

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
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<b>PURPOSE</b>	Notes from a Small Group Meeting for the Woodfibre LNG Project Community Consultation held on February 5, 2014 at the Whistler Conference Centre, Whistler, B.C.
<b>FACILITATOR</b>	Chris Chok, Kirk & Co. Consulting Ltd.
<b>MEETING RECORDER</b>	Kai-lani Rutland, Kirk & Co. Consulting Ltd.
<b>PRESENTER</b>	Byng Giraud, Vice President, Corporate Affairs, Woodfibre LNG
<b>ATTENDEES</b>	Juan Carlos Gomez, Manager, Whistler Transit Kevin Sieders Matt Woods, Coastal Mountain Excavation Nigel Woods, Coastal Mountain Excavation Paul Boulanger Paul Dupont Rob Palm, President, Real Estate Association of Whistler Steve Mathews
<b>PROJECT TEAM ATTENDEES</b>	AG Gelotti, President, Woodfibre LNG Byng Giraud, Vice President, Corporate Affairs, Woodfibre LNG Alex Brigden, Project Director, Woodfibre LNG Marian Ngo, Manager, Communications and External Relations, Woodfibre LNG Calum McClure, Liquiline Reece Fowler, Golder Associates Carol Greaves, Manager, Community and Aboriginal Relations, FortisBC
<b>AGENDA</b>	1. Welcome and Review Agenda 2. Discussion Guide 3. Closing Remarks

<b>KEY THEMES</b>
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- Some participants were interested in more information about the FortisBC pipeline that would bring natural gas to the Woodfibre LNG Project, including its expansion, capacity, proposed routing and timing of construction.
- Some participants were interested in more information about the advantages of a floating LNG facility.
- Some participants asked about the benefits of the Project for residents of Squamish and Whistler, including whether jobs would be available to local workers. Some asked whether there could be language in construction contracts that specified use of local contractors.

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------------------------	---

- Some participants asked about the frequency of LNG carriers coming to and from the Woodfibre facility, requesting additional information about ownership of the carriers, whether they would be piloted by BC Coast pilots and the possibility of carriers being moored in Howe Sound. Some expressed concern about the impact of LNG carriers on recreational boaters in Howe Sound, suggesting a way to reduce these conflicts would be for LNG shipments to occur at night.
- Some participants were interested in the technologies that would be used to treat and liquefy the natural gas and how the water and contaminants removed from these processes would be disposed of.

*The record notes that the meeting was called to order at 1:02 pm.*

*(Abbreviations will be used and mean – Q: Question, A: Answer, C: Comment)*

## 1. WELCOME AND REVIEW OF AGENDA

*Chris Chok welcomed participants and explained the format of the meeting. Chris informed participants that the meeting was being recorded for accuracy and that questions and comments would be attributed to participants in the meeting notes.*

## 2. DISCUSSION GUIDE

- C: *Byng Giraud:* I work for Woodfibre LNG and I am responsible for things like this – community consultation and outreach. Like Chris said, this the third of these small group meetings. What we do is we walk through the guide, but if you have a question feel free. The walking through and the questions will take us the whole time. Starting on page two, it is important to note, this is a process we are undertaking ourselves, with additional consultation required at a later time by the government with the environmental assessment (EA) process. We are at the very beginning of this, only as of last Friday did we received a letter from the Canadian Environmental Assessment Agency that we are indeed part of their process. We just got our ticket to entry you could say. The next several months we will be putting together all of the information we need to make an application for an EA. The application is a long process and to make sure we have all of your concerns covered in our application we are doing these types of consultations. There will be many more consultation opportunities with more information as we move forward. The company we work for looked all over North America and narrowed down to B.C. to look for a LNG export facility. We were particularly looking for land with existing infrastructure. It is about a tenth of the size compared to the ones you read about up north. We chose this site because the FortisBC pipeline passes through the property, it has existing hydro lines, an existing deep water port (barges and ships have been coming in for over one hundred years), it is zoned industrial for employment and industry in official Squamish community plan and it is a brownfield site. The site had a lot of advantages. Project is to build this small-scale LNG facility.

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------------------------	---

What are we doing right now? We bought the property, not ours yet, from Western Forest Products for \$25 million. Within this, we have paid them about \$7 million to remediate the site. One of the conditions of us making the final purchase is that they need to provide a Certificate of Compliance from the Ministry of Environment. They have to cap landfills, remediate soils, water treatment, clean-up of the shoreline from dredging. That is taking place right now. The certificate of compliance has to be in hand before we take over the site. Alex and his team are looking at technologies, and what best technologies to use. We have to secure access to our gas. Buying gas up stream, and have arrangement with FortisBC for gas to come to us. The export license which we have secured, the federal government has approved how much gas we can export to sell. And initiating the EA process. With the EA we are still just in the beginning stages. Well over a year of work still on that. After when that is all said and done, then we will be able to have full access to the site.

