gordon Payne

Harry Young
Christine Danroth
Bob Payette
Henry Clifton
Richard Mellis

1. Call to Order

Ken Veldman called the meeting to order at 5:00 PM.

2. Last Meeting

Minutes

The September 19, 2017 minutes were circulated and accepted as presented.

3. Prince Rupert Marine Fuels Project

Jacob Hardy presented an overview of Wolverine Terminals' proposed Prince Rupert Marine Fuels Project, which is currently undergoing an Environmental Assessment as determined by CEAA 2012. A copy of the presentation is attached to the minutes.

Q. Why do you need to move the barge before decanting product from rail cards to the storage barge?

A. The barge needs to move away from the Aquatrain terminal to be considered moved off the CN Mainline.

Q. Are you sharing the Aquatrain facility with other traffic?

A. Foss Marine will continue to operate their Aquatrain barge to Alaska approximately 2x per month.

Q. Will the operation result in CN rail congestion in the Aquatrain area?

A. The rail cars would be added to the current daily manifest (i.e. mixed cargo) train to the Port. The number of cars is shorter than the current Aquatrain use, so it should not impact the rail crossings in front of the Ferry operations. In addition, the custom barge design should result in loading times approximately 50% of current Aquatrain use, an estimated 60-90 minutes.

Q. Will there be weather restrictions on operations?

A. Yes, but the storage capacity of the barge will provide flexibility for supply disruptions.

Q. Will heavy rain impact containment of polluted water?

A. Each car space on the barge has a sump to manage spillage.. The perimeter of the vessel also has conatainemnt ability. The collected water is treated before discharge. In addition, the barge would have surround booming in the water as a preventative measure.

Q. What is the capacity for the barge?

A. Storage barge capacity is 12,500 metric tonnes--10,000 MT in the barge, and 2,500 MT in the cars. Each car has approximately 100 MT of cpacity. The fuel distribution barge has a capacity of 4800 MT

Q. Does the storage barge have onboard power?

A. The storage barge will connect to land utilities, and will also have a backup generator on board.

Q. What fuels will be stored on the barge?

A. Fuels will include standard bunker fuel (IFO 380) and marine diesel (low sulphur content). The ability to provide low sulphur marine diesel will eliminate the need for current exemptions to vessels that have not been able to access it.

Q. Where are ships fueled now?

A. Primarily in Asian ports or Vancouver/Puget Sound on the North American side.

Q. How will the price of fuel compare with Asia?

A. Vancouver currently competes with Asia, and prices expect to be competitive with Vancouver. The price will change on a vessel by vessel basis.

Q. Is vessel loading and unloading impacted by refuelling?

A. Required vessel loading procedures would impact loading, but it depends on the cargo and the terminal.

Q. Will the use of LNG fuel in vessels affect the business model?

A. It is not expected to in the foreseeable future, the use of LNG fuel will primarily be a niche market.

Q. Will the Aquatrain facility be used at night?

A. CN prefers to load at that facility during daytime hours, and has not done a nighttime loading over the past year. Based on that preference, and a preference for 7 AM to 10PM operational shifts, it is expected it would be rarely.

Q. Will Wolverine own its own tugs?

A. Options have not been evaluated yet, but could be a contract or self-own.

Q. Will the fuelling service be available for tugs or recreational boats?

A. That service is currently offered locally, and is not in Wolverine's current plans.

Q. How many tugs will be required for the barge?

A. Final number is dpendent on fainalization of operational plans, but it is expected to be from one to three.

Q. At what stage would would a final investment decision be made?

A. It is expected an FID would coincide very closely with completion of the regulatory review process. Wolverine does not see this opportunity as dependent on a commodity price window.

Q. Would Wolverine consider expansion of capacity in the future?

A. The current design of infrastructure and equipment would facilitiate a doubling of expected demand.

Q. How many jobs be associated with the operations?

A. A base level of 13 full-time jobs (i.e. General Manager and 3 shifts of 4) that would cover two daily shifts between 7 AM and 10 PM. This does not include tug employees.

Q. Given the proposed location, does Westview Terminal still have room to expand?

A. Yes, although an expansion could restrict some access to the site.

Q. What would fire-fighting response to the facility look like?

A. Full details will need to be incorporated into both the final engineering design and the operational plan. The product has a high 'flash point', resulting in low flammability risk.

Response plans would be based on fire supporession on barge and tug-based response options.

Q. How long will it take to decant product from the rail cars to the fuel storage barge?

A. Approximately 4 to 6 hours, which would occur every 2 to 3 days as new cars are delivered.

Q. Where will the barge be built?

A. Shipyard not determined yet, and won't be until after final engineering is complete. The relatively small size of the vessel provides flexibility in availability of vendors.

Q. Is specialized training required for employment?

A. Each shift will need at least one steam ticket, but the remainder of the shift will likely be a low barrier to entry but will require propensity for computers and math. On-the-job training will be provided, and is expected to take 6 months.

Q. What will 'off-hours' security look like?

A. The facility will be locked off every night. The barge's steam system only operates when individuals are on shift.

Q. Will the rail cars need to be customized?

A. The product would be shipped in DOT 117 cars (new standard for oil products), which include both a head impact shield and thermal shield. Wolverine will likely own the cars.

Q. Where will fuel be sourced from?

A. The source is expected to be dynamic, buying competitively to get the best price. Potential locations include BC, Alberta and Chicago.

Q. What construction will be required in Prince Rupert (i.e. in addition to barges)?

A. The facility will require 3 mooring dolphins and a gangway.

Q. Will Wolverine consider engaging with Northwest Community College for potential training partnerships?

A. Yes.

Q. Can operations be handled at all tides?

A. Tide levels will restrict usage of the Aquatrain facility, which occurs in the middle of the tide window (e.g. 8 to 24 foot band). The customized barge should offer a larger window than the current Aquatrain barge.

Q. What are the potential impacts related to smell and noise?

A. The operation is designed to contain all product vapours., and venting has filters to capture odours. Machinery will be muffled with soundproof materials to minimize sound. Lighting will be limited and directed. Custom engineering and design of the barge provides ability to address all of these issues more effectively.

Q. Can concerns raised from the public comment period be shared to increase common visibility of issues that may be raised?

A. Wolverine plans to document all of the questions (and potential answers) as the project moves through the process. First priority is to ensure any member of the public has multiple ways to provide input to the process in a way they are comfortable with (i.e. open house, email, written submission, etc.)

4. Next Meeting

a) **Proposed next meeting date** – Wednesday, November 22, 2017 at the North Coast Convention Centre.

The meeting adjourned at 6:45 PM.