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June 7, 2021

Dear Thanh Nguyen:

Re: Vopak Pacific Canada Project Review – Environment and Climate Change Canada (ECCC) Participation as a Federal Authority

On September 4, 2020, Environment and Climate Change Canada (ECCC) received from Vopak Pacific Canada Inc. (the Proponent) an Application for a *Species at Risk Act* (SARA) Permit for little brown myotis. ECCC is currently reviewing the SARA Permit Application to ensure that it fulfills the preconditions. Based on our review so far, a SARA Permit is required for the Vopak Pacific Canada Project (the Project); therefore ECCC is now a responsible federal authority (FA) for the Project and will need to make an environmental effects determination (EED).

As the Proponent applied for a SARA Permit after August 28, 2019, the date that the IAA came into force and the *Canadian Environmental Assessment Act, 2012* (CEAA 2012) was repealed, and as ECCC had not indicated in writing that it had commenced a review under CEAA 2012, ECCC will conduct its review and determination of the Project under s. 82 of IAA. To assist ECCC in its review and s.82 determination, please provide ECCC with the information detailed in the Appendix.

As per the requirements of the IAA, ECCC will be undertaking a public comment period and posting a notice of intent and ECCC's determination publically on the Canadian Impact Assessment Registry (CIAR) website.

To date, ECCC has been participating as an expert department, providing expert information and knowledge for both the federal and provincial reviews. ECCC's comments and recommendations reflect the Department's mandated areas of expertise, as they may pertain to the proposed Project, specifically: air quality, greenhouse gases, water quality, emergencies, species at risk, migratory birds, and wetlands.

Transport Canada and the Prince Rupert Port Authority are currently the FAs conducting the review of the Project under section 67 of CEAA 2012. ECCC will continue to collaborate with the other FAs to determine the likelihood of significant adverse environmental effects prior to issuing a SARA permit. In addition, ECCC will continue collaborating with the B.C. Environmental Assessment Office on its assessment under the B.C. *Environmental Assessment Act*, 2002.

Should you have any questions regarding the above, please contact me by email at <redacted>.

Regards,

Taylor Groenewoud Senior Environmental Assessment Officer Environment and Climate Change Canada / Government of Canada

Appendix: ECCC additional information requirements

To assist ECCC in making its s.82 determination, please provide ECCC with the following information:

Indigenous rights and knowledge:

- A general overview of impacts to Indigenous rights and how they were addressed throughout the Environmental Effects Evaluation process.
- A table of these general issues (not Nation-specific) which includes headings for: Indigenous right and any information on the context in which impacts on that right would occur, Pathway of impact, Response, Residual impact (if any).
- Separate Appendices which include Nation Specific Summary tables of the headings above (these Nation-specific tables should only be shared with each respective Nation, and only submitted collectively to Federal Authorities).
- As appropriate (i.e., where information is not confidential), a summary of Indigenous knowledge provided on the Project and how it was considered in the environmental effects evaluation.

Public comments and community knowledge:

- A summary of public comments received and how they were addressed.
- A summary of community knowledge provided on the Project and how it was considered in the environmental effects evaluation.

Greenhouse gases and climate change:

- Information requested by ECCC on August 5, 2020 in relation to the Project's upstream GHG assessment.

Credible plan to achieve net-zero emissions by 2050

In addition to the above requirements, ECCC requires that the Proponent also provide a credible plan that describes the measures that will be taken to minimize GHG emissions throughout all phases of the Project and achieve net-zero emissions by 2050 (refer to Sections 5.1.4 and 5.3 of the Strategic Assessment of Climate Change (SACC)). The plan must demonstrate how the net GHG emission equation (refer to Equation 1 in the SACC) will equal 0 kt CO2 eq/year by 2050 and thereafter for the remainder of the lifetime of the Project. Emphasis should be placed on minimizing net GHG emissions as early as possible and throughout the Project lifetime. This plan should be provided with the information requested above to inform ECCC's determination, however if this is not possible within the current timelines for Project, ECCC is open to discussing other options for submission.

The credible plan must include at a minimum the following information:

- Each term of Equation 1 (direct GHG emissions, acquired energy GHG emissions, CO2 captured and stored, avoided domestic GHG emissions and offset credits, if applicable) per year for each phase of the Project (refer to Section 3.1.1 of the SACC). If some terms are not applicable for this project, please explain.
- Methodology, data, emission factors and assumptions used to quantify each element of the net GHG emissions (refer to Section 3.1.1 of the SACC).
- A discussion on the development of emissions estimates and uncertainty assessment (refer to Section 3.3 of the SACC).
- Provide a qualitative and quantitative description of the Project's positive or negative impact on carbon sinks. This information must include:
 - a description of project activities in relation to significant landscape features such as topography, hydrology and regionally dominant ecosystems;
 - land areas directly impacted by the Project, by ecosystem type (forests, cropland, grassland, wetlands, built-up land) over the course of the Project lifetime; this includes the areas of restored or reclaimed ecosystem(s);
 - initial carbon stocks in living biomass, dead biomass and soils (by ecosystem type) on land directly impacted by the Project over the course of the Project lifetime;
 - o fate of carbon stocks on directly impacted land, by ecosystem type: immediate emissions, delayed emissions (timeframe), and storage (e.g. in wood products); and
 - o anticipated land cover on the impacted land areas after the Project is in place.
- The conclusions of the Best Available Technologies and Best Environmental Practices (BAT/BEP) Determination process to identify and select the technically and economically feasible technologies, techniques, or practices, including emerging technologies, to minimize GHG emissions throughout all phases of the Project with a net-zero emission perspective. This must include at a minimum:
 - the list of all potential GHG mitigation measures that were considered in the BAT/BEP Determination process;
 - the list of potential GHG mitigation measures selected at the end of the process that are considered for implementation in all phases of the Project (BAT/BEP and emerging technologies), including the following information:
 - the potential percentage reduction in GHG emissions associated with each measure;
 - the level of technology maturity (when the technology could be implemented);
 and
 - the barriers to implementing the selected mitigation measures.
 - a rationale for eliminating each technology or practice that has not been selected for implementation;
 - subject to the public availability of information, a comparison of the Project's projected GHG emission to similar high-performing, energy-efficient projects in Canada and internationally. If applicable, the comparison should explain why the emission of the Project is different.
- A description of any additional measures considered for the Project to achieve net-zero by 2050, if applicable. This can include:
 - implementation of CO2 capture and storage technologies;

- o if any, a description of the proponent's corporate-level GHG commitments and/or netzero plan and an explanation on how it aligns with the Project's net-zero credible plan (see below); and
- acquisition of offset credits.
- The implementation schedule describing when the measures will be implemented, considering equipment replacement. This does not need to describe every technology or practice the Project will implement over time to achieve net-zero emissions. In this case, the proponent must instead describe the process they will follow in order to make the decisions and investment needed to achieve net-zero emission by 2050. The implementation schedule must include relevant data sources, assumptions, information, and a discussion on factors associated with the schedule such as schedule dependencies, constraints, and risk;
- The emissions reductions at specified intervals determined by the proponent, up to 2050. Explain how net GHG emissions reductions are maximized in the earlier years of the Project's lifespan. ECCC recommends intervals to be every five (5) years or as appropriate for the Project;
- A description of measures taken to mitigate the Project's impact on carbon sinks, including measures to restore disturbed carbon sinks; and
- Any other relevant information such as supportive actions that the proponent would need in order to be able to achieve net-zero emissions.