

Kitimat LNG Community News

ISSUE #2
SUMMER 2014

Community News is a quarterly newsletter 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

Kitimat LNG



Kitimat LNG Information on the Web

Are you looking for more information about Kitimat LNG? We now have a new website for the Kitimat LNG project that can be found at: chevron.ca/KitimatLNG.

Here you can find the latest updates as well as information about LNG basics, economic benefits and opportunities, community events, project related videos and informative facts about Chevron's and Apache's Kitimat LNG project.



We are adding information online regularly as the Kitimat LNG project moves forward and our goal is to provide website visitors with clear, easy to access information about the project. If there is something you would like to see on our website, or if you have any questions or feedback, please email us at KitimatLNGfeedback@chevron.com



Message from Alan Dunlop, General Manager

When will the proposed Kitimat LNG project reach a Final Investment

Decision? Our team is asked that question a lot. To answer, let me say there is still a lot of work to do on this very complex venture, and while we are meeting challenges and achieving some significant milestones, we have additional steps that need to occur before we can commit to a firm date. But we are moving closer.

In February of this year, Chevron signed an agreement with the consortium of JGC/Fluor to be the Engineering, Procurement and Construction (EPC) contractor for the Kitimat LNG facility at Bish Cove. These two major companies bring a wealth of experience building world-scale LNG facilities.

In addition, Chevron and Apache have also signed an agreement with Nova Gas Transmission Ltd (NGTL) to transport approximately 1.9 billion cubic feet per day of firm natural gas. The agreement will underpin the development of a major extension to NGTL's System. The proposed extension, named the Merrick Mainline Pipeline Project, will run from the existing Groundbirch Mainline section of the NGTL System beginning near Dawson Creek, B.C. to its terminus near the community of Summit Lake, B.C., and the inlet of our proposed Pacific Trail Pipeline.

These are just some of the more tangible examples of the progress we're making as we continue to advance toward a Final Investment Decision.

Reflecting on where the project is currently, we're entering a phase where all the required elements are being lined

up. Looking ahead, a Final Investment Decision by Chevron and Apache will require the following key elements:

- Greater project cost and execution certainty, including completion of our Front End Engineering and Design (FEED) phase and cost estimates
- A clear, competitive and stable fiscal regime from the B.C. government
- Additional support from First Nations adjacent to the project
- Long-term LNG contract(s) for the majority of the project's LNG production

Finally, the most important consideration for Kitimat LNG will be to ensure that we're living up to Chevron's high standards of Operational Excellence - our commitment to do things the right way, every time. Operational Excellence is a system that helps us manage process safety, personal safety, health, environment, reliability and efficiency to achieve world-class performance. It helps us reduce the risk of incidents, improves our performance, assures our compliance with laws, regulations and company policy and ensures we are prepared for potential emergencies. It's our commitment to our neighbours and the communities where we operate.

We are always open to listening to your ideas or concerns about the Kitimat LNG project and welcome your feedback.

Thank you for continuing to welcome us as part of your community.

Vice President
Chevron Canada



Kitimat LNG Project Open Houses

We held another project Open House on June 3 at the Riverlodge Recreation Centre in Kitimat. Around 55 people dropped by to meet members of our Kitimat LNG team and to ask questions and learn more about the project including what's happening now, what's planned, and how we're moving forward.

Earlier this year we also held Open Houses on proposed Pacific Trail Pipeline (PTP) route amendment that have since been submitted to the Environmental Assessment Office, in Vanderhoof and Fraser Lake, BC. Another Open House took place in March in Kitimat regarding upcoming changes to the former Eurocan Industrial Site. In case you missed them, you can review the information presented at past Open Houses on our Project website at www.chevron.ca/kitimatLNG under "Community News and Events."

You can also share your feedback with us any time by reaching out to us by email at KitimatLNGFeedback@chevron.com

SUMMER KITIMAT OFFICE HOURS

The Kitimat Community office will be closed from July 2 to August 3 to allow staff to take annual leave.

During August the office will be open from 12:30 p.m. until 4 p.m. daily.

Outside of office hours you can reach the Kitimat LNG team at KitimatLNGFeedback@chevron.com or by phone at 1-844-800-0900.

