

Minutes of Community Information Forum (CIF) Meeting
North Coast Convention Centre
Wednesday, March 1 2017
5:00 p.m. – 6:30 p.m.

Members present

Ken Shaw
Bill Mounce
Mike Slubowski
Ralph Weick
Luanne Roth
Michal Sluka
Sarah Dantzer
Harry Young
Don Scott
Brian Musgrave
Dan Harris

PRPA staff Present

Ken Veldman
Brittany Pederson
Charlene Hamilton

Regrets

Peter Freeman
Ken Lippett
Bob Payette
Sheila Gordon-Payne
Sebastien Pacquet
Henry Clifton
Richard Mellis
Mark Rudderham
Christine Danroth

1. Call to Order

Ken Veldman called the meeting to order at 5:05 PM.

2. Last Meeting

○ **Minutes**

The January 18, 2017 minutes were circulated and accepted as presented.

Business arising from the minutes:

- **PNW LNG/Lelu Island:** PNW LNG is still conducting a review of their project with the objective of capital cost reduction, including options related to alternative berth sites. There are significant hurdles that need to be addressed to enable an active proponent investigation of alternative berth sites, which has not yet commenced. PRPA is engaged in that discussion. Veldman also provided an update on the benefit agreements signed by Lax Kw'alaams and Metlakatla with the BC government linked to the operation and construction of PNW LNG.

Q: Will the proponent continue to conduct their baseline surveys as per the CEAA conditions?

A: Veldman will get more information about baseline survey activity.

Q: It is understood that they are looking at alternative options to cut costs, but if environmental authorities wanted the project moved, would they consider relocating?

A: A request like that would be outside an authority's scope. The proponent has a project design that was assessed by CEAA and determined not likely to cause significant environmental impact. The proponent's current evaluation of alternatives are being driven by economic considerations.

Q: What is the project update for the BG (Shell) site on Ridley Island?

A: While this project is significantly less advanced than the PNW project, the proponent continues to advance aspects of their project development. (Of note, BG's legal rights on Ridley Island would impact potential berth options for PNW.) PRPA's project development agreement with BG ensures that the proponent is meeting deliverables in terms of project advancement.

Q: What is the EA process currently for the BG (Shell) project?

A: They haven't entered the CEAA process yet. Shell indicated after its acquisition of BG (and that project) that they would evaluate their new (expanded) portfolio from a global perspective. Of note, Shell's LNG Canada facility in Kitimat has completed its EA.

Q: With regards to the PNW LNG project and alternative berthing sites, what would pipe LNG from Lelu Island to Ridley Island look like?

A: That would be determined by the proponent's investigation. One of the considerations would be a crossing of Porpoise Channel and its impacts on navigation, and that discussion would involve PRPA and Transport Canada. Of

note, previous PRPA work on navigational safety in that area indicates that big ship navigation is a challenge, so mitigation may not need to address that potential.

- **AltaGas-** Construction is scheduled to begin before the end of March, with much of the initial activity focused on demolition of existing storage tanks. AltaGas (and other port-related companies included their camp provider LandSea) are engaged with Coast Tsimshian First Nations on March 7 and 8 for a career fair. A similar event is expected in the community at a later date.
- **Community Information Forum & Public Communication-** Brittany's engagement in Community Information Forum will facilitate a more proactive approach to CIF's public profile.
- **Ridley Island Sediment Pond-** In response to a previous question regarding PAH and metal testing of water samples, Veldman noted that those tests were not conducted. Testing was limited to dioxins and furans.

3. Green Wave Noise Incentives and Mariners Guide to Whales

- Veldman provided background to PRPA's expansion of environmental initiatives related to whales and marine mammals. PRPA worked with Port of Vancouver, Vancouver Aquarium and others to produce a guide for mariners and vessel operators that provides information and recommendations of procedures to minimize vessel interaction with marine mammals. (The guide is available online.) In addition, PRPA's Green Wave program has been expanded to incorporate financial incentives to reduce vessel noise that may impact marine mammals. Similar to incentives for reducing air emissions, the program considers hull and propeller designs, and gives rebates for vessels incorporating those newer technologies. Many of these technologies have been led by industry, and it's hoped that the financial incentive will incent both use of existing new technology and further innovation.

Q: Are LNG docking vessels quieter than a docking tug? Acoustic signature of the vessels not included in the EA.

A: Veldman will inquire.

4. Seal Cove Slough

- PRPA is considering habitat compensation options related to the development of the Fairview-Ridley Island Connector Road. Seal Cove Slough is an area that may be an appropriate consideration for compensation through rehabilitation, pending DFO's

agreement. PRPA has engaged with the City to investigate whether this would fit their long term plans, including design and recreational values they would want considered beyond rehabilitation. In addition to advancing the City's goals for this area, this project may have the potential to compliment the proposed larger interconnected trail network around Kaien Island, including Rushbrook Trail.

Q: Will wetland habitat need to be replaced?

A: It is primarily a different type of habitat related to the area where the Connector Road would be built. Compensation regulations require impacted habitat to be replaced with similar habitat, which can sometimes be a challenge in the region. There is always an option to compensate in a different region of the province, but we prioritize keeping it local.

