

IAMC ANNUAL REPORT

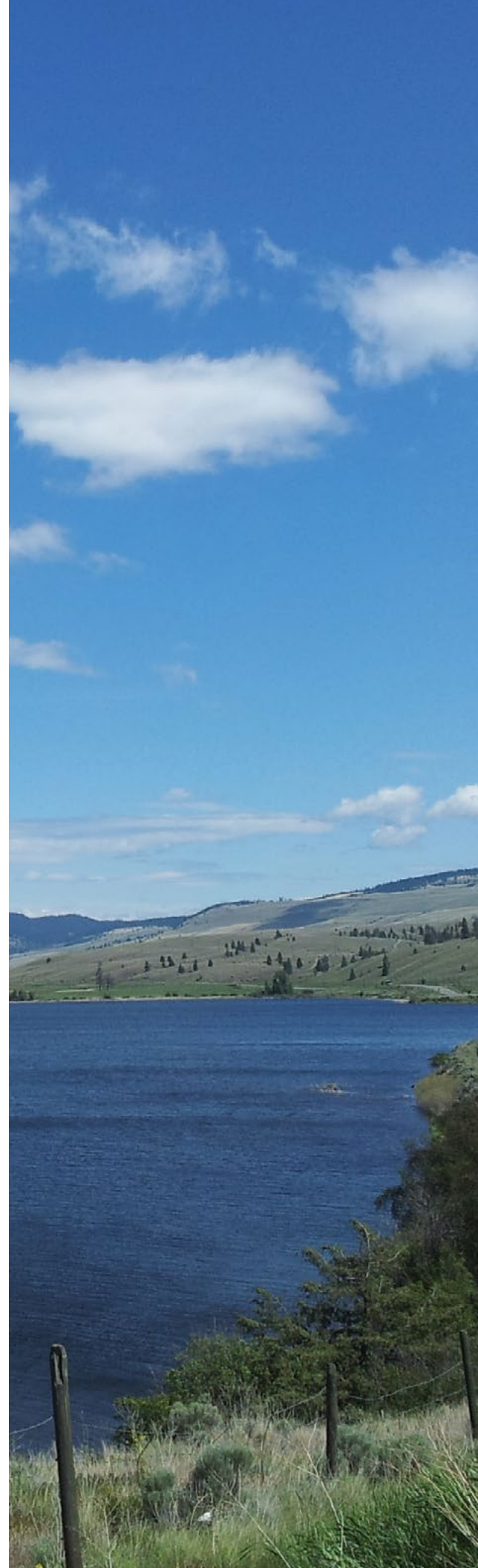
August 2017–March 2019

Trans Mountain Expansion
and Existing Pipeline



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CO-CHAIRS' MESSAGE

The Indigenous Advisory and Monitoring Committee for the Trans Mountain Expansion and Existing Pipeline (IAMC-TMX or the Committee) is a forum for information sharing, collaborative problem solving and innovation in the way government, regulators and Indigenous communities work together.

The original Trans Mountain Pipeline was built in 1953, when there was no consultation, nor meaningful consideration of the views of the Indigenous peoples. Government of Canada and Indigenous relationships have come a long way since then. When the expansion project was approved in November 2016, the Government of Canada also announced its commitment to co-developing an Indigenous Advisory and Monitoring Committee. Co-development is a key part of this initiative. It means that when we make decisions about Committee activities we make them together by consensus and informed by joint learning.

The Committee also provides an opportunity for Indigenous communities to come together to identify and advance common priorities. We learn a lot from each other. It also allows us to build relationships and share experience in areas such as Indigenous knowledge and government regulatory processes.

This is IAMC-TMX's first Annual Report. It covers the period from August 2017 to March 2019 and highlights our achievements and lessons learned. One of our accomplishments is the Indigenous Monitoring Program. Through this program, the Committee is putting Indigenous "boots-on-the-ground." It is the first time that Indigenous monitors have been on-site, working with federal regulators, such as the National Energy Board (NEB) and Fisheries and Oceans Canada (DFO), to carry out inspections.

Since the Committee's inception, there has also been a need to adapt in the face of changes beyond our control. The Federal Court of Appeal decision had us stop, consider impacts and re-prioritize. There have been challenges but also opportunities to provide additional input to the marine aspects of the expansion. It also gave us more time to plan and prepare to implement our mandate.

Through our work at the IAMC-TMX, we hope to form the basis of a new working relationship between Indigenous communities, the government and regulators, one that will help us all better protect the lands and waters.

Finally, we want to express our gratitude to Chief Ernie Crey, who is currently on leave, for his leadership in establishing the IAMC-TMX. In 2016, he and Chief Aaron Sumexheltza wrote to the Prime Minister advocating for an Indigenous-led oversight body. This resulted in a table where Indigenous people—both from communities that are opposed to the pipeline expansion and from communities that support it—meet with senior federal representatives to provide advice and work towards the goal of making the project as safe as possible. He also championed a role for Indigenous monitors, working on-site with regulatory inspectors, as a necessary step to protect our communities. We are grateful to Chief Crey for his hard work and vision and we look forward to his future contributions.



Michelle Wilsdon
Interim Indigenous Co-Chair



Naina Sloan
Federal Co-Chair

ACHIEVEMENTS

Highlights

Since its inception in August of 2017, the Committee has made substantive strides towards increasing Indigenous participation in monitoring of the Trans Mountain pipeline expansion (TMX). Among other things, in our first 19 months, we:

Created a unique Indigenous/Government partnership – which is focused on shared interest in the protection of lands and waters, pipeline safety and respect for Indigenous rights, knowledge and traditions.

