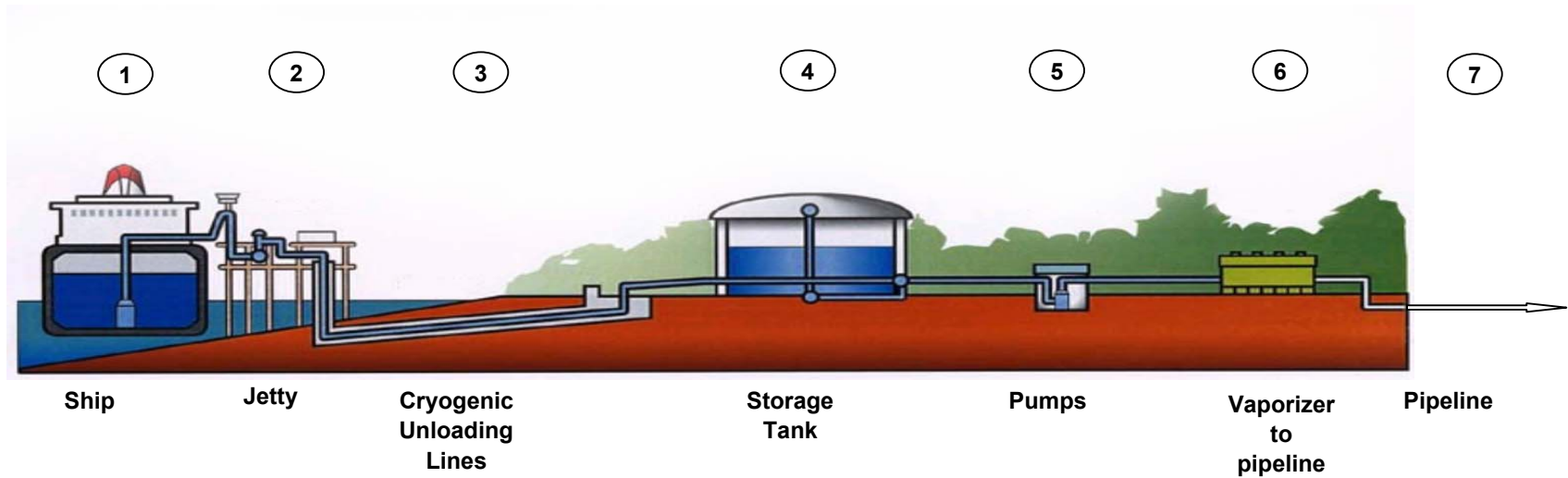


LNG Regulatory Requirements

Components of a Generic LNG Receiving Terminal



Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Federal					
Canadian Environmental Assessment Agency	Federal	Depends on each project and on what has triggered the environmental assessment	Environmental (for comprehensive studies and panels). Note: For screening level assessment, the decision is made by the responsible authority	Decision	Most LNG facilities will trigger the <i>Canadian Environmental Assessment Act</i> . For the projects which will require a comprehensive study or panel review level environmental assessment, the Minister of the Environment will have to render a decision on the environmental assessment prior to the responsible authority being able to issue a permit, a licence or other type of decision (land or money)

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Transport Canada Marine Safety Navigable Waters Protection	Federal	1,2,3,4,5,6,7 All seven components may be included depending on the scope of the EA	Engineering, safety, environmental, other	Approval	Any new or altered works in, on or over navigable water require approval from the Regional Superintendent of Navigable Waters Protection. Approval comes after, among other things, a positive EA from Transport Canada Environmental Affairs. The EA will be triggered under the <i>Navigable Waters Protection Act</i> Sections 5.1, 5.2, 6.4, 10.1, 10.2
Transport Canada Environmental Affairs Environmental Programs	Federal	1,2,3,4,5,6,7 All seven components may be included depending on the scope of the EA	Environmental	Environmental Assessment (Screening report, comprehensive study, or panel review)	Environmental Programs provides an EA report to NWP. See above. Approval from NWP can only be given with, among other things, a positive EA.
Transport Canada Marine Security	Federal	1,2,3,4,5,6	Security	Certificate of Compliance	Marine Transportation Security Regulations (MTSR) require that the facility, port and ship have a security plan approved by Transport Canada Marine Security.
Transport Canada Marine Safety Regional Director General's Office Termopol Review Committee, (TRC)	Federal	1,2,3	Data and operational review process. Analysis of various safety surveys.	TRC provides a forum to discuss ameliorations to a proposal	Although the terminal policy (Termopol TP743) is not a mandatory instrument, it is recommended as guidance to the proponent. The Termopol Review Committee is an interdepartmental working group which applies relevant acts and regulations in an operational context.
Transport Canada Marine Safety Compliance and Enforcement	Federal	1	Safety	Certificates of Compliance	There are a number of operational certificates that an LNG tanker will require in order to operate in Canadian waters. These certificates are issued upon positive inspection of the subject vessel under various inspection regimes, (Port State Control, Canada Shipping Act, Canada Labour Code, etc).

