



**NORTH COAST REGIONAL DISTRICT  
SPECIAL BOARD MEETING AGENDA**  
Held via Teleconference  
On Wednesday, February 15, 2017 at 5:30 p.m.

---

**1. CALL TO ORDER**

**2. CONSIDERATION OF AGENDA (additions/deletions)**

**3. BOARD MINUTES & BUSINESS ARISING FROM MINUTES**

None.	---
-------	-----

**4. STANDING COMMITTEE/COMMISSION MINUTES – BUSINESS ARISING**

None.	---
-------	-----

**5. DELEGATIONS**

None.	---
-------	-----

**6. FINANCE**

None.	---
-------	-----

**7. CORRESPONDENCE**

7.1 Brian Hansen, ADM, Ministry of Natural Gas Development & Duncan Williams, Executive Director, Ministry of Forests, Lands and Natural Resource Operations – North Coast Official Community Plan	Pg 1-3
--	--------

**8. REPORTS / RESOLUTIONS**

None.	---
-------	-----

**9. BYLAWS**

None.	---
-------	-----

**10. LAND REFERRALS / PLANNING** *(Voting restricted to Electoral Area Directors)*

None.	---
-------	-----

**11. NEW BUSINESS**

11.1	North Coast Regional District Draft Correspondence to B. Hansen, ADM, Ministry of Natural Gas Development & D. Williams, Executive Director, Ministry of Forests, Lands and Natural Resource Operations – RE: North Coast Official Community Plan	Pg 4-6
------	---	--------

**12. OLD BUSINESS**

None.	---
-------	-----

**13. PUBLIC INPUT****14. IN-CAMERA**

None.	---
-------	-----

**15. ADJOURNMENT**



February 9, 2017

Barry Pages, Chair, and  
North Coast Regional District Board  
14 - 342 3rd Avenue West  
Prince Rupert, British Columbia  
V8J 1L5

Emails: [info@sqcrd.bc.ca](mailto:info@sqcrd.bc.ca); [dfish@sqcrd.bc.ca](mailto:dfish@sqcrd.bc.ca); [cao@sqcrd.bc.ca](mailto:cao@sqcrd.bc.ca)

Dear Chair Pages and the North Coast Regional District Board:

We appreciated the opportunity to further discuss the North Coast Official Community Plan (OCP) and the associated Dodge Cove Local Area Plan (LAP) with the North Coast Regional District staff on February 1, 2017. The implications of the proposed North Coast OCP and associated Dodge Cove LAP on the use of provincial Crown land are of significance to several agencies within the provincial government. The Province's ability to determine how to utilize Crown land into the future can have serious consequences on the interests of all British Columbians.

We have a high-level of concern with the amendments to the OCP, which will affect the proposed Aurora LNG Facility Development. The Province takes an integrated approach to LNG development. Several provincial agencies have collaborated to provide this response, including the Ministry of Forests, Lands and Natural Resource Operations, the Oil and Gas Commission, and the Ministry of Natural Gas Development.

We understand the Regional District's consultant for the proposed OCP, initiated referral and consultation efforts with the relevant levels of government; however key consultation with the Ministry of Natural Gas Development, as well as key business lines responsible for LNG facility development within the Ministry of Forests, Lands and Natural Resource Operations did not occur. The LNG facility development is one of the most significant proposed land uses in the area as well as one of the key themes within the OCP and LAP.

The proponent for the Aurora LNG project – Nexen Energy ULC – has indicated they have met with the Regional District several times since December 2014 to discuss the project and community engagement. This included discussion regarding the proposed development's layout and potential conflicts with the proposed OCP and LAP amendments.

The proposed OCP and associated LAP for Dodge Cove provides for Industrial Special Study Areas to "allow for identified projects to continue their environmental, economic feasibility, community consultation and assessment processes." We are concerned that the OCP may result

---

**Ministry of Forests, Lands  
& Natural Resource  
Operations**

LNG, Crown Land  
Opportunities and Restoration  
Branch

Mailing Address:  
PO Box 9352 Stn Prov Govt  
Victoria BC V8W 9M1

Phone: 250 387-9730  
Fax: 250 356-6791

in local processes that create redundancies and conflicts with existing provincial and federal assessment and evaluation processes.

Also of significance are the proposed amendments to the policies within the existing Dodge Cove OCP and its boundary expansion. The amendments appear to attempt to prohibit key elements of the proposed LNG facility development, in an attempt to render the project infeasible. In particular we note the expansion of the rural designation to surround the majority of Casey Cove and the expansion of the Rural and Parks, Natural Amenities and Recreation designations to the west of the existing Dodge Cove OCP boundary prohibit the development of access necessary for the proposed Aurora LNG Export Facility.

The Crown is currently undertaking extensive assessment and decision making processes to determine whether or not to authorize the development and operation of the proposed LNG Facility sites identified in the OCP. The Province has entered into Sole Proponent Agreements with the two proponents in Electoral Area A, which provide the proponents with the exclusive right to move forward with the planning necessary to build LNG export infrastructure at their proposed facility sites. The Province has also issued authorizations allowing the proponents to use and occupy Crown land to investigate the suitability of the site for the development of an LNG facility.

