

# Kitimat LNG Community News

ISSUE #1  
FALL 2013

Community News is a quarterly newsletter produced by Chevron's Kitimat LNG team for residents of Kitimat, Terrace and surrounding areas. We invite your comments, questions or suggestions for future articles. Please contact us at [KitimatLNGFeedback@chevron.com](mailto:KitimatLNGFeedback@chevron.com)



## Welcome from Alan Dunlop, Vice President, Chevron Canada and General Manager, Kitimat LNG



On July 1, operatorship of the proposed Kitimat LNG (KLNG) and Pacific Trail Pipeline (PTP) projects was transferred to Chevron from

Apache. As a result of the operator transfer, Chevron is now responsible for all Kitimat LNG and Pacific Trail Pipeline project and operational decisions, while Apache will operate the upstream assets in the Liard and Horn River basins. Each company holds a 50 percent interest in both the upstream and

downstream assets of the project.

All of us at Chevron acknowledge the outstanding contributions made by Apache in advancing this project to where it is today, with Kitimat LNG being the most mature of the proposed LNG projects in British Columbia. This includes joint ownership in prolific natural gas resources at Horn River and Liard in Northeast B.C., unique First Nations partnerships with the Haisla First Nation at the proposed Kitimat LNG plant site and with the First Nations Limited Partnership representing 15 First Nations along the proposed PTP route, and key environmental and regulatory approvals.

As we work through the Front End Engineering and Design process that will determine the Kitimat LNG plant and PTP design and cost estimates before we make a final investment decision, Chevron has over 400 employees and contractor staff on the ground in Kitimat and surrounding communities completing early work on project sites. This early site work includes demolition of the former Euro-Can pulp and paper mill site in Kitimat for a future construction camp, widening and upgrading the forestry service road to access the Kitimat LNG site, and preparation work for the proposed LNG facility at Bish Cove. Our goal is to conduct these operations while protecting people and the environment.

Chevron is working to forge long-lasting meaningful relationships in the communities where we work based on respect and communication. While projects like this take many years to develop, Chevron aims to develop strong relationships over these years, and for decades to come, that will bring significant benefits to our partners, including First Nations, the communities we work in and the Province of British Columbia. We are always open to listening to your thoughts and concerns about any aspect of our project, and welcome your feedback. Thank you for allowing us to be part of your communities. We look forward to working with you to build the Kitimat LNG project.

## The Project at a Glance

**Project Scope:** The Kitimat LNG facility is a "two train" facility, meaning it will have two processing units called trains to liquefy natural gas before it is stored in tanks and loaded on to carriers for transport to markets.

**Regulatory Approvals:** Key federal and provincial government regulatory and environmental approvals have been granted to the facility and Pacific Trail Pipeline, including a 20 year National Energy Board license to export 10 million tonnes per annum of LNG.

**Current Status:** The project is proceeding through Front End Engineering and Design phase that

will provide the certainty needed around costs, schedule and design before a final investment decision is made.

**Marketing:** Current predictions estimate a significant gap between global supply and increased demand for LNG by 2025. Offering a reliable, secure, cleaner-burning fuel produced from a stable political environment enhances the project's potential.

**Liquefied Natural Gas:** LNG is non-explosive, non-corrosive, and non-toxic. It will quickly evaporate if spilled, requiring no clean up. LNG has been safely processed, transported and used around the world for over 50 years.

Alan Dunlop  
Vice President  
Chevron Canada



## A Message on Operational Excellence from Jeff Lehrmann, President, Chevron Canada

Every task, the right way, every time. At Chevron that statement defines how we operate. In just a few words, it captures the essence of operational discipline and the unwavering commitment required from each and every worker. It is one key principle of what we call “Operational Excellence.”

Chevron’s goal is to be the global energy company most admired for its people, partnership and performance. Our vision is to be recognized and admired by industry and the communities in which we operate as world-class in process safety, personal safety and health, environment, reliability and efficiency.

That’s why Operational Excellence is an everyday process at Chevron in order to:

- Achieve an incident- and injury-free workplace.
- Promote a healthy workforce and mitigate significant workplace health risks.
- Identify and mitigate environmental and process safety risks.
- Operate with industry-leading asset integrity and reliability.
- Efficiently use natural resources and assets.

Doing every task the right way, every time means that we empower each employee and contractor with the power of “Stop-Work Authority” to recognize and manage all risks from safety in the workplace to protecting the environment. It’s a part of our daily work and not as a “last resort.” This embodies our other two key principles of “Do it safely or not at all and there is always time to do it right.”

As operator of the Kitimat LNG project and Pacific Trail Pipeline, we want to build on Chevron’s 75 years of responsible operations in British Columbia and

Canada. Adhering to Operational Excellence is one of the many ways we strive to keep the communities we work in strong and prosperous for generations to come.