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Fisheries and Oceans Canada	Federal	2,7	aquatic environment	Authorization	The harmful alteration destruction or disruption (HADD) of fish habitat will require an authorization pursuant to section 35 (2) of the <i>Fisheries Act</i> . The installation of a jetty or pipeline watercourse crossings are the most likely activities to cause a HADD, creating the need for the necessary authorization and triggering the environmental assessment process under the <i>Canadian Environmental Assessment Act</i> .
Environment Canada	Federal	4	environmental, protection to humans and the environment	Regulation, Notification and Reporting	LNG is a listed substance in Schedule 1 of the Environmental Emergencies Regulations under s220 of CEPA. If the maximum quantity of LNG to be stored at a site is ≥ 4.5 tonnes and the size of the largest storage tank is ≥ 4.5 tonnes, the proponent must submit a notice of identification as well as prepare and implement an environmental emergency plan. Verbal notification and written reports of any environmental emergency involving LNG must also be submitted.
Environment Canada	Federal	6	environmental	Reporting	Mandatory reporting of GHG emissions for facilities that emit 100 kilotonnes or more of CO2 equivalent is required under CEPA
Environment Canada	Federal	2	environmental and engineering	Permit	Management of sediment and material from certain construction and maintenance activities (e.g. dredging, sidecasting, blasting) may require a Disposal at Sea Permit pursuant to CEPA. Would trigger an environmental assessment under CEAA