Q: Can the Cow bay slough project be involved in a compensation rehabilitation?

A: The Cow Bay slough's private land ownership makes a compensation project difficult.

Q: There have been reports regarding fish that have died during the Fairview Container Terminal expansion construction. Is there any update on that issue?

A: PRPA is aware of the report, but have little information on the DFO investigation at this point, but we would be engaged as required along with DP World and FRPD-Bel Construction.

Q: CN has a plan to polymerize oil into a different structure. Will that create new opportunities?

A: CN has been reportedly researching and developing a process that would convert oil to a solid that isn't flammable, wouldn't dissolve in water and would float. These properties could dramatically change the incident response risks involved with transporting oil. When PRPA is briefed further on this technology and product, we can introduce it as a topic for a future CIF agenda.

Q: With regards to Watson Island, what was the announcement the mayor of Prince Rupert made today?

A: The City provided an update on the remediation of the pulp mill, but PRPA does not have any engagement with activities on that site.

Q: Could compensation work could be done at the Watson Island site instead of/in addition to the Seal Cove Slough site?

A: Not sure of the viability of that option, Veldman to see if there is any opportunity or if any research has been done at that site to date.

Q: In terms of recreational space, is there any options for recreational activity at the Barret Point Fort site on Kaien Island?

A: Given liability issues (at both the site and the access), and the site's proximity (in particular the access trail) to potential future port development, Barret Point is an area that represents a challenge to develop for public recreation or for tourism purposes.

Q: Regarding the public plaza in the Cow Bay area, are there any updates?

A: PRPA has not yet made a decision on its future office plans, which will inform our initial actions with regards to the public plaza. However, we are still committed to investing in those properties from a public perspective, including the southern extension of the Atlin boardwalk and the beautification of the current parking lot area.

Q: Is the new security building providing insight into what cost projections and actual costs are for building a new property?

A: In some respect, but this is a different justification. The security building isn't just office space, it's tied directly into the expansion of trade infrastructure and our safety and security mandate in the gateway. Office space doesn't have that same kind of economic payback.

Q: Does China's lack of regulations about Sulphur content in vessel fuels impact us? Will it impact the availability of future bunkering opportunities in Prince Rupert?

A: Regulations are specific to where the fuel is used, as opposed to where it is purchased. Governments in North America and EU have taken steps to regulate ship and port emissions or launched programs to encourage low sulfur fuel and clean technologies. On a global level, the International Maritime Organization (IMO) under the United Nations has adopted ocean shipping emission regulations for particulate matter, sulfur oxide and nitrous oxide, and designates four regions as Emissions Control Areas (ECA) – special areas with strict limits for ship emissions – including North America.

Bunkering opportunities aren't really impacted by these regulations, opportunities are primarily a function of having enough demand. Vessels take on fuel in other ports of call, instead of Prince Rupert, but there is potential for bunkering services for PRPA in the future. Our current 500 vessels visits a year likely puts on the cusp of where a bunkering facility makes business sense, so future growth may make that a viable possibility soon.

5. New Business Roundtable:

- a) **Chamber Presentation:** PRPA President & CEO Don Krusel is scheduled to present to the PR & District Chamber of Commerce on March 15.
- b) **Federal Budget:** The federal budget is likely coming down March 22nd, including confirmation of funding and timing for Phase 2 of the Build Canada fund, accompanied by more program criteria and details.
- c) **Canadian Ambassador to Japan:** Ambassador Ian Burney was in town for a Port visit a week ago. Much of the metallurgical coal exported by RTI is destined for Japan and their steel making facilities. The Ambassador was optimistic about Japanese investment intentions in Canada, and its preference for Canada as a trading partner given the geopolitical risks it is currently facing. In particular, it has a growing interest in Canada's energy and agriculture potential, which makes Prince Rupert a key supply chain interest for Japan.

Last topics for discussion:

Q: Are we reviewing the CN access to the waterfront file? Do we have any updates?

A: CN does not have a desire to engage their properties into recreational activity. The city has a renewed focus on advancing waterfront access planning and PRPA will take their lead by investing into projects identified and prioritized by that process.

Q: Is there a connector road update?

A: Final engineering and design is substantially complete and the project is ready for tender. We are seeking investment from the federal Build Canada fund for this project, assuming it meets its criteria. We expect to break ground in 2017.

Q: Will this project enable CN to expand future Fairview sidings?

A: Yes, it will ensure that if CN wants to add more sidings it will have the ability to do that.

Q: 30,000 people a year are moving to BC- filling construction jobs in the lower mainland. We need nice public amenities to attract people to this city. There are undesirable sights within our city limits, we've seen some good improvements, but are still not where we need to be. We need large infrastructure projects to create growth but we also need desirable amenities in PR.

A: This is the mandate of PRPA's community investment fund. However, broad change is usually a function of economic growth, population growth and resulting

private sector investment in commercial property development. The port's growth will have a role to play in that indirectly.

6. Next Meeting

- a) **Next meeting date** – Wednesday, March 29 2017 at the North Coast Convention Centre
- b) **Meeting topic:** Presentation from PRPA representative Jason Scherr.

Meeting adjourned at 6:30 pm.