Jeff Lehrmann  
President  
Chevron Canada



Kitimat LNG facility site at Bish Cove, September 2013





Clio Bay, September 2013



## Clio Bay Restoration Project

Chevron, in cooperation with the Federal Department of Fisheries and Oceans (DFO) and the Haisla First Nation, are proposing the Clio Bay Restoration Project to help restore marine life to Clio Bay.

In early 2014, Chevron is hoping to begin the process of relocating excavated marine clay from Bish Cove and depositing it in carefully determined locations identified by DFO to cover woody debris left behind by logbooms. According to scientific studies, there are several thousand decomposing logs and wood bark covering about 40 per cent of the ocean floor in Clio Bay to a depth of approximately 60 metres in some areas. As the logs and bark material have decomposed over the years, oxygen levels in the water have been reduced, negatively impacting the Bay's native ecosystems and significantly reducing the populations of marine species such as eel grass and Dungeness crab.

By depositing clay from Bish Cove in carefully chosen locations in Clio Bay, the clay will act as a "cap" on top of the wood debris and promote the return of eel grass and eventually, the diversity of marine life that once existed in the bay before the deposition of logs and wood debris. Chevron is excited to be taking part in this project and will be working very closely with DFO and the Haisla First Nation on an Environmental Management Plan to monitor and measure the habitat restoration progress.

When the program is underway, excavated marine clay from Bish Cove will be loaded on to barges using a conveyor system. Tugs operated by trained and licensed professionals will then tow the barges to Clio Bay where the clay will be deposited in a carefully controlled manner in pre-determined locations identified by DFO as having the best potential for habitat restoration. While marine clay is being deposited in locations around Clio Bay, there may be a temporary and visible plume of fine silt in the bay as the clay settles. This process is completely compatible with the environment. In fact, the clay is the same material that makes up the ocean floor at the bottom of the bay, which is why it is suitable for reintroduction into Clio Bay.

Because safety is Chevron's highest priority, there may be periods where access to Clio Bay will need to be restricted. Chevron, DFO and the Haisla First Nation are in the process of developing a detailed project execution plan for the project which will outline public access to Clio Bay while the project is underway. Because we recognize that Clio Bay is a valuable recreation spot and a safe harbour for boats during stormy weather, community open houses are planned for early October to seek public input on how the project will be carried out and share more information about the project. For more information you can also contact Chevron at [KitimatLNGfeedback@chevron.ca](mailto:KitimatLNGfeedback@chevron.ca).



FNLP Board Member Hon. Bob Rae tours the Kitimat LNG facility site as part of the FNLP Tour, September 6, 2013

## First Nations Limited Partnership Tour 2013

Between September 4-6, 2013, First Nations Limited Partnership (FNLP) Board Members the Honorable Bob Rae and Ted Gilligan traveled to Terrace and Kitimat to meet with Chiefs and designated representatives from First Nations comprising the FNLP. The FNLP tour involved meetings between the FNLP leadership, FNLP members, Chevron and Apache representatives. It also included an aerial tour of a portion the pipeline route, and tour of the Kitimat LNG facility site at Bish Cove to see the significant amount of site work already underway.

The FNLP is a partnership of 15 First Nations whose territories are located along the transportation corridor for the proposed Pacific Trail Pipeline (PTP) from Summit Lake to Kitimat.

On July 24, 2013, the Honorable Bob Rae was appointed as Chairman of the FNLP, as the partnership continues to implement the \$200 million benefits agreement in place between the FNLP, Chevron and Apache.

The Agreement is a significant accomplishment between the owners of the Pacific Trail Pipeline and the FNLP, and is unique among any of the proposed Western Canada LNG pipelines. A similar benefit agreement is also in place with the Haisla First Nation for the LNG export facility to be located on Haisla land at Bish Cove.

The First Nations Limited Partnership (FNLP) is a group of 15 member First Nations including:

- Haisla First Nation
- Kitselas First Nation
- Lax Kw'alaams Band
- Lheidli T'enneh Band
- Mcleod Lake Indian Band
- Metlakatla First Nation
- Nadleh Whut'en First Nation
- Nak'azdli Band
- Nee Tahi Buhn Band
- Saik'uz First Nation
- Skin Tye First Nation
- Stellat'en First Nation
- Ts'il Kaz Koh First Nation
- West Moberly First Nation
- Wet'suwet'en First Nation

**Chevron Canada invites you to attend Community Open House on the Clio Bay Restoration Project**

**Date and time:**  
**Tuesday, October 8**  
**4 p.m. - 8 p.m.**

**Location:**  
**Riverlodge Rec Centre,**  
**654 Columbia Ave W**  
**Kitimat**

## Community Contact

Chevron's Kitimat LNG project welcomes your feedback. If you have any comments or concerns, please do not hesitate to email us at [KitimatLNGFeedback@chevron.com](mailto:KitimatLNGFeedback@chevron.com).  
[www.chevron.ca](http://www.chevron.ca)