Formed a Committee with wide-ranging views on the TMX project – and found a way to work together to advance our common goals of safety and meaningful Indigenous participation in the TMX project.

Took the time to learn together – by supporting relationship building, joint learning and joint action for the Committee, Indigenous representatives, federal government and regulators.

Formed subcommittees to work on key priorities – with a focus on Indigenous monitoring, marine shipping, socioeconomic impacts, emergency management, engagement and grants and contributions.

Completed the Indigenous Monitoring Pilot Program – Canada's first-ever Indigenous Monitoring Program with the NEB. Released an expression of interest to include others along the route in a new Monitoring Program.

Created a tri-lateral Monitoring Discussion Forum – to bring together Trans Mountain Corporation, the Committee and the NEB to address Indigenous interests that are not considered through the inspection process.

Participated in five major emergency management training exercises – to identify the barriers to Indigenous involvement in emergency management and to determine how we can best influence change.

Initiated a work camps study – to begin gathering resources that communities can use to address the potential negative impacts of work camps on Indigenous communities, specifically women and girls.

Commissioned a labour demand study – to increase awareness of economic development opportunities amongst Indigenous communities.

Enhanced the capacity of Indigenous communities – to address their priorities by providing more than \$5 million in funding for community proposals related to the Project.

Sought the views of Indigenous communities along the pipeline route – by hosting the Indigenous Caucus' first Line-Wide Gathering, launching a Regional Engagement Coordinator Pilot project, supporting community-led engagement projects and meeting in communities.

Sought the views of government and industry – by meeting with the Prime Minister, the Minister of Natural Resources Canada (NRCan), Chair and CEO of the NEB, CEO of Trans Mountain Corporation and other senior officials to speak to them directly about Indigenous interests.

Demonstrated transparency and accountability in our work – by launching a website and instituting clear policies and guidelines for Committee members.

Established a venue to exchange information and deepen our learning about marine focused issues – by supporting Indigenous participation in marine-related events and initiatives.

Engaged with experts – to enhance our ability to assess Trans Mountain Corporation's compliance with NEB conditions related to Indigenous rights and interests.



ABOUT THE COMMITTEE

Who We Are

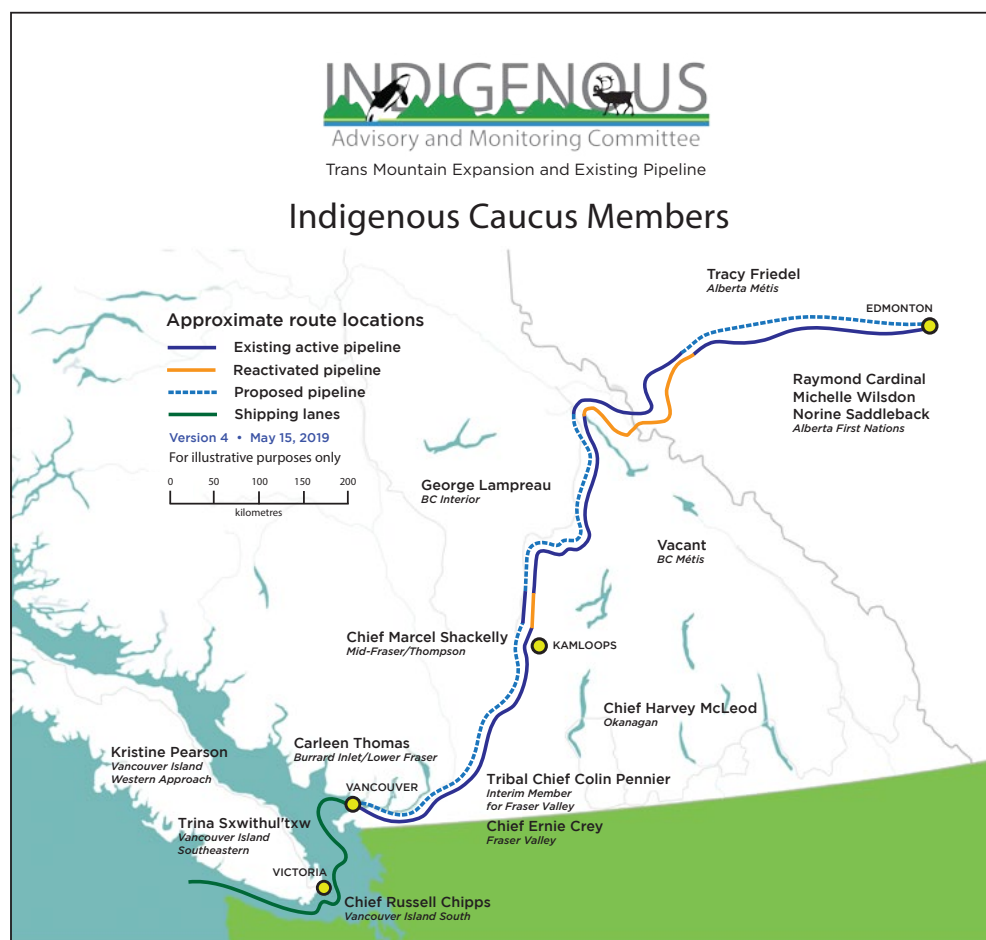
The Committee brings together Indigenous and government representatives to provide advice to federal regulators and to monitor the proposed TMX project, the existing pipeline and the associated marine shipping. The Committee was co-developed over six months by a working group made up of representatives from Indigenous communities, the federal government and the NEB. When the TMX project was approved in November 2016, the

Committee members are working towards forming a new relationship between Indigenous communities, the Government of Canada and the NEB.

