

Understanding The LNG Motion at our People's Assembly

Today, our land has provided us with a new opportunity—in the form of a proposed liquefied natural gas (LNG) project at Sarita Bay—that has the potential to sustain our people, improve our quality of life and generate employment and business opportunities that can bring our people home.

Huu-ay-aht First Nations has been exploring the possibility of developing a LNG facility on Huu-ay-aht land at Sarita Bay, together with our partner Steelhead LNG.

The first thing that Steelhead LNG did when they learned about Sarita Bay as a potential site for an LNG facility was to approach Huu-ay-aht First Nations to see if Huu-ay-aht was interested in being a partner. Huu-ay-aht was interested in exploring the option and entered into an Opportunity Development Agreement (ODA) with Steelhead LNG to explore the opportunity. The land where the proposed Project is to be located was owned by a private landowner. As it has always been a long-term goal of our Nation to purchase these lands and bring them into Treaty Settlement Lands (TSL), Huu-ay-aht purchased the land.

Because Steelhead LNG does not own the land, the Project must rent it from Huu-ay-aht.

So what is the LNG Motion at the People's Assembly all about?

At the People's Assembly, Huu-ay-aht citizens will be asked if they support leasing the Sarita land to Steelhead LNG for no more than 35 years for the proposed Project.

Purpose of The Vote:

- To decide whether Huu-ay-aht citizens are in favour of learning more about the proposed Project, by conducting environmental, traditional use and technical studies, over the months and years to come.
- To vote on whether the lands, which will become Treaty Settlement Lands (TSL), should be leased to the Project in order to conduct these studies and possibly construct and operate the LNG facility.

DID YOU KNOW... *the lands we have purchased in Sarita Bay will always be our lands? We are only proposing that the Project will rent the land!*

Does a “yes” vote for the LNG Motion at the People's Assembly mean that the proposed Project will be approved?

No! Supporting the LNG Motion does not mean you are approving the facility to be built.

Supporting the LNG Motion means that you are comfortable with:

- (1) studying the proposed Project so that we can really understand both the potential effects and the potential benefits.
- (2) offering the Project the opportunity to lease the land.

If we proceed, there will still be several “decision points” over the next four years at which the Huu-ay-aht government and/or Steelhead LNG could decide to withdraw from the proposed Project.

What input have we received from our H̱aw̱iiẖ?

Our H̱aw̱iiẖ Council, the H̱uu-ay-aht First Nations Executive Council, and Steelhead LNG have agreed upon a number of commitments (referred to in the motion as “conditions”), listed and explained below. If at any point these commitments are not upheld, either H̱uu-ay-aht First Nations or Steelhead LNG can walk away from the proposed Project.

What happens if the LNG Motion at the People’s Assembly does not pass? If there is a “no” vote at the People’s Assembly, the proposed Project will not move forward and Steelhead will no longer explore developing an LNG facility within the H̱uu-ay-aht territory.

The LNG Conditions Explained

WHAT THE MOTION SAYS

The proposed Project follows the core values of ʔisaak (respect), hišuk čawak (everything is connected) and ʔuuʔałuk (taking care of) as defined in the 2014 H̱uu-ay-aht Economic Development Plan through all stages of the Project

The proposed Project carries out environmental best management practices and stewardship

A net gain of cultural heritage values and/or traditional use areas through conservation and set aside (i.e. protection of TSL areas)

WHAT THE MOTION MEANS

Our values will guide the way the proposed Project moves forward.

How will we do this?

H̱uu-ay-aht First Nations and Steelhead LNG will use H̱uu-ay-aht’s core values in all decision making throughout every stage of the proposed Project.

The proposed Project is going to use the best environmental management and stewardship practices possible, which will include ones designed by H̱uu-ay-aht First Nations.

How will we do this?

We will work together to ensure that the proposed Project is one of the best in the world.

We will enhance our cultural and traditional values by increasing and protecting our cultural heritage values and our traditional use areas. If there is decrease of these values in one place, there must be an even larger increase in another place.

How will we do this?

H̱uu-ay-aht will make sure that we set aside areas in our Treaty Settlement Lands or acquire new lands for special protection.

WHAT THE MOTION SAYS

The acquired lands will be converted into TSL prior to the disposition of a lease or long term interest

DID YOU KNOW... *the land at Sarita Bay was pre-approved for purchase and transfer into TSL in our Treaty?*

The proposed Project is financially viable and rewarding to the satisfaction of its participants

The proposed Project is demonstrably safe

The proposed Project, through the Legacy Fund, restores and enhances the Sarita River and the marine and aquatic resources in the surrounding area, including the full return of the Sarita River salmon run

WHAT THE MOTION MEANS

The lands in Sarita Bay are part of pre-approved lands that could be changed into Treaty Settlement Lands (TSL) through the Treaty. Now that Huu-ay-aht has purchased the land at Sarita Bay, in the near future it will be changed to TSL. If the Project ends, Huu-ay-aht still has the lands as TSL. At the end of the life of the facility, the lands would be restored and Huu-ay-aht would decide what to do with the lands next.

Both Huu-ay-aht and Steelhead LNG need to ensure that the proposed Project will make sense economically for both parties.

How will this happen?

In order for the proposed Project to work for Huu-ay-aht, it must be generating wealth for the Nation to provide benefits for many generations of Huu-ay-aht people to come.

Through the studies conducted, Steelhead LNG and Huu-ay-aht must ensure and demonstrate that the proposed Project is safe to be constructed, operated and removed at the end of its life.

Some of the income generated by the proposed Project will be used to enhance the natural resources throughout the ha'houlthee of our H̄awiih̄.

This money will be set aside for the continued restoration, enhancement and revival of our rivers, streams, lakes and creeks. This means that the proposed Project will benefit and enhance the marine and aquatic resources, including the Sarita River.

WHAT THE MOTION SAYS

The proposed Project meets or exceeds regulatory requirements and achieves BC and Federal Government support through agreements such as the Tax Treatment Agreement and the Environmental Assessment Plan

The proposed Project secures project financing on commercially reasonable terms

The proposed Project establishes an independent reclamation fund to ensure the land will be returned to a state acceptable to Huu-ay-aht or repurposed for new projects, whatever is decided by Huu-ay-aht at that time

The proposed Project includes everything required for a customer to pick up an LNG cargo

WHAT THE MOTION MEANS

The proposed Project will meet or go above and beyond all provincial and federal regulations required, including environmental regulations, and we will negotiate a fair agreement with all levels of government on issues such as taxes.

Huu-ay-aht may also outline its own environmental and taxation regulations that the proposed Project will have to follow.

Huu-ay-aht will be able to secure appropriate and reasonable financing in a project structure that is beneficial to all partners.

A special fund will be developed for restoring the Sarita Bay land. This means that at the end of the life of the facility, there will be money available to ensure that the land will be returned to a state acceptable to Huu-ay-aht or repurposed for new projects, whatever is decided by Huu-ay-aht at that time.

How will this work?

This means that at the end of the project we can make sure that the land goes back to a natural state if that is what we want, or we can use it for another purpose.

The Project will need to have all elements of standard LNG facility according international standards to ensure that it is acceptable to customers as a facility from which they can purchase and pick-up LNG.

If you would like to see the full motion as it will be voted on at the People's Assembly, go to <http://huyuayht.org/wp-content/uploads/2014/10/Nov14Report.pdf>.