- Q: *Kevin Sieders:* Where is the current pipeline route that goes to Woodfibre and what is it going to take to upgrade that?
- A: *Carol Greaves:* It is the line that was built to originally serve Vancouver Island, beginning in Coquitlam it comes through the watershed and river valley in Squamish, around the corner into Woodfibre then up to the sunshine coast, across to Powell River and then into Vancouver Island. The whole Vancouver pipeline is 602 km, we are proposing to upgrade about 52 km of that. And that starts just north of Coquitlam and right in to Woodfibre.
- Q: *Kevin Sieders:* Is this included as part of the EA?
- A: *Carol Greaves:* We are in the EA process right now.
- C: *Chris Chok:* And Kevin I will just point out that there are two projects, so the project that we are talking about today is the LNG facility itself and FortisBC has an application in to the British Columbia Environmental Assessment Office (BC EAO) for their pipeline.
- Q: *Kevin Sieders:* Is that for federal or provincial?
- A: *Carol Greaves:* It is provincial.
- C: *Byng Giraud:* Ours is both, theirs is only provincial.
- Q: *Matt Woods:* And is that project going ahead regardless of Woodfibre?
- A: *Carol Greaves:* No, it is conditional.
- Q: *Matt Woods:* Are you twinning the pipeline, Carol, or is it upgrading?
- A: *Carol Greaves:* We are building another pipeline for 52 kms, they will work together.
- C: *AG Gelotti:* It is called twinning, pipelines right next to one another.
- Q: *Matt Woods:* The existing pipeline that is in the watershed right now, is that a 12 inch line?
- A: *Carol Greaves:* Yes it is a 12 inch line.
- Q: *Matt Woods:* Are you going to put in another 12 inch line?
- A: *Carol Greaves:* No, we are not going back in to watershed at this time.
- Q: *Kevin Sieders:* You said you have already done dredging, will you require more dredging to be done for the depth of the ships that will be coming in?
- A: *AG Gelotti:* No.
- Q: *Kevin Sieders:* Won't have to at all? It is already deep enough?
- Q: *AG Gelotti:* It is one of the advantages of the site is that it is a deep water port. These ships draws about 11.5 metres of draft.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- C: *Reece Fowler:* You can get down to 200 metres very quickly there.
- Q: *Kevin Sieders:* You mentioned before that you haven't procured all of your contracts for natural gas (NG). What happens if you go through this whole process and can't sign contract to secure NG?
- A: *Byng Giraud:* We have two memorandums of understanding with brokers. They are companies that buy gas, and we have two agreements that we believe will be sufficient for our plant. We have no concerns that the gas will not be available.
- C: *Chris Chok:* Presumably if you couldn't get the supply you wouldn't build the facility?
- C: *Byng Giraud:* Yeah, we wouldn't go very far.
- C: *AG Gelotti:* When we are looking at the current supply and demand situation, and how much NG is produced and the forecast going forward, in terms of how much gas is being moved outside of Canada, one of the advantages of the small-scale facility is there is plenty of NG being produced that will fit the requirements of the facility.
- C: *Chris Chok:* We had this question yesterday – let's assume four big projects go ahead in the north, does this affect you? And does that mean that your project is less attractive?
- C: *AG Gelotti:* The new projects in the north don't affect us because they have to build new pipelines to serve those facilities. In our case we can use the existing pipeline. The capacity in the current pipeline in addition with the new pipeline will be sufficient. This facility will use around 300 million cubic feet per day, relatively small scale.
- Q: *Kevin Sieders:* And what is the capacity of the current pipeline? What can they currently supply you with?
- A: *AG Gelotti:* There is about 210 million cubic feet a day of firm capacity that FortisBC has that we could use for the line. Around an additional 40 million cubic feet a day and with additional expansion, can get it up to the level I was mentioning.
- Q: *Kevin Sieders:* What would be the capacity of the line you are putting in be? Would it be able to take what you need through the new one?
- A: *Carol Greaves:* Yes.
- A: *AG Gelotti:* If you look at the existing line that goes all the way to Vancouver Island the majority of the capacity that we need is already coming from the existing line.
- Q: *Kevin Sieders:* So why don't we just work with what is there? Why add 90 million cubic feet?
- A: *AG Gelotti:* Well by increasing amount of NG we can get to the facility, we can increase the amount of throughput to the facility – the cash flow – it obviously supports the project, economies of scale, makes it more competitive and adds business to FortisBC to be able to upgrade and improve their pipeline.
- Q: *Chris Chok:* But you have a license for a certain amount per year that you have been granted and for 25 years. So that is the maximum amount you can put through?
- A: *AG Gelotti:* Yes.
- C: *Byng Giraud:* About the site, this is a good helicopter picture of the site and what is there now. Why was it chosen? Brownfield site, access to all of those facilities we've been talking about. We're remediating soil, some upland portions, landfills, dredging of wood chips. One of the landfills has asbestos – hundred years of industrial work there. A lot of soil remediation that has to take place, some will just have to be capped. This site after the remediation would still have to remain an

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------------------------	---

industrial site. Could never be a residential or food production site, will always remain industrial. There is a water treatment facility there, we are dealing with some ground water issues that are there so this is being dealt with. We are assuming a lot of liabilities with the site. There is much of site we don't need, we will green it up a bit. There is creek on site that runs right through the middle, you wouldn't be able to do that today. We are going to rehabilitate that. We don't want any damage to the creek. We think it a good site for a lot of reasons and why we think in some respects we can improve it.

Q: *Paul Dupont:* Do you need water to that site?

A: *Byng Giraud:* We do and we have water licenses. Water will be used for plant operations.

A: *Alex Brigden:* We are at the early stages of the engineering process. There are options to use the water from the creek for the fresh water needs, but an alternative is to generate our own fresh water from the salt water.

C: *Byng Giraud:* We have licenses and again one of the advantages to the site, there is a current sewage treatment plant on site. It is still actually an operating site. There is still some work being done there. That building with the grey roof is actually a 2 megawatt generator system. Lots of permits on site.

C: *Calum McClure:* Perhaps Alex it is worth explaining, the system for cooling water and the requirements you expect will be.

C: *Alex Brigden:* For cooling water, which we use for refrigerant, the cooling water would be closed loop and the water would be kept in there adding water when needed. With air coolers which are closed loop there is no evaporation, it is just air flow.