We are committed to achieving collaborative, inclusive and meaningful Indigenous involvement in the review and monitoring of environmental, safety and socioeconomic issues related to Trans Mountain activities.

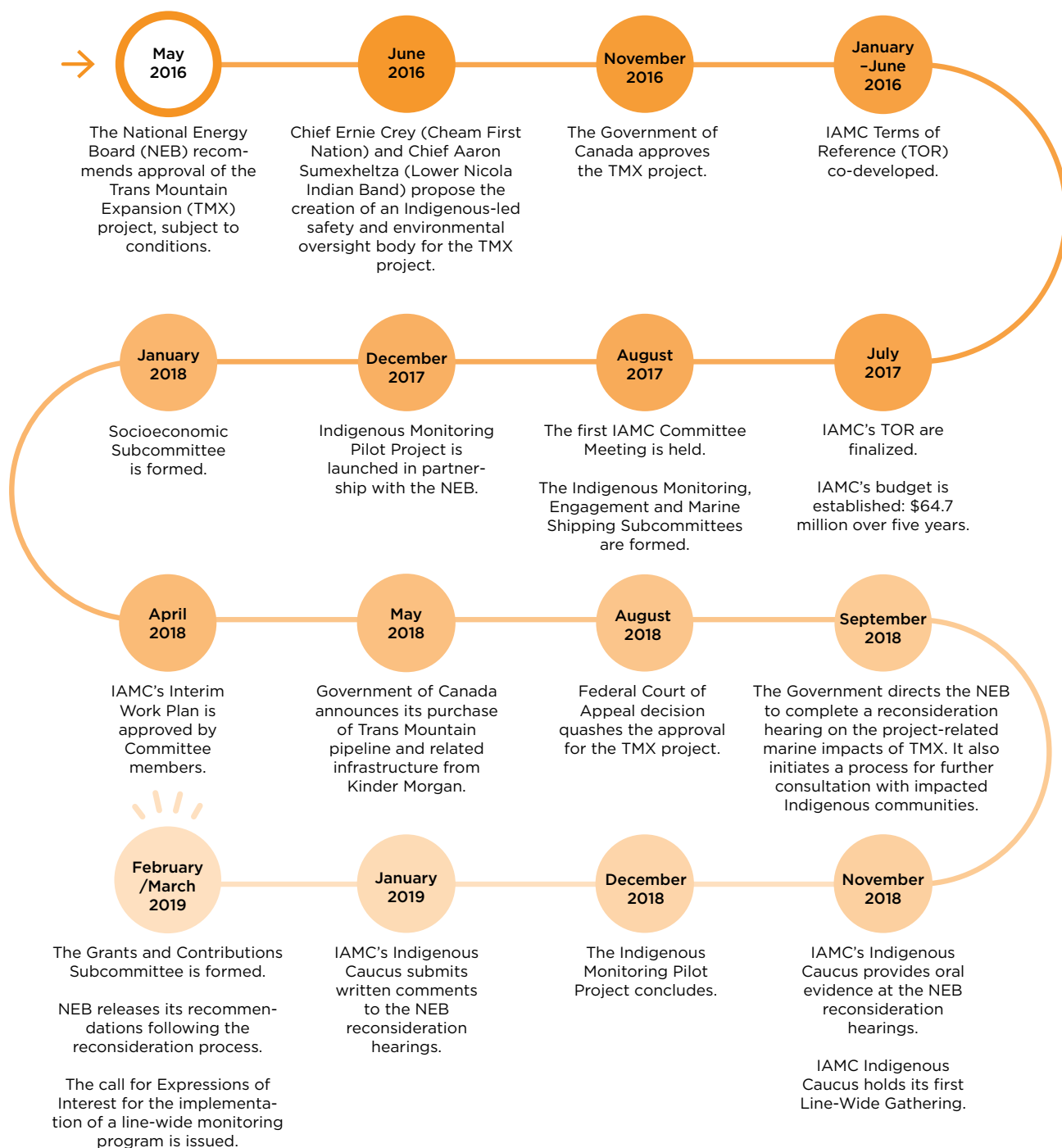
Government of Canada announced its commitment to co-developing an Indigenous Advisory and Monitoring Committee. Importantly, the commitment was for the life cycle of the project—signaling that this would be a long-term relationship.

The Committee is made up of a 13-member Indigenous Caucus and six senior federal representatives from NRCan, the NEB, Transport Canada (TC), DFO, Canadian Coast Guard (CCG) and Environment and Climate Change Canada (ECCC). There are two co-chairs, one from the Indigenous Caucus and one from NRCan.



Our Terms of Reference (TOR), which is available on our website, was co-developed by Indigenous and federal government representatives and endorsed by the Chair of the NEB and the Minister of NRCAN in July 2017. The TOR is the Committee's guiding document. It outlines the ways in which we have agreed to work together to accomplish our common goals. It establishes a shared set of expectations and outlines accountabilities of members.

The Committee represents a diversity of views about the project and all parties participate "without prejudice." This means that participating in the work of the Committee does not indicate that an Indigenous community supports or opposes the project. It means all members have a shared interest in making the pipeline, the proposed expansion and marine shipping as safe as possible in order to protect environmental and Indigenous interests in the lands and waters.



Our Role

The Committee is an additional collaborative forum for engagement between regulators and Indigenous communities. The IAMC-TMX is not a consultation body. It does not replace or diminish the government's duty to consult with Indigenous communities. Additionally, the members of the Indigenous Caucus do not represent, for consultation purposes, the communities affected by the Trans Mountain pipeline and marine shipping.

