

LNG Environmental Stewardship Initiative (ESI) Summary of Feedback Received

Purpose

The proposed LNG Environmental Stewardship Initiative (ESI) has been discussed with First Nations, the LNG Industry and the Federal Government since the proposal was announced in May of 2014. This document provides a summary of feedback received to date from First Nations and is intended to support transparent and collaborative development of the ESI. None of the content in this document represents a position of the Province, First Nations Governments, First Nations Associations or any other parties involved in ESI development. It is provided to facilitate ongoing dialogue about the development of the ESI proposal.

Source of Feedback on ESI

The content of this document is based on: discussions between some of the First Nations' and/or their representatives involved in natural gas related negotiations with the Province and the Provincial team responsible for ESI development or MARR negotiators; discussions with contractual expertise, and individual First Nations' and/or their representatives involved in natural gas related negotiations with the Province; as well as input on the ESI proposal from natural gas pipeline proponents.

ESI Vision – Summary of Feedback

- A. In ESI discussions to date, First Nations' and/or their representatives have expressed the need for an independent entity that can undertake collaborative projects that generate information on key environmental values;
- B. There is a shared view that new tools are needed that will create a positive legacy, noting that existing tools need to continue to be relied upon and that the ESI should not 'reinvent the wheel';
- C. First Nations' and/or their representatives generally agree that the ESI initiative could assist all parties in identifying and monitoring the risks to environmental values, collaborating on research and data development that supports ongoing analysis of risks, and providing a mechanism to respond to these risks with restoration projects or other management responses;
- D. An opportunity for a greater role for First Nations in ongoing monitoring, restoration, research and other projects has been identified; these could complement the implementation of regulatory processes for natural gas projects. There is also an interest from First Nations in utilizing the ESI to restore historic values and conditions within their respective traditional territories;
- E. There is broad support for improving collaboration between proponents, First Nations, and government agencies that would improve land management. First Nations and/or their representatives emphasize that it will take significant effort on the part of all parties to build the relationships required to manage those values that are of mutual interest to the parties.

ESI Structure – Summary of Feedback

- F. First Nations and/or their representatives have acknowledged the proposed elements presented in the May 6th Concept Paper produced by the Province of BC as generally share the perspective that they are key priorities (monitoring, research, restoration and stewardship skills). More work is need to refine those elements, how they will function and identify specific projects within each element;

- G. First Nations' and/or their representatives express the need for the ESI to be a consistent and ongoing initiative with stable long-term funding that supports the capacity of First Nations to undertake projects.
- H. First Nations' and/or their representatives have expressed desires for immediate financial and political commitments on the ESI as an essential initiative to be done simultaneously with the current negotiations for benefit agreements with the Province;
- I. First Nations' and/or their representatives have drawn linkages between the recent Supreme Court of Canada ruling on *Tsilhqot'in Nation v. British Columbia 2014* and the ESI. First Nations' and/or their representatives have expressed a desire to have ESI outputs influence land management in some manner;
- J. First Nations require a greater degree of clarity on the structure of any linkages between the ESI and the regulatory process and other Provincial stewardship programs.
- K. First Nations' and/or their representatives have expressed a desire for the ESI to be implemented through visible, outcome-based projects that create substantive results that positively affect First Nations communities. Suggestions for these types of projects include the following:
- i. *Territory specific projects* - These types of projects focus on restoring historic land that remain as priorities of First Nations;
 - ii. *Regional projects focused on cumulative effects in the upstream* – While the Province has a number of cumulative effects initiatives in the upstream, First Nations express ongoing concern about risks to key First Nations values Northeast. Interests have arisen to gain more understanding of existing initiatives that assess these types of effects, and to become more involved in a collaborative approach to risk assessment and appropriate management responses;
 - iii. *Baseline data development* – Improving baseline data required to assess and monitor key values in the North and developing new means of sharing data among First Nations, Industry and various levels of government. A ESI project to develop and share such data in key areas of the Province could be a foundational component of the ESI;

Summary of Outstanding Questions on the ESI Proposal

1. First Nations' and/or their representatives express concern over Provincial capacity to develop and implement an ESI initiative. First Nations' and/or their representatives express the need to have a more solid political commitment to the ESI that clarifies its funding level and structure. *Question: Once the ESI is more defined, what are the short/long-term commitments from the parties?*
2. While First Nations' and/or their representatives acknowledge the collaborative efforts by the Province to develop the ESI incrementally, beginning with the concept to more detailed development, more work on engaging all parties is needed for development and implementation. *Question: In addition to regional workshops and targeted interviews, how else should the parties be engaged?*
3. The linkage between the financing of the ESI and the success of various pipeline or natural gas developments has been raised as a concern. *Question: How will the level of investment into the ESI be reconciled with existing uncertainty over which and how many natural gas projects may eventually be developed.*