The B.C. Professional Fire Fighters' Burn Fund

Chevron Canada President Jeff Lehrmann and Kitimat LNG Early Earthworks Manager Mike Grass recently presented a \$3,000 donation to the B.C. Professional Fire Fighters' Association Burn Fund in appreciation for the Kitimat Fire and Rescue Department's volunteer efforts with support activities at the Kitimat LNG plant site earlier this year.

Established as a registered charity in 1978, the Burn Fund is the charitable arm of the

B.C. Professional Fire Fighters' Association. Each year hundreds of children and adults from across B.C. are admitted to the burn and trauma units at Vancouver General Hospital and B.C. Children's Hospital suffering from serious injuries.

The B.C. Professional Fire Fighters' Burn Fund provides lifesaving, life-supporting, and life-enriching services during their treatment, and works to protect all British Columbians from a similar trauma.

Premier Christy Clark visits Kitimat LNG

Workers at the Kitimat LNG site at Bish Cove took a break from their jobs on Tuesday, June 17, to host British Columbia Premier Christy Clark during her first on-the-ground visit to the project.

After touring the widened Bish Forest Service Road and early works underway at Bish Cove by air, the premier was shown around the site before travelling down to the water's edge for a meet-and-greet with trade workers who are getting the site ready to begin construction as soon as a Final Investment Decision is made.

Approximately 550 people are currently employed or contracted to work on the Kitimat LNG project early works, which involves the Bish Forest Service Road upgrade, early works and construction of a trestle and conveyor at Bish Cove to transport clay onto barges for the proposed Clio Bay Restoration project, as well as those employed in work camp services, and transportation for workers to and from the camp.



The immense amount of work done to date left a very positive impression on the Premier.

"Since becoming Premier, my focus has been on growing the economy - and a big part of that plan is bringing home the generational opportunity of LNG. Visiting the Kitimat LNG site really brought this home for me because it's amazing to see first-hand what we hope will be one of the cornerstones of this new industry and opportunity for B.C. It's going to change a lot of lives for the better," said BC Premier Christy Clark.



In Their Own Words: British Columbians Benefitting from Kitimat LNG and Pacific Trail Pipeline

We recently had the opportunity visit and talk to people in Kitimat and in several other communities along the proposed natural gas Pacific Trail Pipeline route to hear what they had to say about how the project is benefitting their businesses and local communities. Here's what they had to say:

"This project has embraced the local talent. In the last two to three years, we've seen a significant upsurge in the economic activity."

-Thom Meier, General Manager,
101 Industries

"Two years ago we operated four helicopters out of the Terrace base. Last year, we operated 15. This year, we expect to see upwards of 18 helicopters operating out of this location."

-Chad Sellenback, Maintenance Manager,
Canadian Helicopters

"I have no problem at all with pipelines, not a bit. It's a revenue stream. In Vanderhoof, Fraser Lake, Fort St. James and Burns Lake, we need three new hospitals within the next 20 years. This new revenue would pay for these hospitals as well as for the schools we have to build."

-Dwayne Lindstrom, Mayor - Fraser Lake

"I think it means a lot to some of those families that can bring their people back together and live in the community."

-Carol Fielding, Executive Director,
Terrace Chamber of Commerce

"Our local businesses are ready to get on board to bid on these projects and to be awarded contracts and get on the ground running."

-Melissa Barcellos, Economic Development Officer,
Initiatives Prince George

"We have to stop thinking small. We have to think of the bigger picture that is happening and how it's not only going to benefit First Nations people, but British Columbians and Canadians as a whole."

-Web Bennett, Kitselas Canyon Coordinator

"Kitimat LNG is breathing new life into a community. When you see people who have pride in their homes again and in their community and in their businesses, you can assign a value to that."

-Derek Stinson, Chair- Kitimat Chamber of
Commerce

Even though it takes years to bring such a significant project to reality, Kitimat LNG is creating significant benefits to individuals and communities across Northern British Columbia today - benefits that will continue for decades to come.

To view videos about benefits the Kitimat LNG and the Pacific Trail Pipeline project are generating, visit the "Media Room" on our website at www.chevron.ca/kitimatlng

Clio Bay Restoration Project Update

In October 2013, the Kitimat LNG Project hosted an Open House at the Riverlodge Community Centre to share plans for the Clio Bay Restoration Project that will see marine clay removed from the Kitimat LNG project site at Bish Cove and placed in Clio Bay in an effort to restore a more diverse and healthier marine ecosystem.