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
National Energy Board	Federal	1	Other	Licence or Order	All LNG imported into Canada will require an import licence pursuant to Part VI of the <i>National Energy Board Act</i> (NEB Act) or an order pursuant to the <i>National Energy Board Act Part VI (Oil and Gas) Regulations</i>
National Energy Board	Federal	2,3,4,5,6	complete (engineering, security, environment, etc.)	Certificate or Exemption Order	Proponent may seek Certificate of Public Convenience and Necessity pursuant to s. 52 of the NEB Act or an exemption order pursuant to s. 58 of the NEB Act to construct and operate LNG Import Facility. Facility would also trigger an Environmental Assessment under CEAA.
National Energy Board	Federal	7	complete (engineering, security, environment, etc.)	Certificate or Exemption Order	Certificate of Public Convenience and Necessity pursuant to s. 52 of the NEB Act or an exemption order pursuant to s. 58 of the NEB Act to construct and operate interconnecting pipeline facility if it crosses provincial or international boundary or is built by company regulated by NEB. Facility would also trigger an Environmental Assessment under CEAA.
National Energy Board	Federal	2,3,4,5,6,7	Tolls & tariffs	Order	If LNG facility falls under NEB Regulation, the NEB may be required to set tolls and tariffs for the facility under Part IV of the NEB Act.
Natural Resources Canada	Federal	2,3,4,5,6,7	complete (engineering, environment, etc.)	Governor in Council approval of Certificates	Certificates of Public Convenience and Necessity become effective only after Governor in Council (GIC) approval. The Minister of NRCan recommends approval of the NEB's certificate to GIC. GIC's approval represents the Cabinet's endorsement of the responsible minister's recommendation.
Natural Resources Canada	Federal	1	Other	Licence	Import licences do not become effective until approved by Governor in Council. Import orders do not require GIC approval.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Canadian Transportation Agency	Federal	Railway into LNG facility, pipeline/ railway crossings	Engineering and Environmental	Order	Canada Transportation Act sec. 98(2) for all rail lines and sec. 101(3) for crossings, utility/rail, service road/rail, etc.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Provincial & Municipal					
Nova Scotia					
Nova Scotia Energy	Provincial	2,3,4,5,6,7	Tolls and tariffs		Legislation regulating the plant. The province has claimed jurisdiction and will set tolls and tariffs, adopts the standards for construction, maintenance and operations.
Nova Scotia Utility and Review Board	Provincial	licenses and permits			administers the Gas Plant Facilities act and regulations, sets conditions including but not limited to, codes of practice.
Nova Scotia Environment and Labour Environment Monitoring Compliance Division	Provincial	2,3,4,5,6,7	Environmental assessment	permit	Facility falls under the Class one industrial in accordance with the Environment act
Nova Scotia Environment and Labour Environment Monitoring Compliance Division	Provincial	2,3,4,5,6,7	complete (engineering, environment, etc.)	Permit	Construction , operation and decommissioning will be done in various phases and will require approve before the start of any phase
Nova Scotia Environment and Labour OHS Division	Provincial	3,4,5,6,7, (1 & 2 only to the extent that there are provincially regulated employees)	All areas relating to occupational health and safety.	There is no issuance of any instrument.	There are no licenses or permits issued. There is inspection for compliance to the provincial occupational health and safety regime that would correct non-compliance through an enforcement strategy
Nova Scotia Environment and Labour OHS Division	Federal	3,4,5,6,7, (1 & 2 only to the extent that there are provincially regulated employees)	Chemical Labelling	There is no issuance of any instrument.	There is inspection for compliance to the <i>Hazardous Products Act</i> regime that would correct non-compliance through an enforcement strategy

