



Liard First Nation

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Submitted online via YESAB Registry

RE: YESAB Project 2013-0009 Watson Lake Bi-Fuel Generating Facility

Dear YESAB Assessor,

Regarding YESAB Project 2013-0009, Liard First Nation (LFN) understands that Yukon Electric Company Ltd. and ATCO Gas Ltd. (collectively, "the proponent" hereafter) proposes to convert all six diesel generators used in Watson Lake to run as bi-fuel generators, using a mix of LNG and diesel. Although the project is described as Phase 1 (one generator as a pilot project) and Phase 2 (the remaining five generators), the application appears to be for the full conversion.

The proponent has claimed in their application that they have directly discussed this project and its potential consequences with LFN¹; however this statement should not be construed as to mean any formal consultation has taken place, nor that LFN has chosen to support the project.

Given the constant demand for staff and financial resources to respond to referrals, LFN lacks the capacity to conduct a comprehensive assessment of this project and the comments that follow are based on a preliminary review.

The project is situated in LFN's traditional territory. LFN has never ceded any of the collective Kaska rights and title held by its members, and as such has a duty to ensure that any proposed undertaking in LFN territory (1) is consistent with stewardship obligations LFN holds for the Land, Air, Water and animals upon which we all depend; (2) provides benefit to LFN members where ever possible; (3) identifies, avoids, accommodates and/or compensates LFN for infringements on constitutionally protected Aboriginal rights and title. In our review of the proponent's application, the purported benefits (decreased harmful emissions and by corollary, improved environmental health; potentially lower electricity rates) are tenuous, especially

¹ YESAB 2013-0009-15-1

compared to uncertainty surrounding potential environmental and socioeconomic risks that this project may directly or indirectly convey. Specific comments:

- The proponent's assessment does not include the transport of LNG trucks (one truck every five days), despite it being inextricably tied to the project scope, and being temporally and spatially bounded. The Watson Lake YESAB Designated Office (the DO) has determined that truck transport of LNG will be scoped into the YESAB assessment of the project, but only covering activities physically occurring in the Yukon. Kaska traditional territory and consequently LFN's stewardship obligation extends beyond this border. Every truck used to transport LNG to Watson Lake will travel nearly 900km through Kaska territory, primarily in British Columbia and including several difficult mountain passes and culturally significant areas. LFN therefore requests the scope be refined to include a risk assessment of this heavy truck transport extending beyond just Yukon's borders. Should the DO feel this is beyond its allowable jurisdiction, LFN calls on the proponent to revise their assessment as a means of engaging LFN on this project.
- The timing of this project to overlap with an ongoing consultation period for Yukon regulations for gas processing plants is out of sync². Given the fact that these draft regulations are still out for public comment and ostensibly are subject to considerable change, it seems inappropriate to conclude any assessment on how this project fits the local regulatory expectations. Particularly troubling is the comment from Energy, Mines and Resources' representative Richard Corbett that YTG will rely on the draft *Gas Processing Plant Regulations* to ensure that the facility is operated to high environmental standards. As YTG still collecting feedback on these draft regulations, EMR is in no position to use the existing draft to ensure high environmental standards. No decisions should be made about this proposal, whether by the DO or by EMR, until such time as these regulations have completed the consultation process.
- The proponent has acknowledged needing to vent (or leak?) methane on occasion, but with no thoughts on quantity or timing. YTG has recommended in their comments that this be monitored and reported during the pilot project to inform future steps. Recognizing that this is a pilot project, it begs the question of whether there is a more controlled environment in which to run what is essentially an experiment. LFN requests that the DO consider the implications of this uncertainty in their assessment. In a similar line of reason, the entire monitoring program that the proponent and YTG are apparently

² Yukon's *Oil and Gas Act*: Draft Gas Processing Plant Regulations were released public review and consultation until May 8 2013.

discussing should be developed and described in the project proposal, while it is still at a transparent stage in the process.

- Despite the additional proponent information submitted in February and again in April, it remains unclear why an earthen berm is of any use in containing potential spills from a cryogenic tank of a substance with a liquefaction temperature of -162°C . Wouldn't any leaks be instantly vaporized? The idea of a containment berm seems like "window dressing" with no functional value.
- The conclusions of the environmental assessment are very heavily based on deterministic predictions, first from 2009 atmospheric simulation model output by SENES and then by a 2012 follow up literature review, also by SENES. Lacking local meteorological data that fundamentally determine actual air dispersion and air quality, predictions are based on simulated conditions at very fine spatial resolution but derived from very broad spatial inputs. Although SENES mentions having tested their proprietary model since 2002, there is no indication of what those tests may have shown regarding bias, precision, and transferability of their model. Watson Lake is prone to severe winter temperatures and air inversions that restrict air dispersion and can cause very poor air quality from local emissions. Through LFN's preliminary review it is not clear that local conditions have been properly accounted for, nor if the simulation model output represents extrapolation beyond calibrated or tested conditions. There is virtually no quantitative or qualitative treatment of uncertainty in the SENES model and the resulting assessment. This is fundamentally important given the near total reliance of decision making on the model output. A sensitivity analysis is warranted, varying key model parameters and identification of whether any of the uncertain parameters are influential on final predictions. Confidence intervals are also warranted for all quantitative emissions predictions.

In general it seems that the project benefits are most likely to accrue to the proponent, rather than LFN members or other residents of the Watson Lake / Upper Liard area. Claims of improved air quality and potentially lower electricity rates are not sufficiently supported. Conversely the potential costs or at least risks are borne by LFN: directly to its Kaska citizens and indirectly to the lands for which LFN is a steward. We invite the proponent to engage with LFN further to discuss this inequity.

Thank you for the opportunity to comment.

Regards,

A handwritten signature in black ink, appearing to read 'Tyler Gray', with a stylized flourish at the end.

Tyler Gray
LFN Lands & Resources
lfnlands@kaska.ca

- c. Mary Maje, RRDC YESAA Coordinator (via email)
- c. Vanessa Law, Daylu Dena Environmental Officer (via email)