The proposed LNG facility projects remain subject to regulatory approval and investment decisions by the proponents. Extensive investigative activities, assessment processes and consultation with local governments, communities and First Nations are still required prior to issuing approvals for either of the proponents to construct and operate an LNG facility. This includes the Environmental Assessment process, which addresses a broad range of environmental, economic, social, health and heritage issues through a single, integrated process. The Environmental Assessment process ensures the issues and concerns of all interested parties and First Nations are considered together, and that a project if it is to proceed, will do so in a sustainable manner.

These projects are at the early stages of the provincial project review processes for major projects and no decisions have been made with regard to the construction or operations of the proposed facilities. The OCP planning process has highlighted some key concerns that the Regional District has with the project. As stated in our recent call, this includes the impact of a proposed road corridor on the community of Dodge Cove's designated watershed. The provincial review processes that the projects are embarking on will ensure that extensive engagement with local government, First Nations and the public occurs and that their concerns and issues along with any potential significant environmental, economic, social, heritage, and health effects are thoroughly considered.

We strongly encourage the North Coast Regional District to deeply engage with provincial agencies through the Environmental Assessment process and additional assessment processes associated with the various permits the proponents will need to obtain to potentially move their projects forward.

We ask that the North Coast Regional District Board ensure its planning process is coordinated with the Province and defer its adoption of the North Coast Regional District OCP and associated Dodge Cove and Oona River LAPs until adequate consultation with the Province has occurred and the Province has completed its assessment and decision making processes on these significant projects.

We are aware the adoption process for the North Coast Regional District OCP and associated LAPs is underway with the public hearing and second and third readings scheduled to conclude by February 17, 2017. Due to this short timeline we request follow-up with the North Coast Regional District by February 10, 2017. Please contact Steven Stüssi, Licenced Land and Resource Planning Specialist, at [Steven.Stussi@gov.bc.ca](mailto:Steven.Stussi@gov.bc.ca) or 250 920-9386 to discuss next steps. If we have not heard back from the North Coast Regional District by February 15, 2017 we will ensure to contact you promptly. We look forward to continuing to work with you on land use in the North Coast.

Sincerely,



---

Brian Hansen, ADM & Lead Negotiator  
Energy & LNG Initiatives  
Ministry of Natural Gas Development



Duncan Williams, Executive Director  
Tenures, Competitiveness and Innovation Division  
Ministry of Forests, Lands and Natural Resource Operations

pc: Tara Faganello, Assistant Deputy Minister, Ministry of Community, Sport and Cultural Development  
Meggin Messenger, Executive Director Local Government Division, Ministry of Community, Sport and Cultural Development  
Paul Jeakins, Commissioner and CEO, Oil and Gas Commission  
Daniel Fish, Corporate Officer, North Coast Regional District  
Doug Chapman, Chief Administrative Officer, North Coast Regional District



**NORTH COAST REGIONAL DISTRICT**  
14 – 342 3<sup>rd</sup> Avenue West Prince Rupert, BC V8J 1L5  
Phone: (250) 624-2002 Fax: (250) 627-8493  
Website: [www.sqcrd.bc.ca](http://www.sqcrd.bc.ca)

February 12, 2017

Mr. Brian Hansen, ADM  
Lead Negotiator & LNG Initiatives  
Ministry of Natural Gas Development  
P.O. BOX 9318 Stn Prov Govt  
Victoria, B.C. V8W 9N3

Mr. Duncan Williams, Executive Director  
Tenures, Competitiveness and Innovation Division  
Ministry of Forests, Lands & Natural Resources Ops  
P.O. Box 9352 Stn Prov Govt  
Victoria, B.C. V8W 9M1

Dear Mr. Hansen and Mr. Williams:

**RE: OFFICIAL COMMUNITY PLAN FOR ELECTORAL AREA A & C – AURORA LNG PROPOSED PROJECT**

Your letter dated February 9, 2017 was received, via email, on February 9, 2017.

The North Coast Regional District (NCRD) Board understands and recognizes that you made an effort to contact NCRD Staff, and Staff of the Ministry of Community, Sport and Cultural Development about your concerns of the proposed Official Community Plan (OCP) for Electoral Areas A & C.

The Board of NCRD has reviewed the contents of your letter and would like to respond to several points made in your letter, and as well, inform you of items to which you may not be aware of, and to make clear what is required of the Ministries.

For the record, the NCRD followed the Local Government Act when dealing with, and working on, the OCP for Electoral Areas A & C. In other words, statutorily, criticism cannot be made concerning the process that the NCRD followed.