Our role is to ensure a collaborative, inclusive and meaningful Indigenous involvement in activities related to the Trans Mountain pipeline and proposed expansion. We are not involved in any decisions related to whether or not the pipeline expansion project goes ahead. Nor are we funded by the Trans Mountain Corporation.

IAMC'S TERMS OF REFERENCE (TOR)

As IAMC-TMX's foundational document, our TOR:

- was co-developed over six months by a working group made up of representatives from Indigenous communities, the NEB and the federal government;
- was approved by participating communities, the NEB and the federal government in 2017;
- describes the Committee's purpose, structure and operating rules;
- defines roles and accountabilities for members; and
- provides for a review of its terms.

Our Vision

Our vision is a new relationship between Indigenous communities, the federal government and the NEB in respect of the review and monitoring of the life cycle of Trans Mountain activities.

Our Purposes

1. To provide a collaborative forum supported by technical resources for Indigenous communities, the government and regulators to enhance environmental protection and the safety of Trans Mountain activities.
2. To support Indigenous communities' effective and meaningful participation in the monitoring of the environmental, safety and socio-economic aspects of Trans Mountain activities.
3. To enable Indigenous communities to come together to identify common priorities and perspectives related to Trans Mountain activities and to voice those interests to the government and regulators.
4. To build an understanding of issues of concern to Indigenous communities in order to develop a common perspective between the government, the NEB and Indigenous communities regarding Trans Mountain activities and to provide informed advice to the government and the NEB on how to address those issues.
5. To share information in a cooperative and transparent manner relating to the environmental, safety and socio-economic issues of Trans Mountain activities.

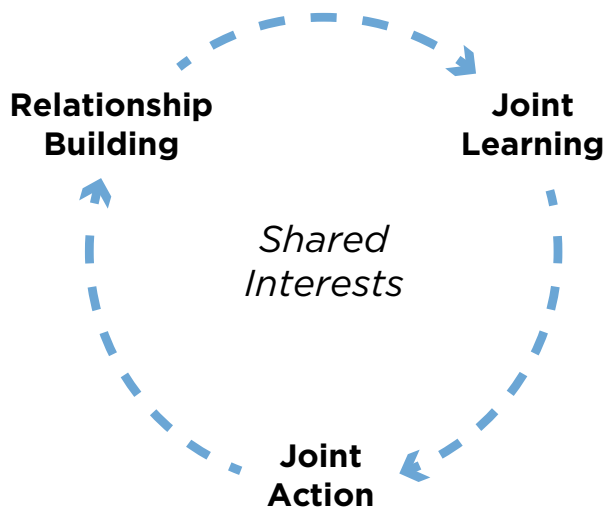
Overarching Goals

- Safe, environmentally and socioeconomically sound Trans Mountain activities
- Respect for Indigenous rights and perspectives in the monitoring of Trans Mountain activities
- Well-informed and supported Indigenous groups engaging effectively with government, regulators and the proponent in relation to Trans Mountain activities
- Collaboration, shared learning and integration of knowledge

How We Work

The Committee is a partnership—Indigenous and federal government representatives working together towards a shared vision and purpose. Committee members take the time to listen to all viewpoints and build upon the diversity, strengths and experiences around the table. We learn and work together in a safe and respectful way.

In our work, we also endeavour to honour all Treaties, respect Aboriginal rights and title and support nation-to-nation relationships. We seek to advance the principles underlying the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Truth and Reconciliation Commission's Calls to Action.



Indigenous Caucus

The members of the Indigenous Caucus are selected by Indigenous communities from 13 regions along the pipeline route and shipping lanes. They are not federal appointees.

The Indigenous Caucus engages with community members to learn about their priorities and perspectives on the TMX project. For example, Chief Ernie Crey organized twelve visits to meet with Indigenous community representatives, often accompanied by senior federal officials. These visits included an emergency management workshop at Simpcw First Nation, Tsawout First Nation's Chief and Council meeting and the Annual General Meeting of the BC Métis Federation. The Indigenous Caucus meets regularly to discuss how best to advance community and regional interests and concerns at the IAMC-TMX table.

The Prime Minister of Canada, the Minister of NRCan, the Chair/CEO of the NEB and other

senior federal officials have all met with the Indigenous Caucus. It is part of an ongoing dialogue and effort by all to build a productive, trust-based working relationship between Indigenous communities, federal regulators and Trans Mountain Corporation. The Indigenous Caucus has made formal submissions to the federal Standing Committee on Environment and Sustainability to provide advice on the Federal government's environmental and regulatory reviews, specifically, proposed changes to the *Canadian Environmental Assessment Act* (CEAA), 2012 and the *Fisheries Act*. The Caucus also provided a written submission and oral evidence at the NEB's Reconsideration Hearings.

The work of the Indigenous Caucus provides the IAMC-TMX with a broader understanding of the extensive range of views and issues of Indigenous communities. This work supports a collaborative approach to build a relationship based on trust and respect.

Subcommittees

In our first 19 months, five subcommittees and one working group were established to provide input and advice to the Committee on specific issues. Each subcommittee developed work plans, budgets and activities that were approved by the Committee.

Subcommittee members are appointed by the Committee and must demonstrate they have the expertise, skills and experience relevant to the work of that particular subcommittee. Membership may also include other individuals and representatives, such as: Elders, youth, Indigenous knowledge-holders, other community members or staff from Indigenous communities or other Indigenous groups; representatives of the federal, provincial and local governments; and technical experts, including Trans Mountain representatives.