C: *Chris Chok:* So you mentioned that there would be some water loss, can you just tell us, what is that from?

A: *Alex Brigden:* Some losses in natural operation of the system, some very small areas of evaporation and during maintenance some may have to be drained.

Q: *Kevin Sieders:* And where does that water go that you drain?

A: *Alex Brigden:* We have a water treatment plant, so any waste water is put through the water treatment plant and is treated to the requirements set by the government.

Q: *Kevin Sieders:* You mentioned that there were two creeks that you would be using?

A: *Byng Giraud:* If you see in the photo, the top right, it is a smaller creek called Woodfibre Creek. We have historical water licenses on that.

C: *Reece Fowler:* The Woodfibre Creek is about a fifth of the volume of Mill Creek, and because of the nature of the bed we haven't seen any spawning in it yet, but it has been inspected.

Q: *Kevin Sieders:* Will that be part of the EA?

A: *Reece Fowler:* Yes, it will be part of the EA.

C: *Byng Giraud:* We are going to get to more of that later in our discussion today.

On page 7, these are the elements of the project. This is where AG and Alex can probably help more. These seven elements are referenced in the chart below, we have: a gas metering station, as the gas comes from FortisBC; we will pre-treat the gas (the gas you have in your home has impurities, one of the things is the smell added by FortisBC for safety reasons), we will pretreat

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

before cooling; jetty; the liquefaction plant; storage system/floating storage; transfer system of gas to ships; power generation, storage, other infrastructure needed on site.

- Q: *Kevin Sieders:* The storage facility, is this a new design or has this been used in the past? And if used in the past, have there been any problems with that system?
- A: *Alex Brigden:* Floating storage systems are used in what is called regasification terminals, there are currently about 12 of these vessels in operation, and there has not been any incident with these vessels.
- Q: *Paul Dupont:* Are there any advantages to having it floating?
- A: *AG Gelotti:* One of the key advantages is having it constructed by one contractor in one facility or location. All of the fabrication and putting of the facility together you can have better oversight on the quality control and integrity of the project. That is one of the key reasons.
- Q: *Paul Dupont:* So this is going to be built elsewhere and brought in?
- A: *AG Gelotti:* Yes. And the liquefaction technology on board is a proven technology, it is not new. This particular process is very well proven and tested so it is not new.
- Q: *Paul Woods:* And is this built in B.C. or imported?
- A: *AG Gelotti:* Our plan is to have as much local content as we can with the project, to the extent that some of the fabrication or type of equipment is not available locally, we will have to access off shore?
- Q: *Chris Chok:* So this particular facility, is this something that can be built here in B.C.?
- A: *AG Gelotti:* Right now this facility would be built off-shore. There isn't the capability or shipyards for this facility to be built here so it would be built off-shore. It will be a competitive process.
- Q: *Paul Dupont:* I am just curious about what kind of technology it is, is it Canadian or from the US?
- A: *Alex Brigden:* Right now we are in the process of looking at two different engineering technologies, one from the US and one from Europe. Both have a long history of designing, constructing and operating these liquefaction plants.
- C: *Byng Giraud:* And just to point out there that it says preliminary project configuration. This is preferred as of today, but as they better understand the technologies, this could change. We can have a look at the FAQs after.

To page 8, people are obviously concerned about how they will be consulted and provide public comment. This is the first of many consultation sessions, with more to come in preparation for the EA, and as well during the EA. At least 4 consultation rounds that will happen before we get through the EA. The EA is more of the 'yes' or 'no' and the permits are the 'how'. Our anticipated timeline – we can see online with the BC EAO that we have filed to be entered in to the provincial and federal EA processes. Right now we are doing baseline studies, we have to understand what is there now, to assess our impact and look at ways to minimize or mitigate. Once into the EA process, we get a little more formal with working groups – meeting with First Nations, the regulators, community members and ourselves – we identify what the valued components of the community are through this. The valued components are the main things that they want us to assess in the EA and they have to be in our application. The working group completes their work, sets the community's priorities and then we file our application. We will file our application this

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

summer, the EA process will take us in to next year, if all goes well we will get access to the site with certificates in hand and can start construction on the site, then operations expected for first quarter of 2017. That is our hopeful timeline right now.

C: *Chris Chok:* Any questions?

Q: *Kevin Sieders:* What are the economic benefits for Squamish/Whistler? This is going to have a big impact on us. Is it worth it for us?

A: *Byng Giraud:* In all industrial projects there are impacts and that is what we have to measure, and of course we are putting forth what we think are the benefits. In terms of work, two years of construction approximately 300 jobs for two years.

Q: *Kevin Sieders:* Are these local workers?

A: *Byng Giraud:* Local yes, depending on what is needed and what technology has been chosen. It is not our interest to bring people from overseas, ideal is local. One of the advantages that we have compared to the guys up north is a bigger access to contractors in this area.

Q: *Kevin Sieders:* I work in the local construction industry and we are very short of skilled workers.

A: *Byng Giraud:* I am not saying we are going to get away from it. We have a slightly better advantage than the guys up north for accessing skilled labour. We're hoping this to be the case at least.

C: *Reece Fowler:* And yesterday, Byng, you were talking about training opportunities?

C: *Byng Giraud:* Less training opportunities with construction positions given the time frame, but we are speaking with educational institutions to discuss training programs and are looking to the Ministry of Jobs, Tourism and Skills Training to explore launching pilot training programs. For the industry as a whole, this is a new industry for B.C., but given our proximity to large cities we think we have an advantage. AG can speak more to the on-the-job experience, which what I have been told is key – on-the-job experience.