The goal of the project is to see marine life return to areas of Clio Bay where it is not

as abundant as it once was due to decaying logs and woody debris that currently cover the sea floor. The marine clay from the project site will re-establish marine environment that was in place originally prior to the bay being disturbed by historic logging activity over many years.

Working with the Haisla First Nation, the Department of Fisheries and Oceans, marine biologists and other technical specialists, the Clio Bay Restoration project team is developing a plan that expects to see marine life return to Clio Bay over time. This includes monitoring the restoration

levels at one-, three- and five-year intervals.

Since the Open House, our project team has had the opportunity to meet with many Kitimat community members and hear their thoughts and insights into the project. Chevron expects operations calling for the transportation and relocation of marine clay by barge to Clio Bay, to begin in the fall of 2014.

For more information on the Kitimat LNG Clio Bay Restoration Project, visit: www.chevron.ca/KitimatLNG under "Environmental Responsibility."

Kitseles Canyon Historic Site “My Community App”

Chevron recently provided \$25,000 in funding from our social investment program towards the cost of developing a computer application or “App” that will help preserve the culture, language and history of the Kitseles First Nation.

Features of the “My Community App” will share the community story of the Kitseles Canyon Historic Site with visitors through storytelling, an interactive map and navigating through an online living museum. The App will share and preserve stories, photos and video of the Kitseles culture and identity.

Content for the application will be developed from a community-driven initiative that will involve youth, elders and members to help capture stories and information from those in the community. Kitseles First Nation members will be given the tools and knowledge to interview each other and build the community story through video, audio, photos and written text.

Web Bennett, with the Kitseles Community Services Department, says the project will empower the community members to set direction and pass on local knowledge and experience to the next generation. The community will work with the local school division to implement the App into the curriculum and allow Kitseles First Nations students to have the benefit of learning about their culture and language in a dynamic format and help work towards bridging the generational gap between elders and youth.

Investing in Communities

Kitimat LNG is about more than just building an energy project. Our goal is also to be a good neighbour and to support and invest in the communities where we operate.

The proposed Kitimat LNG project will operate for decades, which is why we want to build long-term relationships working with local government, businesses, the public sector and not-for-profit organizations on programs that help create strong, healthy and sustainable communities. We want to understand and appreciate the concerns of local communities and work together to create a better future for everyone.

Chevron’s social investment program provides funding for local partnerships with a focus on education and health programs.

Since Chevron assumed operatorship of the downstream portion of the Kitimat LNG project in July 2013, Chevron and our partner Apache have invested more than \$100,000 in community programs, partnerships and events to help improve the quality of life in communities near our project.

In addition, we have invested in Pacific Trail Pipeline Aboriginal Skills and Employment Program (PTP ASEP) to provide direct access to training and employment opportunities on the Pacific Trail Pipeline for First Nations who are members of the First Nations Limited Partnership, a benefits agreement between Chevron, Apache and 15 First Nations whose territories are located along the proposed pipeline route. PTP ASEP is a not-for-profit organization that trains and assists First Nations members in finding work in B.C. industries. More than 1,800 clients have been trained by PTP ASEP to date and

more than 600 now have well-paid jobs.

Examples of projects funded through Chevron’s social investment program include;

- E-readers for First Nations youth to support their education goals
- Extra-curricular activities for young people including a field trip for Grade 6 students and an essay-writing contest for Metlakatla First Nations students
- Sponsorship of a “Walk in Balance” health and wellness conference
- Support of the B.C. Burn Fund
- Contribution to Kitseles Canyon Historic Site to educate visitors and the community on traditional culture, language and history

Examples of organizations and programs that generally do NOT qualify for Chevron Social Investment support include:

- organizations discriminating on the basis of race, religion, gender or sexual orientation
- religious or sectarian organizations
- political organizations or candidates
- advocacy, special interest or lobbying initiatives
- fraternities, sororities, or academic clubs
- personal travel or sponsorship
- third-party fundraisers

Those interested in potential funding for their educational, community health program or event can learn more about Chevron’s Social Investment activities by visiting the Community Benefits page on the Kitimat LNG website at www.chevron.ca/kitimatlng or by contacting us via email at KitimatLNGfeedback@chevron.com

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.

Call us toll-free at 1-844-800-0900

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