IAMC-TMX has five subcommittees and one working group:

- Indigenous Monitoring
- Marine Shipping
- Socioeconomic
- Engagement
- Grants and Contributions
- Emergency Management Working Group



REVIEW OF COMMITTEE DELIVERABLES

In our first 19 months, the Committee has taken opportunities to advance priorities through Committee-led initiatives, community projects, engagement and to provide advice and input to regulators and other government departments.

However, we have also faced challenges as unforeseen changes have affected the status of the expansion and the project's timeline. The increased uncertainty surrounding the pipeline expansion presented a shift in focus from work that we had planned for our first year—oversight of construction of the pipeline—to preparing for construction, in the event the pipeline expansion was approved.

The transfer in ownership from a private company, Kinder Morgan, to a crown corporation, Trans Mountain Corporation in May 2018, was an unanticipated development. Before this change in ownership, the Committee had been exploring ways to work effectively with Kinder Morgan and building a relationship with them as the project proponent. In the months following the government's purchase of Trans Mountain, we continued to engage with Trans Mountain Corporation.

While the Federal Court of Appeal's decision in August 2018 to quash the expansion's approval changed the context in which we had been working towards our goals, it created a new window of opportunity for the Committee to plan, prepare and implement activities in the event construction would proceed.

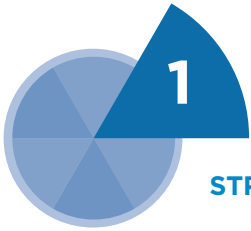
In order to achieve our overarching goals, we identified five strategic goals as a Committee. The remainder of this report will outline the work we have undertaken to advance these goals:

- Strategic Goal 1:** Conduct land and water based monitoring and provide advice;
- Strategic Goal 2:** Assess proponent plans and provide advice;
- Strategic Goal 3:** Review legislation, policy and operational practices and provide advice;
- Strategic Goal 4:** Enhance Indigenous groups' capacity; and
- Strategic Goal 5:** Optimize governance and operations.



IAMC-TMX STRATEGIC DIRECTIONS





MONITORING AND OVERSIGHT

STRATEGIC GOAL 1: Conduct land and water based monitoring and provide advice

Indigenous communities across the route share an interest in Indigenous monitoring and oversight of the TMX project. They want to make sure that if the project is built, it is built as safe as possible and with the greatest possible protection for the environment and for Indigenous rights and interests.

In its first 19 months, the IAMC-TMX has responded to this interest by supporting programs and projects that put Indigenous “boots on the ground” and “eyes on the water”.

By supporting Indigenous participation and integrating Indigenous knowledge, values and perspectives into the oversight of the project, we are helping to minimize impacts to Indigenous rights and interests.

Land-Based Monitoring

HIGHLIGHTS

- Indigenous boots on the ground for 16 on-site inspections across the route from Burnaby, BC to Hinton, AB
- Ground-breaking Indigenous Monitoring Pilot Project resulted in frameworks for Indigenous participation in federal regulatory activities
- Launching line-wide Program with multiple partner communities or organizations

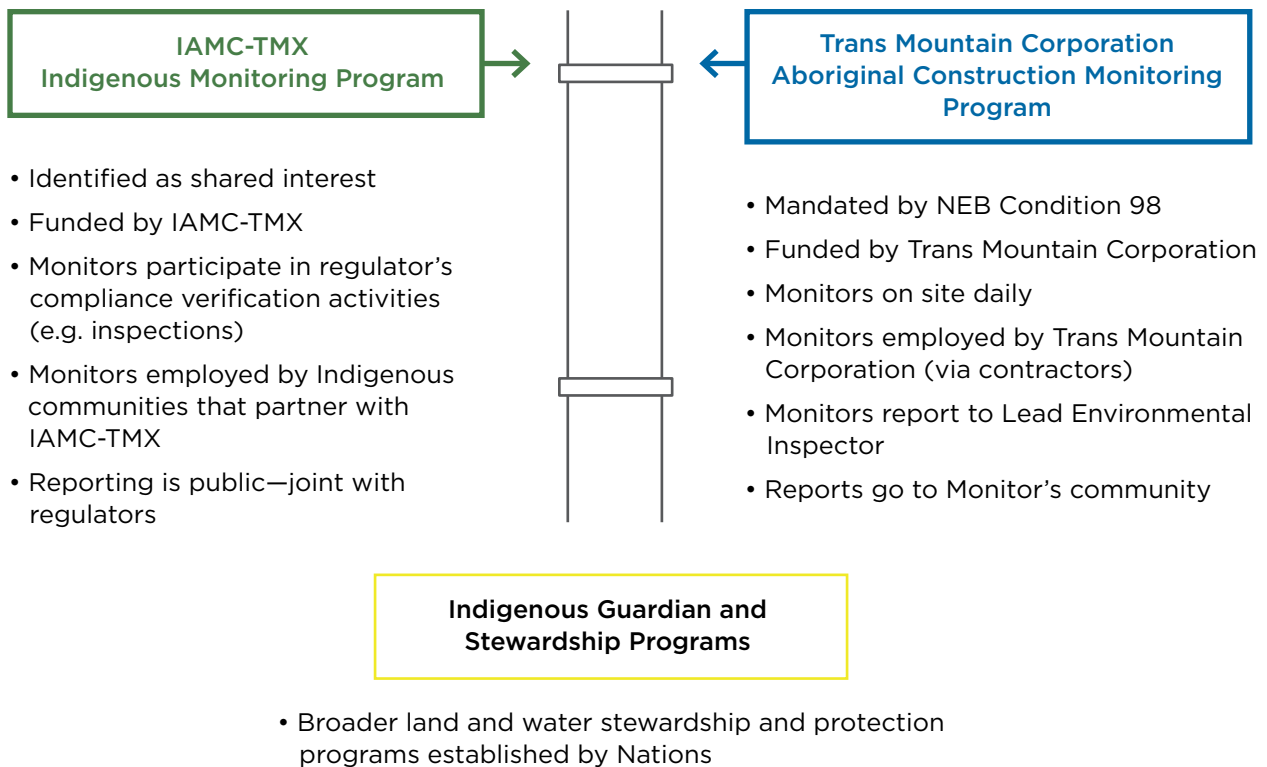


Indigenous Monitoring on the TMX Project

There are two main ways for Indigenous communities to participate in on-site monitoring on TMX:

1. In the Trans Mountain Aboriginal Construction Program, Aboriginal Construction Monitors are employed by Trans Mountain Corporation, report to the contracted Lead Environmental Inspector and are on-site daily.
2. In the IAMC-TMX Indigenous Monitoring Program, Indigenous monitors participate in regulatory compliance verification activities (i.e. NEB and DFO site visits and inspections).

Communities along the pipeline route may also monitor their lands and waters through stewardship or guardianship programs.



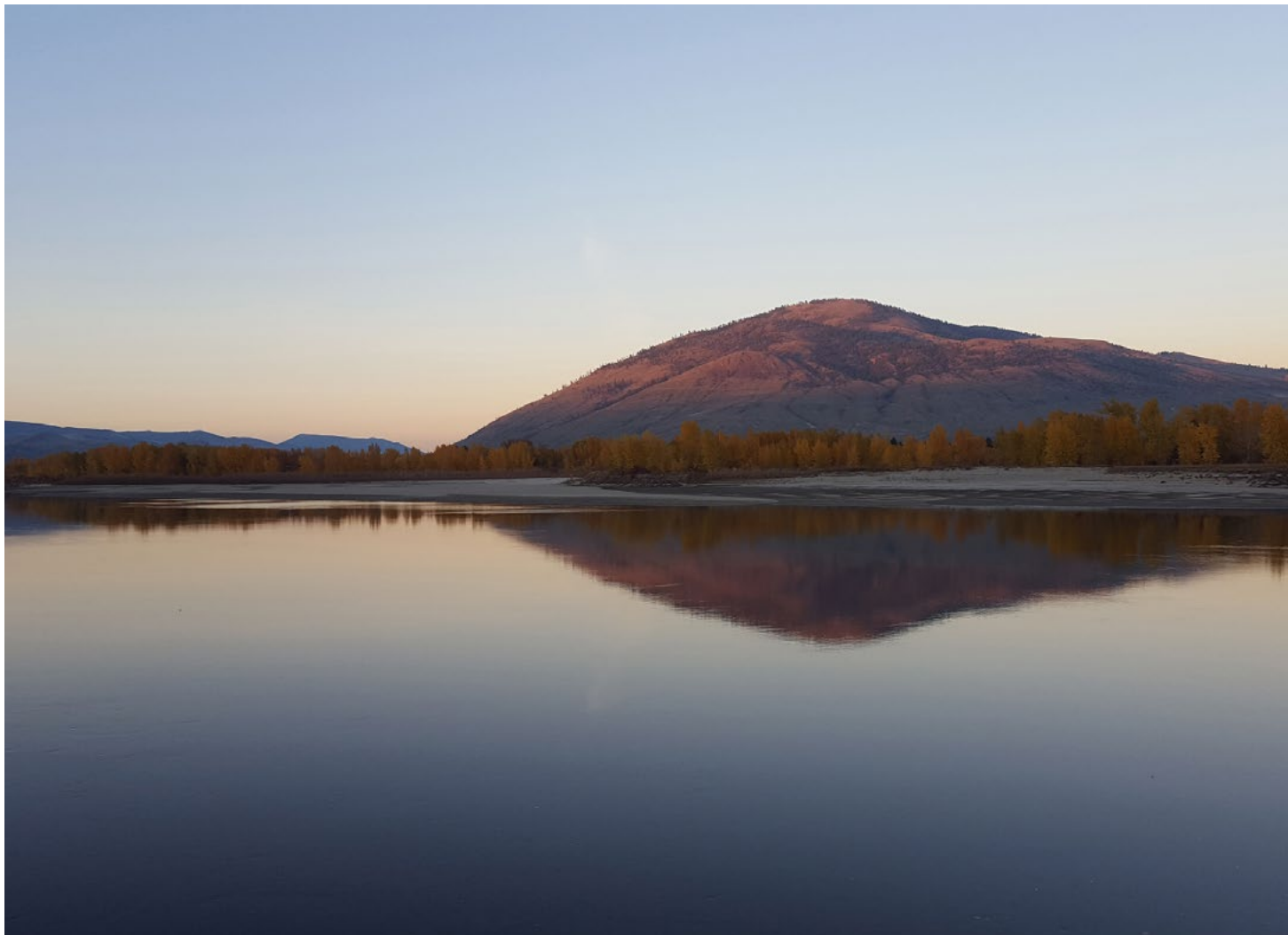
IAMC-TMX Indigenous Monitoring Program

The IAMC-TMX Indigenous Monitoring Program is developing long-term partnerships between Indigenous groups and federal regulators. The federal regulators' role is to ensure proponents comply with laws, regulations and permit conditions.