C: *AG Gelotti:* Back to your question about the work being contracted locally. Undoubtedly, there will be a mixture. With what isn't available here locally for skills, we will be looking other places to supplement. This is the first floating LNG facility, the best way to get experience with one of these facilities, is hands-on experience. There are only a handful of skilled people trained to work on LNG facilities globally. To prepare for the startup of the facility, we are looking at a plan on how to source local talent and also looking at how we would need to look other places. We will also be training in using the facility itself in the early and operational phase. It will be a mixture.

Q: *Kevin Sieders:* So there are no requirements for you to use local contractors? Everybody can say they will be using local contractors, but is there anything in the contract?

A: *AG Gelotti:* I am not aware.

A: *Alex Brigden:* During 2014, we have engaged an engineering company with a local office, they will be designing on site facilities and preparing the packages to be bid in B.C. Then those bid packages will be open to local contractors as early as 2015 to coincide with when we get our EA license and can start working on the site. And that is when we expect local contractors through competitive bidding will be awarded contracts.

C: *Chris Chok:* Any questions on that point? The original question, I just want to make sure we cover it over the course of the next couple of pages, but economic benefits to Squamish.

A: *Byng Giraud:* The facility will be inside city limits. We don't know what the taxes we will pay into the municipality – currently they don't have a mill rate for this type of activity. We don't know how

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

B.C. Assessment Authority is going to assess us. But given the scale of the facility, even with the large chunk of it on the water, that doesn't get us away from paying municipal tax. In addition, a lot of our operations will be on land. We're working with the B.C. Assessment Authority and establishing a mill rate; we will be paying municipal tax to Squamish based on our capital budget. We don't know what it will be but it will not be a small amount. We will be a significant contributor to Squamish tax base. Regional compensation? I am not quite sure of that. And the possibility of a provincial and federal LNG tax for these facilities. It won't be small, but we do not know numbers yet. We are in direct conversation with municipality about this. In terms of community, how do we become a member of the community and integrate ourselves? Historically, the old Woodfibre was a big part of the town. How can we be a better and bigger part of the community?

- Q: *Nigel Woods*: FortisBC, as far as infrastructure with supplying this project, would the infrastructure expansion of FortisBC be coordinated with the eventual receiving of the gas – if facility is planned for 2017 would the pipeline be initiated in 2016?
- A: *Carol Greaves*: Probably. We do not expect a certificate until well in to 2015, so will move forward from there. FortisBC will be able to accommodate this.
- Q: *Paul Dupont*: As part of EA, are you two separate projects then? FortisBC and Woodfibre LNG Project?
- A: *Carol Greaves*: Correct.
- A: *Byng Giraud*: We each have to go through an EA process. FortisBC is further along in the process than us. And they only have to do a provincial process; we do both provincial and federal processes.
- Q: *Kevin Sieders*: And sorry, Carol, why is yours only in the provincial process?
- A: *Byng Giraud*: It doesn't trigger the thresholds. We trigger the thresholds, our storage size (for both federal and provincial). For them provincially, for length of kilometers, they barely trigger the threshold.
- Q: *Kevin Sieders*: So anything under 50 km doesn't need an EA?
- A: *Carol Greaves*: Correct.
- C: *Byng Giraud*: Don't quote me on this, but I think the federal government only looks at pipelines if they cross borders.
- C: *Carol Greaves*: Yes, across different jurisdictions and provincial borders.
- C: *Marian Ngo*: It is also because it is already existing as well. It is 600 km that is already there and just looping the 52 km on top of that. It is not a brand new pipeline.
- C: *Byng Giraud*: So pages 10, 11 and 12, it starts with a conversation about the EA and who the regulators are. These pages are the three consultation topics that we have come up with to spur discussion and get peoples input. These are the typical studies that we want to consult about and we would like to know, are there things we are missing, emphasizing too much or not emphasizing enough. We want to find out what the real priorities of the community are. If marine mammals are the big issue, then we need to know so we can be doing comprehensive work on that.
- C: *Chris Chok*: If I could, at this point, point out that the back of the discussion guide has a feedback form. It can be filled out here or online on the project website. The question that we are asking here, we have essentially set out the typical studies that they will be undertaking as part of the EA,

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

do you agree with the scope of the studies that are proposed? These are likely the studies that will be done. If you don't agree, we want to know why, there is space for to add your additional thoughts about the studies.

