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ANCIENT SPIRIT, MODERN MIND

BULLETIN 2

Environmental Framework: Four Cornerstones

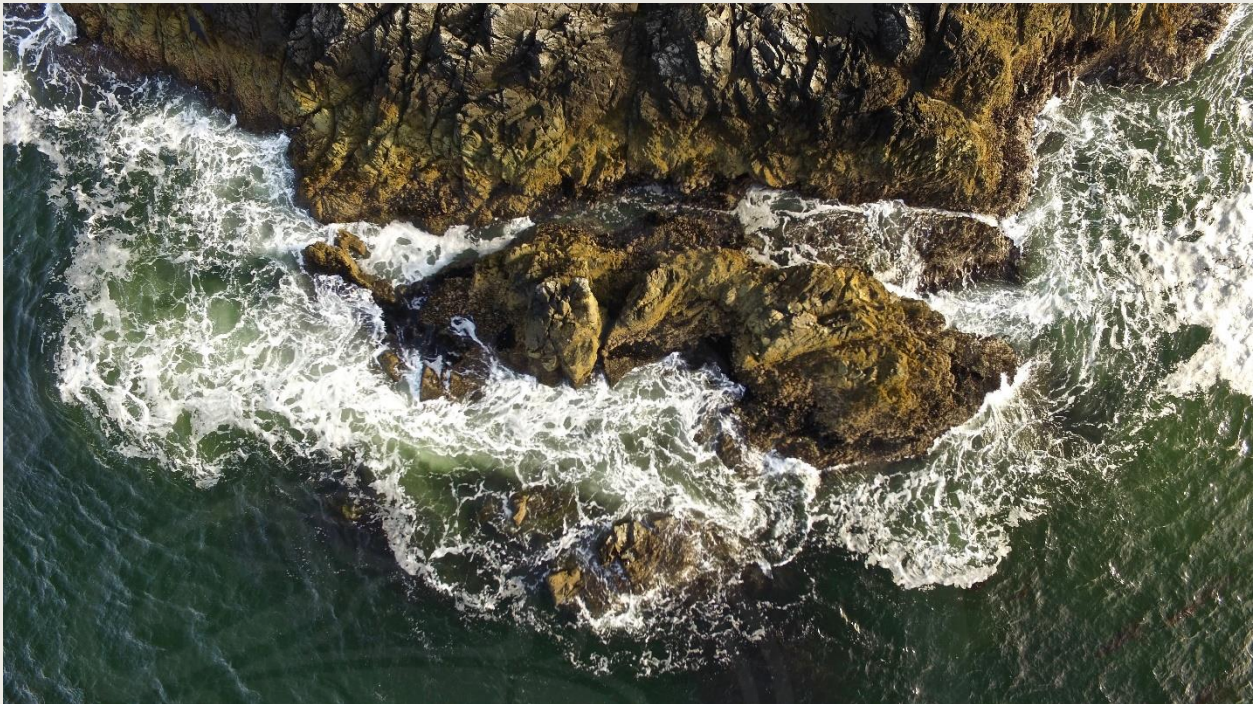
August 18, 2016

Overview

The Huu-ay-aht First Nations LNG negotiating team and Steelhead LNG are jointly developing an Environmental Framework that sets out how the environment will be protected and managed if a LNG terminal is constructed and operated within HFN territory. Environment refers here to the natural world, social, cultural, health and economic environments that would be affected by the SLNG Project.

Huu-ay-aht is seeking to establish an Environmental Framework built on four cornerstones:

1. **Hišuk ma c'awak (everything is one), ʔuuʔaluk (taking care of), ʔiisaak (greater respect)**
2. **Avoid, Minimize or Mitigate Environmental Impacts**
3. **Co-Management under a Project Oversight Board (POB)**
4. **Commitment to World-Leading Environmental Management**





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Hišuk ma c'awak, ʔuuʔaʔuk, and ʔiisaak These three sacred values of the HFN culture have guided the HFN negotiating team's environmental work with Steelhead LNG and will be embodied by HFN and Steelhead LNG in all aspects of the SLNG Project.



Avoid, minimize or mitigate environmental impacts We are seeking to ensure that the SLNG Project is designed, constructed and operated to avoid, minimize or mitigate harmful impacts on the environment including habitat systems, air and water quality, and plant and wildlife. We also seek to avoid, minimize or mitigate impacts on traditional use opportunities on Huu-ay-aht lands. As well, we are seeking that adverse social, cultural and economic effects will be avoided, minimized or mitigated.



The Project Oversight Board would be responsible for implementing all aspects of the Environmental Framework and is critical to the environmental success of the SLNG Project. Key attributes of the Board we are seeking include:

- Co-chaired by HFN and SLNG with equal representation.
- Supported by expert professional advice.
- Ensure outcomes are World-Leading including exceeding regulatory standards, commitments, obligations.
- Ensure outcomes are World-Leading including exceeding the needs and interests of the Parties.
- Facilitate the use of progressive standards and practices involving technology and procedures to mitigate environmental risk.
- Provide for contingency funding/mechanism to deal with unexpected impacts / outcomes.
- Provide for a dispute resolution mechanism.



A Commitment to World-Leading Environmental Management means that HFN can be assured that the best available procedures and technologies will be used at the LNG terminal during construction and operations and to safeguard the environment. Key to this commitment to World-Leading will be successful implementation of the Environmental Framework to reduce environmental risks and to ensure that the Project accommodates community interests in a manner that is timely, credible, effective and adaptive.

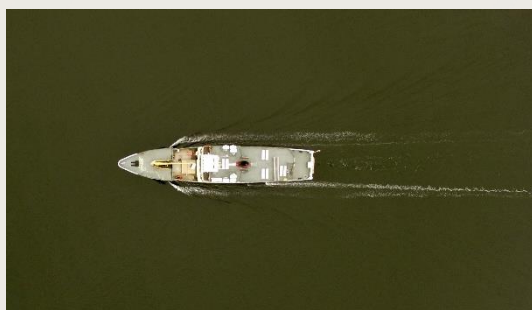


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The overall Environmental Framework is summarized in the diagram below. Key aspects of the Framework are:

- *Valued Components* to be assessed for potential impacts (those aspects of the environment that are important to HFN and that could be harmed by the LNG project). The Valued Components are being jointly developed by HFN and Steelhead LNG and will be inclusive of concerns identified by Huu-ay-aht citizens.
- *Baseline Studies* that will provide current and, where appropriate, information on the Valued Components and will help us to understand how the Project might affect them and what can be done to avoid or mitigate those impacts. The HFN team and Steelhead LNG are jointly developing the terms of reference for baseline studies and exploring opportunities for HFN to be engaged and even lead some of these studies.
- *Environmental Assessment and Permitting* processes that address community needs and interests and that are comprehensive and timely.
- *Environmental Management* that is World-Leading, that reduces environmental risks and ensures that the Project accommodates community interests in an adaptive, effective and timely manner. A comprehensive suite of environmental management plans will be jointly developed by HFN and Steelhead LNG utilizing qualified professionals.
- *Monitoring and Compliance* programs to help understand the effects of the Project during construction, operation and closure in order to inform improvements in the overall environmental management of the project.
- *Offsets and Enhancements* will be put in to effect in cases where environmental impacts occur as well as in an effort to generally improve environmental (natural world, social, cultural, health and economic) conditions in Huu-ay-aht territory including the Sarita Watershed (Heart of the People).





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Diagram: Environmental Framework