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Nova Scotia Acts of general application	Provincial	any land area			There are a number of Acts and regulations which apply as they would to any industry. They include but are not limited to usage of water for industrial applications, electrical instalations, fuel storage etc.
Nova Scotia Department of Natural Resources Emergency Measures Organization	Provincial		As part of the ability to respond to any incident	no instruments issued	Emergency Response Plan
Nova Scotia Municipalities	Municipal	any land area	Requirements for building permits for any structure housing plant components.	permit to construct	Although there are no buildings shown on the diagram buildings for the personnel such as sanitary facilities will fall to the municipality.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
New Brunswick					
New Brunswick Department of the Environment and Local Government	Provincial	1,2,3,4,5,6,7	environmental - broadly defined to include biophysical and socio-economic components	Ministerial Determination or Lieutenant-Governor in Council Approval	NB Regulation 87-83 - Environmental Impact Assessment Regulation, under C-6, the <i>Clean Environment Act</i>
New Brunswick Department of the Environment and Local Government	Provincial	2 (related to noise from pile driving for the pier),3,4,5,6 - landward of Ordinary High Water Mark (OHWM)	environmental and engineering	Certificate of Approval	Approval to Construct under NB Regulation 82-126 - Water Quality Regulation, under C-6, the <i>Clean Environment Act</i> and NB Regulation 97-133, under C-5.2, the <i>Clean Air Act</i>
New Brunswick Department of the Environment and Local Government	Provincial	terrestrially, exact location dependent on location of watercourse	environmental and engineering	Permit	Watercourse Alteration Permit for work within 30 metres of a watercourse or wetland in accordance with NB regulation 90-80, under C-6.1, the <i>Clean Water Act</i>
New Brunswick Department of Energy	Provincial	7	other	franchise approval	Under the Gas Distribution Act a franchise approval will be required to authorize the direct distribution of gas from the LNG facility to a NB customer.
New Brunswick Board of Commissioners of Public Utilities	Provincial	7	complete (engineering, environment, etc.)	Permit	NB Pipeline legislation will apply to pipelines carrying gas for distribution in NB and to pipelines carrying gas for export from the LNG facility to the point of connection with an NEB regulated pipeline.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
New Brunswick Department of the Environment and Local Government	Provincial	6	environmental and engineering	Certificate of Approval	Approval to Operate under NB Regulation 97-133 - Clean Air Regulation, under C-5.2 the <i>Clean Air Act</i> and NB Regulation 82-126 - Water Quality Regulation, under C-6, the Clean Environment Act
City of Saint John	Municipal	other - ancillary buildings	engineering	Permit	Municipal Building Permit to meet National Building Code
New Brunswick Department of Public Safety	Provincial	3 (including the cryogenic lines on the pier), ⁴	engineering and safety	license	The <i>Boiler and Pressure Vessel Act</i> and the appropriate Regulations will allow for adequate regulation of the cryogenic lines and the storage tank
New Brunswick Department of Public Safety	Provincial	5,6, 7 to limits of property line	engineering and safety	license	B-7.1, <i>NB Boiler and Pressure Vessel Act</i> and its associated Regulations apply
New Brunswick Emergency Measures Organization (NBEMO) and City of Saint John Fire Chief	Provincial and Municipal	1,2,3,4,5,6,7	safety	Approval	Emergency Response Plan required to be submitted by proponent and approved by NBEMO and City of Saint John Fire Chief as a condition of the NB EIA Approval
New Brunswick Department of the Environment and Local Government	Provincial	4	engineering	Approval	A site specific seismic and risk assessment to be conducted by proponent and approved by DELG prior to completing final tank design as a condition of the NB EIA Approval
Atlantic Pilotage Authority (APA)	Federal	1	safety, engineering	Approval	A simulation exercise involving the LNG vessel, pier and surrounding environment must be developed with input from a number of federal marine agencies and approved by APA prior to initiation of construction of the pier.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
New Brunswick Workplace Health Safety and Compensation Commission	Provincial	3,4,5,6,7, (1 & 2 only to the extent that there are provincially regulated employees)	All areas relating to occupational health and safety.	There is no issuance of an instrument.	There are no licenses or permits issued. There is inspection for compliance to the provincial legislation O-0.2 the Occupational Health and Safety Act and its associated Regulations that would correct non-compliance through an enforcement strategy. Pro-active coordination and discussion with WHSSC prior to construction has been committed to in the EIA report.
New Brunswick Department of Public Safety	Provincial	1,2, may also include other components	security		A Facility Security Plan must be submitted by the proponent to both the NB Department of Public Safety and Transport Canada (see above) 6 months prior to operation, in accordance with the Marine Transportation Security Regulations. This is a condition of the NB EIA Approval.
New Brunswick Department of Public Safety	Provincial	2,3,4,5,6,7	engineering		Operational and abnormal reporting requirements specified as a condition of the NB EIA Approval.
New Brunswick Department of the Environment and Local Government	Provincial	1,2,3,4,5,6,7	environmental		The proponent must develop a tracking database itemizing all permit and approval conditions, as well as the commitments made in the Environmental ImpaNB EIA Approval. This includes follow-up commitments for environmental effects monitoring.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
Québec					
Québec Government	Provincial	2,3,4,5,6,7	complete	Certificate (section 31.5 of the EQA)	Certificate of authorization for the realization of the project with or without amendments, and on such conditions as it may determine pursuant to section IV.1 of <i>Environment Quality Act</i> (EQA). The department responsible for the environment (MDDEP) makes recommendations in consultation with other departments. Prior approval by the CPTAQ (Commission de protection du territoire agricole du Québec) is required if the project crosses agricultural lands.
Québec Department of Sustainable Development, Environment and Parks (MDDEP)	Provincial	2,3,4,5,6,7	complete	Certificate (section 22 of the EQA)	Certificate of authorization for the construction or operation of each project component to ensure the environmental compliance of final plans and drawings with the government authorization and to ensure compliance with all other provisions of the <i>Environmental Quality Act</i> (EQA). A statement of compliance with municipal regulations is required.
Québec Bureau d'audience publique sur l'environnement (BAPE)	Provincial	2,3,4,5,6,7	primarily environmental	report to Québec Minister of Environment	After a public hearing, the BAPE produces a report of its observations and analysis, which is forwarded to the Minister of Environment.