- C: *Byng Giraud*: On page 10, in addition to these studies done in the EA, we are also looking at these current engineering and environmental studies, which we welcome comments and feedback on. The third topic, we have been out meeting with the community, stakeholder groups, businesses in the community, and this is something that has come up time and time again: public access through or around the site. Sometime before, there was public access. We have begun to ask if this is a priority to the community, should there be access to this area? Those are not comprehensive, those are three things we have come up with to spur discussion.
- C: *Chris Chok*: The back inside cover has a full area for additional comments. If the topic that you are most interested in is not covered off in the ones that Byng just went through we would love to hear about anything. If you don't want to use feedback form, you can send an email or letter. Last thing, this is the first round of consultation. There are several ways to provide feedback (this form and the document is online), we are interested in the future for public consultation, if you could provide your preferences for how you would like to be contacted and communicated with.
- C: *Byng Giraud*: The government's process for doing consultation, we are looking to expand from those. We have added additional open houses, added these small group meetings, we've got a website, Facebook site. What are other things we can do? Should we be doing something different?
- Q: *Kevin Sieders*: What have you done to get the word out about these meetings? I only found out because I am a member of the Future of Howe Sound Society, otherwise I wouldn't have known about the meeting.
- A: *Chris Chok*: We do have two open houses, the first one is tonight in Squamish at the Brew Pub, and then next Saturday at the Executive Hotel. What we try to do is provide access on a weekday evening and on the weekend. In terms of notification, there are a few ways we did this. We dropped off 6,000 postcards to every postal code in the Squamish and Brackendale area, though not in Whistler.
- C: *Marian Ngo*: For Whistler, not the postcards, but it was advertised in the Whistler Question & Pique for 3 weeks, social media and online.
- Q: *Kevin Sieders*: I was just surprised at the numbers. I mean I am the only one here apart from the contractors.
- A: *Chris Chok*: So for Whistler, we advertised up and down the corridor with the North Shore News, Squamish Reporter, Squamish Chief, The Whistler Question, The Pique and Bowen Island Undercurrent. In addition, we had built a stakeholder list of groups in the Whistler area. I think some of you may have received an email invitation.
- C: *Juan Carlos Gomez*: I live in Squamish, I received it by mail as well I can identify that my neighbors got it as well. It was noticed.
- C: *Chris Chok*: So Kevin, this is our first time out. Through the consultation we are doing now we are getting more names and email addresses to put in our database. The Project would then use that to notify people of updates on the project and invite community members to the next meetings. If you have names you want to add to the list please let us know.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

C: *Byng Giraud*: I did a radio interview as well on Mountain FM.

These discussions guides don't always included FAQs, but we didn't want to avoid some of the question. Looking at question #6, "Can it explode?", we want to confront these things. If there are particular concerns with transportation, safety, risk, we have tried to address those. Also by putting these questions out, it helps creates other questions. If there are any other questions you have about those sorts of issues we are happy to talk about those things.

Q: *Paul Dupont*: Who owns the tankers and how many will be coming and going throughout the year?

A: *AG Gelotti*: The plan is to charter the vessels. There are world-renowned transportation companies that operate and navigate LNG vessels. The plan is to enter in to a long term Charter Agreements for the transportation. There are probably 3-4 cargos per month, one a week at max.

Q: *Paul Dupont*: How long does it take to fill?

A: *AG Gelotti*: About 24 hours. The process, once the ship arrives near the terminal, tugs assist it, turn it, berth it, it takes about an hour. Then once they start pumping LNG, it takes about 24 hours to load, then depart.

Q: *Paul Dupont*: So in the week leading up, are you building up the LNG in storage?

A: *AG Gelotti*: The ideal way to run LNG plants is to run at its maximum capacity and stable. When looking at size of facility and how to run the facility, we look at how much LNG we are producing in an hour and a day, which will determine our storage needs. We are also looking at the size of the ships. We also have to look at the distance the ships will have to travel with the LNG. There is this material balance process we have to go through so that we always have a good rate of delivery and have consistent flow and the storage acting as the buffer in the middle.

Q: *Paul Boulanger*: You talk about the amount of gas you are going to be selling and about the potential for ramping it up, is that included in the sizing of your plant now?

A: *AG Gelotti*: The ramping up piece, what we are doing is looking the amount of gas that can actually be delivered to the site, the pipeline being upgraded and the process of liquefaction. There will be times when the amount of gas available will be less, there will be times when the gas will be uninterrupted and we plan to use that gas then. FortisBC benefits from that because the capacity is being utilized. That is how we are sizing and planning.

C: *Marian Ngo*: The NEB approved us for 2.1 million tonnes per annum export over 25 years. So those are the conditions for export. That is what they told us our max is at.

Q: *Paul Boulanger*: Can you re-apply for more, if you want to do more trips per week?

A: *Byng Giraud*: There is a variability of a few percentages.

A: *Marian Ngo*: So it is 3-4, it fluctuates.

Q: *Paul Boulanger*: So can you apply for more?

A: *Alex Brigden*: At the moment, there is not sufficient capacity in the pipeline network to supply us with more gas.

Q: *Chris Chok*: So can I ask – with the improved FortisBC pipeline (the twinned pipeline) would you be able to take more gas than 2.1 million?

