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June 7, 2016

Kitimat Clean Refinery Project Canadian Environmental Assessment Agency 410-701 West Georgia Street Vancouver, B.C. V7Y 1C6

Dear Sir or Madam:

Re: Kitimat Clean Refinery Project Reference No. 80125

In this letter, Friends of Wild Salmon (FOWS) responds to the Agency's invitation to comment on the above project and its potential to cause adverse environmental effects under the *Canadian Environmental Assessment Act*.

FOWS main concern is that enormous amounts of community time and resources, as well as taxpayer money could be spent participating in reviewing a project whose economic and financial viability has little prospect of success and whose most significant adverse environmental impact – the bitumen-by-rail scheme – is not caught by the Act and its regulations. FOWS proposes that the Agency and the Minister of Environment to initiate a limited review to decide these two issues before subjecting regional communities to the less urgent minutia that make up the proponent's project application.

FOWS is a coalition of northwestern BC community groups concerned with the conservation and protection of the wild salmon populations in region's watersheds and adjacent ocean approaches. As such, the coalition has participated in various aspects of recent environmental assessments of bitumen and natural gas pipelines, processing plants and their attendant marine terminal facilities and tanker traffic. The coalition and its members have focused their efforts on the environmental effects of these proposals on salmonid populations and the freshwater and marine habitats on which they rely.

As an example: since 2008 there have been some 18 LNG projects proposed for the northwest. These are currently at various stages in the federal or provincial environmental assessments processes. Despite some having received the certificates and permits they need, none have made the investment decision to proceed. Mandatory construction start deadlines have come and gone, and certificates have been extended.

Since the \$25 billion Kitimat Clean project was announced in August 2012, there have been numerous media reports quoting respected industry sources that question the viability of a west coast refinery to process tar-sands bitumen. While speculators are, of

course, free to spend their money where they wish, the attendant waste of government and community resources to monitor their gold-rush fervour needs managing. In addition, the six 120-car unit trains of bitumen travelling the CN Northline <u>each day</u> are barely mentioned in the project application yet clearly pose a significant adverse environmental effect. This rail route crosses and runs alongside the headwaters of both Canada's major west-coast salmon rivers – the Fraser and the Skeena.

FOWS proposes that the federal Minister of Environment confer with the British Columbia Minister of Environment with the intent of entering into an agreement under s. 74(1)(a) of the Act "to conduct a study of the effects of existing or future physical activities carried out in a region." The terms of reference of such a study should be confined to two issues. First, to establish whether the Kitimat Clean proposal can be reasonably said to be viable both financially and economically. Second, to establish whether the adverse environmental effects of transporting bitumen by rail are significant. To do this, the Minister should by order under s. 14(2) of the Act designate the transport of oil by rail a physical activity that is subject to an environmental assessment.

Only after the results of these two reviews have been completed should the proponent be invited to submit an application for a full environmental assessment under the Act. The results of the s. 74 study will then have to be taken into account under s. 19(1)(i) of the Act. FOWS submits that the above preliminary process is necessary to forestall an environmental assessment that becomes wastefully buried in the minute details of refinery operations while by passing critical questions that may otherwise be ignored.

Yours sincerely,

Pat Moss Coordinator

Friends of Wild Salmon

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