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
British Columbia					
British Columbia Utilities Commission (BCUC)	Provincial	2,3,4,5,6	n/a	Order	Application to BCUC to seek exemption under section 88 of the UCA.
British Columbia Utilities Commission (BCUC)	Provincial	6	Tolls & tariffs	Order	Rates for Processing Facilities are set by the BCUC, Utilities Commission Act Part 3 Section 59 - 63 "rates", Part 4 Section 67 "Common Processor" exemption under section 88
British Columbia Utilities Commission (BCUC)	Provincial	7	Tolls & tariffs	Order	Rates for an intraprovincial pipeline are set by the BCUC Utilities Commission Act Part 3 Section 59 - 63 "rates", Part 4 section 65 "Common Carrier" exemption under section 88
British Columbia Environmental Assessment Office	Provincial	2,3,4,5,6,7	Concurrent Permitting		BC Environmental Assessment Act Concurrent Approval Regulation
British Columbia Environmental Assessment Office	Provincial	1,2,3,4,5,6,7	Consultation		Environmental Assessment Act Public Consultation Policy Regulation
British Columbia Environmental Assessment Office	Provincial	1,2,3,4,5,6,7	Consultation		The Provincial First Nations Consultation Policy (October 2002)
British Columbia Environmental Assessment Office	Provincial Federal	2,3,4,5,6,7	Environmental	Certificate	Environmental Assessment Act /CEAA Harmonization Canada-British Columbia Agreement for Environmental Assessment Cooperation
Land and Water British Columbia	Provincial	Electricity Cables	Siting	statutory Right of Way	The Land Act (section 39&40)
Land and Water British Columbia	Provincial	6	Application	License	Water Act
British Columbia Oil and Gas Commission	Provincial	2?,3,4,5,6,7	Siting	Lease (tenure) Statutory Right of Way	The Land Act (section 39&40) Lease Required for Facilities on Crown Land, Statutory Right of Way required for pipeline.
British Columbia Oil and Gas Commission	Provincial	2	Siting	Lease	The Land Act

LNG Regulatory Requirements

Department or Agency with Responsibility	Type ¹	Facility Component ²	Assessment ³	Instrument ⁴ to Issue	Legislative Requirement
British Columbia Oil and Gas Commission	Provincial	2,3,4,5,6,7	Siting (forestry clearance)	Master License to cut	Land Act
British Columbia Oil and Gas Commission	Provincial	7	Environmental, Engineering, safety	License to Operate	1996 Pipeline Act
British Columbia Oil and Gas Commission	Provincial	2,3,4,5,6,7	Environmental	Risk Assessment	2003 Environmental Management Act Risk Assessment, Risk Assessment Determines Permitting Requirements
British Columbia Oil and Gas Commission	Provincial	2,3,4,5,6	Environmental	permit	2003 Environmental Management Act Waste Disposal
British Columbia Oil and Gas Commission	Provincial	1,2,3,4,5,6,7	Environmental	permit	Air Emissions 2003 Environmental Management Act
British Columbia Oil and Gas Commission	Provincial	2,3,4,5,6	Environmental	remediation Order	2003 Environmental Management Act Part 4 - Contaminated Sites Regulation Section 48
British Columbia Oil and Gas Commission	Provincial	7, Roads	Environmental-Stream Crossing	Approval	
British Columbia Ministry of Transportation	Provincial	Roads	Engineering, Environmental, Safety	Road Permit	Petroleum and Natural Gas Act Section 3 (8) access roads
British Columbia Ministry of Transportation	Provincial	Trucking of Liquids	Safety	permit	Transportation of Dangerous Goods Act, Schedule 2
British Columbia Ministry of Transportation	Provincial	roads	Environmental	specification	Roads to specifications.
District of Kitimat	Municipal	4,5,6	Rezoning		
District of Kitimat	Municipal	4,5,6	subdivision approval	permit	
District of Kitimat	Municipal	4,5,6	building Permits	permit	

1 e.g., Federal, Provincial, Municipal

2 use numbers from diagram

3 e.g., engineering, safety, environmental, security, other

4 e.g., permit, order, licence, certificate