A: *Carol Greaves*: The existing pipeline through the Coquitlam watershed, we will deliver the maximum amount we can with the design of the pipeline and the expanded portion.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- A: *AG Gelotti:* And we are sizing this facility to then take the maximum capacity of gas that FortisBC can physically supply to us. We don't anticipate that FortisBC can expand the pipeline further to increase it. And to my knowledge there isn't anything that precludes us going to government to ask for an increase, but if the gas can't be supplied, why ask the government for it?
- Q: *Kevin Sieders:* Will the ships that are coming in, will they be captained by local pilot?
- A: *AG Gelotti:* Yes.
- Q: *Kevin Sieders:* What time of day would those ships be coming in and out? I am an avid boater in Howe Sound. Will I be affected by that? Could you be moving your ships in and out at night hours so that people who use Howe Sound wouldn't be affected?
- A: *AG Gelotti:* The short answer is yes to all. The scheduling and logistics of the ship movements is very tightly monitored and scheduled. Not only are ships coming to this facility. We are managing the scheduling and use of the berth on our own so we have complete control of this. On the market side, there are multiple users so we will have an assigned delivery time to deliver our cargo. When we're managing our schedule to get more efficient use, we want to keep ships moving and maximize our cargo use, so we will be monitoring these ships every day to know what progress they are making. When these ships arrive in Vancouver, local pilots will get on board. Talking with Calum who is our shipping advisor, pilots will get on board, it is not unusual. Sometimes you have two pilots – one to do navigation/transit through the channel then one to do docking. There is not a restriction for night time transit, so these ships could be navigating the sound during the night time or day time.
- Q: *Kevin Sieders:* But that will be based on what you guys want to do right? You aren't going to be shipping at night because there will be too many boaters, kayakers and recreational users?
- A: *Calum McClure:* One of the processes the government will undertake is called a TERMPOL process, which will last for a considerable amount of time and there are lots of studies that are done that look at shipping operations. Part of that will look at the shipping movements and interaction with other vessels. For example, look at BC Ferries, their route and interaction – that process will be on-going – we will be following up with any requirements that Transport Canada as the regulator will impose on the operation.
- Q: *Kevin Sieders:* If you were traveling during the day, what does this mean for travelers/recreational users? What does this mean for us, do we have to stay back 1 km for the boat?
- A: *Calum McClure:* There is a lot of work that goes in to looking at the shipping process to actually determine what is required. We need to work through that and understand many things. There will be more consultation periods but it is good to get feedback so that we can consider it when that part of the work is being done
- Q: *Chris Chok:* What is done now for existing commercial vessels going to Squamish Terminals?
- A: *Calum McClure:* They follow an existing shipping route that is up to the Squamish Terminals. So they follow that route and they work with the harbour authority up at Squamish.
- A: *Alex Brigden:* One clarification – Kevin you asked if the captain would be local, the answer is no, not likely. The captain may not, but the pilot would be trained with local waters and harbours.
- C: *AG Gelotti:* And that is why you use local pilots, because the international captains may not be familiar with the particular harbour.
- Q: *Kevin Sieders:* But he is saying the pilots might not be local either?
- A: *Alex Brigden:* The pilots are local, the captain may not be.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- A: *Calum McClure*: It is the BC Coast Pilots Association that provides the pilots.
- Q: *Paul Dupont*: Is there any staging in the Howe Sound or is it always outside?
- Q: *Chris Chok*: So will the ships be moored out in Howe Sound?
- A: *AG Gelotti*: Normal process is the ship is approaching. In the LNG sales agreement there will be a 90 day notification period, then a 30 day notice, so there are these various notice periods on the position of the ship and its estimated arrival at the pilot boarding function. Once you get to the pilot boarding station, the pilot comes on board, ship waits for the terminal to say we are ready to receive you. And then once everyone has communicated that the ship has arrived, the pilot is on board, the terminal ready to receive, tugs are in place and everything is in place (scheduling and Transport Canada and TERMPOL regulations met), then the movement will take place.
- Q: *Chris Chok*: So are these ships likely to be sitting out waiting for a period of time?
- A: *AG Gelotti*: You try to minimize the amount of time they are waiting, but to the extent of the rules and guidelines, if there is a ferry transiting and the ship needs to standoff until the ferry has cleared, than all requirements would be met. General idea is to have ship come in, give notice of its readiness and then move in as soon as possible.
- Q: *Kevin Sieders*: But you would be using the existing pilot station, you wouldn't be creating a new pilot station?
- A: *AG Gelotti*: No, it is the existing station.
- Q: *Paul Dupont*: So currently do they all stage out like the ones we see in English Bay?
- A: *Alex Brigden*: The vessels you see staging in English bay, they are a different type of shipping. It is not foreseen that our ships will have to anchor in English Bay. We manage the shipping in a way that when we take on board the pilot we bring the ship directly in to Howe Sound with no anchorage in Howe Sound, just direct to our terminal.
- Q: *Matt Woods*: What is the total capital investment in the project?
- A: *Byng Giraud*: We are estimating \$1.7 billion right now.
- Q: *Matt Woods*: That is at the site?
- A: *Byng Giraud*: That is the whole project.
- Q: *Matt Woods*: And does that cover FortisBC's investment?
- A: *Carol Greaves*: No, we are at \$350 million currently.
- Q: *Chris Chok*: Any more questions?
- A: *Kevin Sieders*: I'd love to ask more. It is a lot to soak in right now and I notice you are having another go around so I'll collect some more friends and questions and come back.
- A: *Chris Chok*: Absolutely, and the other thing is essentially we want to be able to report out on what has happened. What happens next is, we do these meetings, the feedback forms and submissions will be received until February 28. At this point, Kirk & Co. will develop a consultation summary report, which is a summary of the information we have received from these meetings and then this will go to Woodfibre LNG. And certainly what we have encouraged Woodfibre to do is essentially do a consideration of what was heard. So take what was heard, what are they doing about it, what

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

considerations have been made to the Project – so you will be able to see how your input from round to round is being considered through their planning.

