

Memorandum



To: WEI participants
From: Rahul Ray and Jason Collier
Date: March 22, 2019
EDI Project No: 18P0173
Re: Vanderhoof Information Session (Morning) – March 14, 2019

An information session for Rio Tinto’s Water Engagement Initiative (WEI) was held on March 14, 2019 at Scott’s Grille in Vanderhoof, BC. The session was open to the public and ran from 9:00 am to 11:00 am.

The organizers and presenters included:

Rio Tinto: Andrew Czornohalan (AC), Justus Benckhuysen (JB), and Danielle De Kay (DD)

EDI facilitators: Rahul Ray (RR) and Jason Collier (JC)

Avison: Trinda Elwert (TE)

Ecofish: Adam Lewis (AL) and Jayson Kurtz (JK)

Twelve community members were in attendance.

The following provides a summary of the main discussion points.

- A comment was made regarding one of the WEI Guiding Principles, which stated that the WEI would “Respect existing legal and constitutional rights and responsibilities”. A community member felt that this would limit success and opportunities at this time, and effectively close the door on potential changes. The community member suggested the principle be reworded to include: “recognizing that in order to restore the Nechako, changes to legal rights may need to be made.” [not verbatim]. AC responded that there may be the need to review existing Agreements. The intent of the WEI is to determine how to do things better by working through the process. Rio Tinto would need to discuss with the BC Water Comptroller when changes to existing agreements and flows are needed. The first step is to get an understanding of the interests.
- A community member wanted to know if changes are even possible if Rio Tinto is not willing to change their business model and make changes to operations. AC said that changes may be possible without affecting business operations. Rio Tinto is not in the same position as BC Hydro was with their Water Use Plans regarding available compensation. However, AC believes that positive changes can be made, for instance with flows, the Summer Temperature Management Program, and a water release facility where



win-wins can occur. Rio Tinto needs to understand the preferred options resulting from the WEI in order to understand the impacts to Rio Tinto's business.

- A community member commented that there may be a short-cut available with all the research that has been done and all the existing information on the Nechako.
- Comment was made on the history of Rio Tinto's operations in the Nechako resulting in only 35% of historical flows remaining in the Nechako River. This has led to significant changes in the flow regime. The location of the spillway has been problematic and has created erosion in the Cheslatta system. Kenney Dam would be a better location for a spillway. The result of insufficient flows has caused siltation on spawning beds leading to impacts on fish stocks resulting from unsuccessful spawning. This situation could be addressed with adequate flows to clear the spawning beds. Just tweaking the flows will not be successful. The flows needed would result in floods in Vanderhoof, and houses in the flood plain would need to be moved or flooding addressed. From all the research done on the Nechako, we know what the problems are, now we need to identify what is needed to fix them. Economics will be important to consider and balance in order to find the right approach, but there can be a better way of doing things. It is understood that this is not just Rio Tinto's responsibility, but also the Province's. AC commented that he realizes that there are many challenges and many reasons to not start working towards solutions and that it will take a lot of work, but we need to start the conversation. What is needed is a platform where all interests can be clearly understood.
- A question was asked about how long it would take between regulatory refinements and implementation? Could be another 10 years before changes can be implemented. AC responded that the regulators will be at the table and part of the process and that they will be aware of the discussion and the proposed changes. Communication with regulators will be ongoing throughout the process. As a result, the process will try to avoid regulatory surprises, so there it would not be something that holds the process up.
- A comment was made that participants should be prepared to work hard during the process as it will be time-consuming. Suggestion that to keep in mind that politics can play a role with the proposed changes, as was the experience for the Nechako Watershed Council (NWC) effort. All data derived from the NWC is available at UNBC. It was also noted that Kitimat should be consulted with if there are potential threats to operations.
- A comment was made that the WEI is needed and that there is still opportunity to make things better. Policy changes may also be needed at the provincial scale.
- Comment was made that the Land Resource Management Plan process took 10 years with many people involved. These types of initiatives take time and energy. Some people may be tainted with these initiatives, but there is still some excitement. It is still difficult to believe that Rio Tinto has changed their approach, given their history. First Nation participation is important and not all First Nations are onboard, which may make it difficult and is something to consider. UNDRIP will also be important to consider. RR



stated that the WEI is meant to be as inclusive as possible and that some First Nations are interested in participating. AC said that at this point, Rio Tinto has not specifically asked anyone to participate, and are currently providing information about the WEI, and that the process will take UNDRIP into account.

- A question was asked on when the next meeting will take place during the planning process to identify the scope and objectives. RR said the first main table meetings will identify and confirm the scope and objectives.
- A community member wanted to know if Rio Tinto already knows the minimum and maximum flows that are needed, given their extensive modeling capacity? AC responded that Rio Tinto has plenty of data, but there is a lot to consider in terms of flows, sedimentation, erosion, flooding, the Cheslatta system. Rio Tinto can provide a technical team to bring the potential data forward. Another thing to consider is the changing climate, which is making modeling difficult and raises questions with the data.
- A community member asked how is the WEI different from the Nechako Watershed Roundtable (NWR)? It appears that the NWR are 2-3 years ahead of the WEI. AC responded that industry is not part of the NWR. RR said that he has reached out to the NWR to be a part of the WEI process, and they are welcome to be participants.
- A community member commented that a good way to get started is to identify clear objectives in order to get some excitement going. For example: how do we stop erosion in the Cheslatta/Murray system? How do we rehabilitate spawning habitat? How do we make the Nechako River follow its natural flow regime? And, how do we afford to make all the changes? RR responded that the first series of meetings will be exactly about that. The WEI will be a step-wise process, having participants around the main table and discussing the objectives.
- RR said the next steps are to follow-up on these conversations to see if people want to participate in the WEI process. The first main table meeting is planned for late April.

Action Items

- **RR to follow-up with attendees to see who is wanting to participate.**