Through the work of the Committee and its community partners, IAMC-TMX Indigenous monitors now participate in compliance verification activities, including with:

- **NEB:** Environmental inspections, safety inspections, emergency management exercises, information exchange meetings
- **DFO:** *Fisheries Act* authorization site visits, watercourse crossing inspections
- **Parks Canada:** Surveillances

The IAMC-TMX Program marks the first time in Canada that Indigenous communities have directly participated in inspections related to a pipeline project with federal regulators.



Blazing a Trail: the IAMC-TMX Indigenous Monitoring Pilot Project

To develop the IAMC-TMX Monitoring Program, the Committee launched a pilot project to develop the frameworks for Indigenous participation in the initial compliance verification activities.

Between December 2017 and November 2018, IAMC-TMX Indigenous monitors participated in 16 regulatory activities on TMX.

Monitoring Inspections and Exercises

4 NEB EMERGENCY RESPONSE EXERCISES:

JULY 2017 at Burnaby Terminal (NEB) (IAMC participation as observers, not part of pilot project)

JANUARY 2018 at Jasper (NEB)

MAY 2018 at Blackpool/North Thompson (NEB)

SEPTEMBER 2018 at Westridge Marine Terminal (NEB)

1 WESTERN CANADA MARINE RESPONSE CORPORATION (WCMRC) EMERGENCY RESPONSE EXERCISE:

NOVEMBER 2018 at Sidney (WCMRC) (not part of pilot project)

3 NEB ENVIRONMENTAL INSPECTIONS:

APRIL 2018 at Burnaby Terminal and Westridge Marine Terminal

MAY 2018 at Darfield Pump Station, in response to spill

NOVEMBER 2019 at Westridge Marine Terminal, to monitor shut-down activities (Joint *Fisheries Act* authorization site visit with DFO)

3 NEB SAFETY INSPECTIONS:

JANUARY 2018 at Westridge Marine Terminal, Burnaby Terminal, and Sumas Pump Station

MARCH 2018 at Westridge Marine Terminal

SEPTEMBER 2018 at Westridge Marine Terminal

1 NEB INFORMATION EXCHANGE MEETING:

APRIL 2018 in Calgary, regarding spawning mats

4 DFO FISHERIES ACT AUTHORIZATION SITE VISITS:

APRIL 2018 at Westridge Marine Terminal

MAY 2018 at Westridge Marine Terminal

JUNE 2018 at Westridge Marine Terminal

AUGUST 2018 at Westridge Marine Terminal

Early Successes

The pilot project also had several early successes in increasing Indigenous inclusion in monitoring. Through the pilot, the Committee developed framework agreements that outline how Indigenous monitors and federal regulators would work together.

Advance notice: NEB Committed to provide advance notification of scheduled activities.

Chance finds: NEB will fully support Monitor's identification of chance finds and information requests to the proponent.

Culturally-appropriate conflict resolution process: To resolve on-the-ground personnel conflicts.

Discussion Forum for issue resolution: This forum provides an opportunity for these groups to explore Indigenous monitoring issues identified in the field that cannot be adequately addressed through the existing compliance verification process.

The first Discussion Forum meeting focused on increasing emergency management training opportunities for Indigenous communities, access to data on species-at-risk and other issues. This initiative is another example of how the IAMC-TMX seeks to advance the common interests of Indigenous communities through joint learning and action with regulators and the proponent.

Incorporating Indigenous Knowledge: Pre-inspection, monitors research Traditional Land Use information provided to regulators and the proponent. During an inspection, monitors can identify priorities and request information. The NEB and IAMC-TMX are also exploring ways to incorporate Indigenous interests into risk-based approaches to compliance verification planning.

Protection of Indigenous interests in emergencies: Feedback provided by IAMC-TMX Indigenous monitors led to the inclusion of a "chance find" drill during an emergency response exercise.

In the exercise, led by the CCG, emergency responders were required to protect a simulated site of cultural significance during a response to an oil spill.

This inclusion of a "chance find" drill during an emergency management exercise has been described as an industry-leading best practice that could result in real improvements to the protection of Indigenous interests during emergencies, beyond pipelines and across regions.

Reporting: Single joint Indigenous-federal reporting to integrate monitors' observations.

Training and capacity-building: IAMC-TMX supports safety and skills training for Indigenous monitors.

Next steps:

Implementing a Line-wide Indigenous Monitoring Program

The Committee is now looking for strategic partners to build on the frameworks developed and lessons learned through the Committee's pilot project.

The Committee intends to partner with several of the Indigenous communities potentially impacted by Trans Mountain activities (Appendix A of IAMC-TMX's TOR). It will seek partners that appropriately represent the diversity of geography and culture of potentially impacted Indigenous groups and are able to work with others in their region.

In March, 2019 IAMC-TMX issued a call for expressions of interest from eligible communities or organizations interested in partnering with the Committee to continue to develop and deliver the Indigenous Monitoring Program and employ Indigenous monitors.

Partner communities or organizations will work with the Committee to deliver the monitoring program, including providing logistical, financial, technical and engagement support to Indigenous monitors.