- C: *Byng Giraud:* We have heard a few things that we did not anticipate, for example how do we integrate with services provided in Squamish. Because we are at the beginning, if we are hearing about particular things we can emphasize this and take this back to our consultants and guys working on the project. We take this back and are able to place emphasis on it.
- C: *Reece Fowler:* Because we are still very early in this process, it is a perfect opportunity to get involved and talk with engineers to discuss things can be modified in the design. Obviously it helps with the EA process to be talking to engineers now to avoid impacts rather than remediate after.
- C: *Alex Brigden:* So the more feedback we get now and the more concerns that are raised, the more opportunity there is to affect the design of the facility. The more feedback we get from the community now, the more the design of the facility can reflect community feedback. Please feel free to use the different mechanisms there are to get your feedback and information to us, because it will impact and change the way we design the facility.
- Q: *Nigel Woods:* Is it approximately 100 persons that will be employed in and around the facility?
- A: *Byng Giraud:* Over 3 or 4 shifts depending on how we design the shifts.
- Q: *Nigel Woods:* The traditional ferry terminal that Woodfibre used, will that be utilized for construction and long term transporting workers back and forth?
- A: *Byng Giraud:* We are talking to the community about Darrell Bay. Part of that is owned by the B.C. Ministry of Transportation Infrastructure and the municipality, so we are talking with them and other users. The municipality believes there is long term interest to keeping it open, not just for us but for other uses. We will have to use it during construction and maybe intermittently during operations. They are looking at maybe having us come through downtown which would increase traffic to downtown and helps with the vitality of the community. We are in discussions with them.
- C: *Alex Brigden:* The site itself does not have road access, so the only access during construction and operations is by water or barge. At the site, we are studying the layout of the site and will decide where the ramp access to the jetties will be placed. We will make decisions based on the feedback from the community. One of the community discussion topics was access to the back country so this is all part of the conversations and we are in the process of these decisions.
- Q: *Matt Woods:* When you entered in to negotiations with Woodfibre, were you up against anybody else?
- A: *Byng Giraud:* None of us were working for the company at the time, but I believe there was. I don't think it was that competitive because the site has been for sale since 2006. That being said, once we secured the site, other companies were looking at pulp mill sites up and down the coast for similar projects.
- Q: *Paul Dupont:* Do you have any other proposals?
- A: *Byng Giraud:* This is a big company. We have many operations that I am not aware of.
- C: *Alex Brigden:* We have no other applications.
- C: *Chris Chok:* So Woodfibre LNG, this is the project.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- Q: *Paul Boulanger:* Is there much emissions with the actual gas pre-treatment? It says here that you will produce water vapor and CO<sub>2</sub>. Will this be disposed of according to environmental regulations? What will it look like? A big smoke stack?
- Q: *Chris Chok:* So what are you taking out of the gas and what are you doing with it?
- A: *AG Gelotti:* The liquefaction process does require the gas to have no heavy metals, no mercury, remove any mercaptans, and the odour that is put in to the gas. If there are certain levels of water vapour, that can be acceptable, but if any of those are exceeded, those will be removed from the gas delivered by FortisBC. Certainly the things that are removed will be contained in the appropriate manner and disposed of properly.
- Q: *Paul Boulanger:* Will there be an odour?
- A: *AG Gelotti:* No. The reason is the water and the CO<sub>2</sub> will freeze. So as you lower the temperature of methane gas to shrink it to a liquid, it will freeze and will have to be taken out.
- Q: *Paul Boulanger:* When you take it out is there an evaporation process?
- A: *Alex Brigden:* There are multiple pre-treatment processes. One process is an absorbent of CO<sub>2</sub>, there is also desiccant beds which we can flush the beds from time to time.
- Q: *Juan Carlos Gomez:* I know that there are about two or three different technologies available, what technologies will you be using for the liquefaction?
- A: *Alex Brigden:* There are two technologies we are looking at. One is by an American company called Black & Veatch . All will use similar technologies, the difference is the heat exchange that is used to cool the gas to a liquid. Black & Veatch uses plate raised type of heat exchange. The other company we are looking at is German based company, Linde, which uses a coil wound heat exchanger. They both do the exact same thing. The input and the output is the same. The differences are really on the technical side. The pre-treatment of the received gas to make it a state which it can be liquefied is the same for both.
- Q: *Paul Boulanger:* And there are no emissions from that?
- A: *Alex Brigden:* There are emissions, yes.
- C: *Marian Ngo:* It is part of the baseline study is air quality and emissions, that information has to be gathered. It is a thorough process through the EA, it is unavoidable.
- Q: *Paul Boulanger:* The emissions are unavoidable?
- A: *Marian Ngo:* The studies, there will be emissions regardless, as with any kind of project. It is gathering that information, studying it, making sure we have that data which gets fed in to any mitigation measures that are required.
- A: *Alex Brigden:* So to be very clear on this, there is a range of gas composition that can be supplied to us which we are now in the process of studying with our different technology providers. That range of gas that can go into the FortisBC pipeline and arrive to us, has different levels of emissions depending on the composition of the gas. Right now we are in early stages of designing the plant so we are trying to understanding what levels and quantities of emissions there will be. What we will do is introduce the technology that ensures that we comply with all regulations. Restrictions on emissions that are already in place and regulatory requirements – we will comply with them.
- Q: *Chris Chok:* So what are the emissions that you are putting out?