We are aware that the Province takes an integrated approach to LNG development and that the Ministry of Forests, Lands & Natural Resources Operations (FLNRO) and the Ministry of Natural Gas Development (NGD) are working cooperatively on the LNG project. At the beginning of our public consultation process, the Ministry of Forests, Lands and Natural Resources was one of the provincial ministries specifically contacted to participate in the OCP. Furthermore, both FLNRO and NGD were provided copies of the draft OCP and were asked to provide comments before bylaw adoption. In response, the NCRD received updated information concerning the footprint of the proposed Aurora LNG Project, to which we used those plans to amend the proposed OCP documents to reflect the LNG project boundaries. We are seriously concerned as to whether or not the two Ministries are working together. NGD should have been notified by the Staff at the FLNRO of our efforts to communicate during our public consultation process. We are disappointed that the Provincial process was flawed in that there was insufficient communication between the two Ministries.

The draft OCP and associated Local Area Plan (LAP) allows for the continuation of the environmental, economic feasibility, community consultation and assessment process. We are not trying to stop this from occurring. The process of administering the OCP, in our view, is not a process that creates redundancies and conflicts with existing provincial and federal assessment and evaluation processes. Provincial statute provides local governments the right to establish an OCP and related zoning bylaws to implement the OCP.

The proposed boundaries of the Dodge Cove LAP extend the Rural and Parks, Natural Amenities and Recreation land use designations to the west and to a small portion of Casey Cove to protect the communities longstanding recreational enjoyment of those areas. In our opinion, these people should be able to continue to enjoy their recreational pursuits and not to have their lives affected to a greater extent to what will occur when this project is approved by the Province. Furthermore, we are not aware of anywhere else in the world, where a government is deliberately placing a major industrial development to within 1.5 km of an established residential area. Dodge Cove has existed for over 100 years and yet the Province saw fit to enter into an exclusive right to move forward with the plan to build LNG export infrastructure at their proposed facility. We point out that there was not any public consultation prior to the Province signing this exclusive right.

A comment was made that the community would benefit from the resulting major industrial developments in our area. While we concede that the development will be occurring within the boundaries of the NCRD, you should be aware that the proposed site will be constructed mainly within the boundary of the Prince Rupert Port Authority, an organization, exempt from municipal taxation, established by the Federal Government. Along with this tax exemption and an unreliable grant in lieu of tax system, the various communities will be expected to provide the necessary infrastructure for those people who will have to move to our area to work.

The NCRD participated in the Environmental Assessment process that occurred on February 6<sup>th</sup> and 7<sup>th</sup>, with many other agencies and ministries. So far there appears to be many unaddressed concerns and areas that were never considered. One such concern is the protection of the watershed identified in your letter. The Ministry of Health shares our concerns for the protection of the community watershed (the main source of the Dodge Cove water system) and this is the key reason the LAP boundary has been expanded to the west. The location of the proposed road corridor going through the Dodge Cove designated watershed is unacceptable and would not be sustainable in the long term. An alternative route needs to be studied and developed. It is not enough to say that through the public consultation process that the concerns of all interested parties will be considered. The concerns of all interested parties needs to be addressed not just “considered”.

While the NCRD believes that its consultation process to date meets the requirements of the Local Government Act, at this point, the NCRD Board has decided to delay the public hearing and consideration of the adoption of the new Dodge Cove OCP until further consultation with the Ministry of Natural Gas Development and the Ministry of Forests, Lands and Natural Resources has occurred. It is expected that you will provide the names, email addresses, and mailing address of those individuals authorized to enter into this additional consultation with the NCRD concerning the OCP for Electoral Area A & C. In addition, we expect to receive the names of the authorized individuals within two weeks from the date when this letter is transmitted to you via email. It needs to be communicated, that it is up to the NCRD Board to determine the degree and extent of consultation that it considers is necessary. The NCRD does not anticipate that this further consultation with the Ministry will be protracted to the point where a decision must be made by the Province as to whether or not the LNG project will proceed before we have

concluded our discussions with you, and before the NCRD Board may proceed with further consideration of the OCP.

At this time, the NCRD has chosen to delay the public hearing process associated with Bylaw No. 608, 2017 and, as such, one will not be held in Prince Rupert on Thursday, February 16, 2017. The NCRD anticipates that, given the request from your Ministry, the costs associated with scheduling and advertising this public hearing will be recovered through the Province. NCRD staff will follow up with your staff on this matter.

If at any point the NCRD believes that the additional consultation we have agreed to undertake with the NGD and FLNRO becomes stagnated or unnecessarily protracted, the Board will be at liberty to determine that sufficient consultation has occurred and to consider adoption of the new OCP bylaw. Should this occur, and a decision is made by the Province to allow the LNG project to proceed, then the OCP bylaw will require an OCP Amendment. If your efforts to block the new OCP are successful, then the Dodge Cove OCP passed in 1990 (and amended in 1996) will remain in force and will be require an OCP Amendment to accommodate the LNG project.

Yours truly,

**NORTH COAST REGIONAL DISTRICT**

---

Barry Pages, Chair

cc: Tara Faganello, Assistant Deputy Minister, Ministry of Community, Sport and Cultural Development;  
Meggin Messenger, Executive Director Local Government Division, Ministry of Community, Sport and Cultural Development;  
Paul Jeakins, Commissioner and CEO, Oil and Gas Commission