City of Whitehorse
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January 10, 2014

YESAB Whitehorse Designated Office
203-309 Strickland Street
Whitehorse, YT Y1A 2J9

Re: Yukon Energy LNG Conversion Project YESAB 2013-0115 - comment submission

Please find following comments about the above project from the City of Whitehorse. Proposed project final design is subject to review by City Development Review Committee (DRC) and issuance of Development and Building Permits. The proposed project was discussed at the City's DRC September 24th, and December 3rd meetings, following are the comments, recommendations and concerns related to the project.

The project's proposed location conforms with Zoning Bylaw 2012-20 and the 2010 Official Community Plan designations of "Public Utility". The purpose of the Public Utility Zone is to provide a zone for the public utility installations and facilities involving disposal, recycling, or similar uses that may generate nuisance impacts for adjacent land uses. Proposed security fence height, equipment and structure heights conform with development regulations. The proposed setbacks respect the requirements of CSA Z276-11 which are in excess of the zoning's minimum setbacks.

The impact on the visual aesthetics along Robert Service Way, a 'gateway' to Whitehorse is of concern. Zoning requires that this development be screened from adjacent streets with a combination of fences, berms, landscaping to the satisfaction of the City's Development Officer. A specific "Gateway Landscaping" zoning regulation is applicable to this location which doubles the typical landscaping requirements in the yard adjacent to Robert Service Way. The DRC recommends that the access roads and vapour barrier be configured to maintain as much of a natural buffer as possible, and that new shrub/trees be interplanted with existing vegetation. As well the installation of visibility screening in the fencing is recommended.

A portion of the proposed power supply/distribution lines connecting the YEC substation to the proposed site is proposed to be overhead. Installing lines overhead is not supported in this location, only new underground services are recommended.

The proposed access roads locations and intended vehicular usages are subject to approval form the City Engineer, and require hard surfacing to the extent that gravel is not carried onto Miles Canyon Road or Robert Service Way.

Formal access and utility easements are recommended between Whitepass (BYR) and Yukon Energy for crossing the rail right of way. It is expected that such accesses will

require approvals by Transport Canada. The Official Community Plan contemplates the continuation of the Whitehorse Waterfront Trolley to Schwatka Lake on the BYR railway line. This would be impacted by the proposed site access and utility crossings, and the Miles Canyon Historic Rail Society should be consulted about easement and crossing agreements between the Project Proponent and BYR.

The City and the Project Proponent have confirmed that an active transportation and leisure path connecting Robert Service Way to Miles Canyon Road will be disrupted during construction of the project. This path and a portion of Miles Canyon Road is located on YEC property. It is recommended that the Project Proponent enter into an easement agreement with the City to provide for use and of the road and the path within YEC property.

A surface water exfiltration/evaporation drainage pond will be disrupted by the development. A development agreement between the City and Yukon Government will be required in conjunction with land disposition that obligates the project proponent to enter an easement agreement for the reconfigured surface drainage area. This is a condition of Subdivision Approval from the City that is required for the YG disposition parcel. The design of the new surface drainage area is subject to approval by the City Engineer, and City crews will be required to access the drainage pond as and when required for maintenance purposes.

The Project proceeding will require additional training and resources for the City of Whitehorse Fire Department. Fire suppression services are proposed to be extended by the Project Proponent to this location from their adjacent property. Further consultation and approval from the City's Fire Prevention Officer and Yukon Fire Marshall's Office is required. DRC recommends consideration to extend this service to provide a hydrant and a possible future extension west of Robert Service Way.

The Project Proponent has noted that a certain amount of LNG will "boil" off as the LNG warms up and turns from liquid to gas. The City supports the use of this gas for the purpose of heating YEC facilities and/or private business which may develop on the west side of Robert Service Way opposite from the LNG plant. The Project Proponent should be required to use all available gas and avoid the need to flare excess gas or exhaust gas to the environment. The Project Proponent should confirm if the existing YEC heating demands whether in existing buildings or other heating requirements is sufficient to use all gas which may turn from liquid to gas.

The Project Proponent is proposing to continue the use of mechanical turbines using the new LNG facility replacing diesel turbines. The Proponent should confirm that the air quality within the City's downtown core is not adversely affected by the conversion from diesel to natural gas. Further, the new turbines should be constructed to reduce resulting noise pollution from their operation by constructing appropriate insulated facilities.

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The Project Proponent should also be directed to make provision for use of waste heat generated by the operation of the turbines or at the LNG storage facility, when and as required, and should identify and make provision for supplying waste heat as an alternative heating source for facilities in and around the YEC facility.

It is understood that the operation of these new turbines is planned only for emergency purposes and to meet periodic peak demands and they will not be operated on a continual basis to meet every day demands. Should power demands exceed the average daily hydro supply, the Project Proponent is encouraged to consider the development of green or sustainable options that do not rely on carbon sources whether diesel or natural gas, such as wind power and/or solar power.

All comments and reviews are on based on the information provided, additional review of the proposed final alignment of the structures and equipment is required prior to issuance of City development permit, including photographs of the engine modules and a rendering of the entire development.

Sincerely,

Patrick Ross
A/Director of Development Services
City of Whitehorse

c: City Manager