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- A: *Alex Brigden:* Carbon dioxide, some other contaminants that we will dispose of that come from our pretreatment beds, some chemicals used in different processes that will be disposed of from time to time.
- Q: *Chris Chok:* What is being dispersed into the atmosphere and what is being carefully taken away?
- A: *Alex Brigden:* Combustion products, so similar to any other combustion system. There will be NO<sub>2</sub>, CO<sub>2</sub>, similar to what would come from a car. At the moment we are still studying the levels and quantities of emissions so we can't say whether it is a big car or a small car.
- C: *Byng Giraud:* There are technologies available to minimize those things.
- Q: *Paul Dupont:* Do you have a secured client for this, or is it just going to be sold to the open market?
- A: *AG Gelotti:* We are talking to various buyers right now, there is quite an interest in the offtake. The market is very liquid in the Pacific Rim so we don't see any issue in firming up a market.
- Q: *Paul Dupont:* Is this fuel consumed as is, in the liquefied state?
- A: *AG Gelotti:* It is re-gasified. The majority of it is used for power generation because of the environmental friendliness of using natural gas. If you Google natural gas and look at what kind of emissions you get from burning natural gas, it is all published information. You can see the NO<sub>2</sub>, the CO<sub>2</sub>, the NO<sub>x</sub>, SO<sub>x</sub>, the water vapour, very little to no particulates.
- Q: *Kevin Sieders:* What about the construction of the plant, is that included in the EA? The diesel trucks coming in?
- A: *AG Gelotti:* There are no diesel trucks because you cannot get a truck so the site.
- C: *Kevin Sieders:* Well you have to get the material to the port, do you not?
- C: *Byng Giraud:* Part of the EA does require us to look at those things, not to make light of that at all. The transportation of the materials to the site will be look at, emissions from the construction of the facility will be looked at as part of the EA. The government will require us to pay a carbon tax and also offsets, they have already told us that.
- Q: *Kevin Sieders:* If you were to be buying offsets would they be purchased in Canada or are they bought somewhere else. Are you regulated to where you buy your offsets?
- A: *Byng Giraud:* We are not. But our preference would be local.
- Q: *Kevin Sieders:* Would that be made public, where you buy your offsets?
- A: *Byng Giraud:* Yes. It is part of what the government requires and regulates.
- Q: *Kevin Sieders:* But there has been lots of scandal about people that are buying offsets that are fake.
- C: *Chris Chok:* But correct me if I am wrong, the plan isn't to have these emissions and just throw money at the problem, so this first thing you are going to want to do is avoid the impact all together and where you can find ways to mitigate it.
- C: *Byng Giraud:* There are technologies that scrub and diminish these things. If we can run this as a more environmentally and economically sound operation, we will.
- C: *Alex Brigden:* One of the major technology decisions which we are in the process of assessing is to drive our refrigerant compressors with either electric drives or through gas turbine drive.
- Q: *Kevin Sieders:* So you can use your own gas?
- A: *Alex Brigden:* That information is in the discussion guide and we are in ongoing conversations with BC Hydro to assess whether the system can supply us with enough power needed for electric drives, as an alternative to using gas turbines. One reason why I can't be clear to you on emissions is that there is a very different emissions footprint between electric and natural gas drive.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

- Q: *Kevin Sieders*: What would you prefer to use?
- A: *Byng Giraud*: We have explicitly stated here that we prefer to use electric, but there is a lot of work to be done. We understand the issue, we have clearly stated our preference. There are a few things we have to work out with the government. These processes are important.
- Q: *Paul Boulanger*: The power required to operate this facility, how does it compare to the pulp mill?
- A: *Byng Giraud*: Pulp mill was about 90 megawatts and we are looking at 140 megawatts. At the site, Western Forest Products owns the water licenses at the creeks on site from the old days. The creeks have been looked at by company and they are not able to generate electricity there. There are a lot of other options around there.
- Q: *Kevin Sieders*: And you are leaning towards getting power from BC Hydro?
- A: *Byng Giraud*: Yes. And this is why this is an important conversation – the guys up north have access to the grid, but what they don't have is transmission. Alex tells me this is a 24/7 operation, we don't shut this thing off. We can't afford to have a power line fall down. The advantage of this location is that the line comes from both directions, so it creates redundancy, which creates a system that we are comfortable using. Guys up north don't have that option or assurance, especially for projects their size. We don't have that problem.
- Q: *Kevin Sieders*: You say it is redundant, but accidents still happen. What if your power was cut, is there a generator for safety reasons?
- A: *Alex Brigden*: Yes. Part of the design we will have traditional technologies for generators include diesel and gas. It will be a safety system.
- Q: *Kevin Sieders*: Here we have seen extreme weather so what if you do lose power?
- A: *Alex Brigden*: If we lose power from BC Hydro and those supplies are interrupted by an event, then the emergency power is only to assist with shutting down the system safely. It will not continue producing when the main power supply is interrupted.
- Q: *Kevin Sieders*: Why keep the name Woodfibre LNG? Is that to cover up anything?
- A: *Byng Giraud*: It was a big discussion, maybe we should give it new name. It was essentially, that is what people know, there is a lot of history there. The community came to us – a lot of people haven't been up there before – there is a connection to that and geographically, that is the name of the old town. Decision was made up of a lot of internal conversation and community conversations.
- C: *Marian Ngo*: Within Squamish, the name has been around for a very long time. People like that name. It has significant value within the community. The heritage foundations – there is a lot going on there.
- C: *Byng Giraud*: The Heritage Society has been out there taking photos. It is a big part of the community.
- C: *Kevin Sieders*: Yes, it just causes a little confusion if people still think it is a wood pulp mill not a natural gas plant.
- C: *Byng Giraud*: It is actually the geographic location. It was a big discussion.
- Q: *Chris Chok*: Kevin, you live in Squamish?
- A: *Kevin Sieders*: Whistler, but had previously lived in Squamish.
- C: *AG Gelotti*: And not to hide anything.

<b>MEETING DETAILS</b>	<b>Woodfibre LNG Project – Community Consultation, February 2014</b> Whistler Small Group Meeting February 5, 2014, 1:00 p.m. – 3:00 p.m. Whistler Conference Centre Whistler, B.C.
------------------------	---

### 3. CLOSING REMARKS

- C: *Chris Chok:* Any other questions? We do have until 3 but I don't want to presuppose you want to stay here until then. We can be here certainly until 3. Does anybody have any last questions they would like to ask of the group? One more plug for the feedback form, please complete it by the 28<sup>th</sup>, we would love to get your feedback.
- C: *Byng Giraud:* Thank you for taking the time out your day to come. This is important to us. If you are going to build an industrial project anywhere in the western world, the community voice and social license is important. I don't just live here, I am born and raised in B.C. You are important to us and this is why we are out here early and why we don't have all the answers, but it will make this a better project.

*The record notes that the meeting ended at 2:30 p.m.*