

Delegation: Kwispaa LNG/Steelhead Natural Gas Pipelines, re Project Overview

Summary: Kwispaa LNG is a proposed natural gas liquefaction and export facility located on Huu-ay-aht First Nations - owned lands at Nuumaqimiis (Sarita) Bay in Barkely Sound on Vancouver Island.

The project is being developed through a unique co-management relationship between Huu-ay-aht and Steelhead LNG's subsidiary Kwispaa (CF) Limited Partnership.

The Project is anticipated to be developed to a full build-out capacity of approximately 24 mtpa in two to three phases. The first phase will include construction and operation of two production units and the remaining two production units will be added as a second, and possibly third, phase(s).

LNG carriers are anticipated to call at the Project approximately 160 times annually in the first phase (approximately three shipments per week) and 320 times annually at full build-out (approximately six to seven shipments weekly). The LNG carriers will travel between the Project and LNG customers via the Pacific Ocean.

The project will source natural gas from a variety of gas producers in BC and Alberta. Natural gas will be transported to the Project through a new natural gas pipeline being proposed by Steelhead Natural Gas Pipeline Ltd. The pipeline will commence within the vicinity of the Chetwynd area (northeast BC) and terminate at the project. The proposed pipeline route would parallel existing multi-utility corridors where possible before branching off within the vicinity of Williams Lake into a new greenfield right-of-way through the Coastal Mountain range to the Powell River area. The pipeline would then transit across the Salish Sea via a 31km subsea crossing to the Courtenay/Comox area before traversing Vancouver Island via a land route to the Project. The new natural gas pipeline will be approximately 1,000 km in length with an estimated diameter ranging in size from 36 inches to 48 inches.

Action Requested: Requesting to appear as a delegation before the Regional District of Nanaimo Chair and Board of Directors to provide information on the proposed Kwispaa LNG project and the proposed natural gas pipeline to provide natural gas to the project.