Marine Monitoring and Stewardship

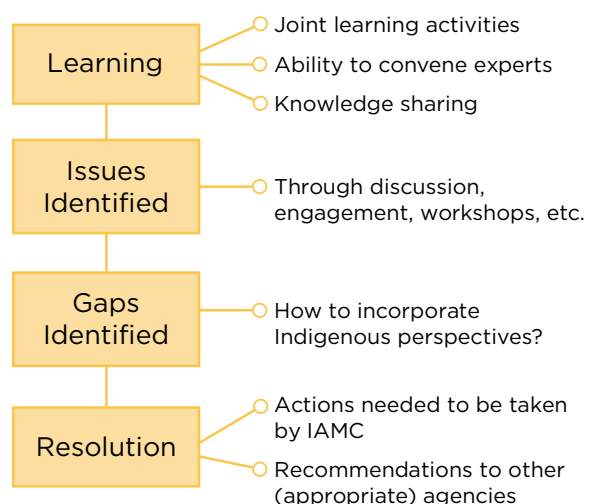
HIGHLIGHTS

- Established a venue to exchange information and discuss marine and environmental issues – unprecedented
- Sought out opportunities to participate in related workshops, conferences and other activities to allow for a better understanding of the many considerations surrounding the development of a marine-based monitoring program
- Established relationships with marine-based organizations
- Provided input on the operational aspects of the Oceans Protection Plan initiatives

Stewardship of the marine environment is extremely important to all of us, but especially to coastal communities. One of the Committee's primary objectives is to support and facilitate Indigenous-led monitoring and stewardship programs that capture the interests and needs of diverse coastal Indigenous communities.

In order to start out with a good basis of understanding of the key issues, our members reviewed the source documents submitted by communities to the NEB hearings. This exercise enabled us to better understand communities' capacity and the support we could provide to them.

How We Work Together



Building Shared Understanding

Subcommittee members come from a variety of backgrounds and with varying levels of experience and understanding. With this in mind, we spent time in our first 19 months increasing our own knowledge level so that we can make well-informed recommendations about Committee activities and provide relevant advice. For example, members accompanied TC officers on a Port State Control inspection to understand how regulators ensure that foreign ships meet international safety, security and environmental standards and to consider how Indigenous perspectives could improve these inspections. Members also attended several marine-related activities, training exercises, workshops and conferences. Attending the Salish Sea Ecosystem Conference and Pacific States/BC Oil Spill Task Force meetings provided members with opportunities to identify shared interests, look for opportunities for future cooperation and to learn best practices from experts in the field of environmental protection.

Diverse Indigenous communities along the pipeline corridor and shipping lanes participate in the IAMC-TMX. The Committee does not deal with the question of whether the project should proceed or not.

The Committee is concerned with the question: if the project proceeds, then how can it be done safely and with the greatest respect for Indigenous use of land and water?

Several Committee members received Incident Command System training this year and participated in a number of emergency training exercises.

Marine Shipping Subcommittee Membership

Structure of subcommittee reflective of coastal communities





ASSESSMENT AND ADVICE

STRATEGIC GOAL 2: Assess proponent's plans and provide advice

NEB Conditions

HIGHLIGHTS

- Engaged with experts to enhance our ability to assess Trans Mountain's compliance with NEB conditions related to Indigenous rights and interests
- Provided written submission to the Reconsideration Hearings and also appeared in person to provide oral arguments

The Committee undertook work to analyse the NEB conditions that relate to Indigenous rights and interests with respect to the TMX project. This work also helped the Committee to consider its approach, including activities to enhance assessment of the proponent's compliance with the NEB conditions. This approach allows us to better provide advice to government, regulators and Indigenous communities on any new conditions set by NEB.

In addition to the general review of conditions, the Indigenous Caucus prepared a report summarizing recommendations on the NEB conditions.



In May 2016 the NEB recommended that the Federal government approve the TMX Project subject to 157 conditions. The Federal Government approved the Project in November 2016.

On August 30, 2018, a Federal Court of Appeal decision quashed the Order in Council approving the TMX Project and nullified the Certificate issued by the NEB for the Project.

Ongoing NEB processes directly related to the TMX Project stopped. Trans Mountain also stopped all construction during the reconsideration period.

NEB Reconsideration Hearings

In August 2018, the Federal Court of Appeal quashed the Trans Mountain pipeline approval. The Court found that Crown consultation had been inadequate. While the framework and design of the Crown consultation process relating to the approval was sound, the portion of the Crown consultation process taking place between the NEB recommendation report and the cabinet approval had not been implemented in a way that ensured adequate consultation with affected Indigenous communities. The Court found that the NEB incorrectly excluded project-related marine shipping from its environmental assessment under the CEAA 2012 and also that the NEB did not outline recommendations to the Governor-in Council regarding project-related marine shipping.

In September, the Government of Canada referred aspects of the NEB's May 2016 recommendation report—related to the application of the CEAA 2012 and the *Species at Risk Act* to Project-related marine shipping—back to the NEB for reconsideration.

The Indigenous Caucus provided a written submission and presented oral evidence at the Reconsideration Hearings. The submission was based on discussions with Indigenous communities at the Line-Wide Gathering and at the Marine Shipping Subcommittee.

IAMC-TMX's Indigenous Caucus presented to the Reconsideration Hearing on November 27, 2018. In addition to their written submission, they also provided oral evidence.

In the Indigenous Caucus' written submission to the hearing, they stated that the NEB must design conditions and recommendations to facilitate meaningful Indigenous participation in the oversight of this project. This included broadening the inclusion of the Committee and Indigenous communities in the design and implementation of project-related conditions; enhancing Indigenous inclusion in emergency management and improving marine planning; and management of co-governance initiatives.

On February 22, the NEB issued a number of non-binding recommendations.

The Board included Recommendation 11 as part of their Report, which would require the Governor in Council, in conjunction with TC and the CCG, to facilitate opportunities, as appropriate, to engage and seek feedback from the IAMC-TMX on the marine safety system. This would include feedback on the marine inspections and enforcement regime, as well as on engagement opportunities for project-related marine shipping activities that intersect with CCG operational programs.



INTEGRATING INDIGENOUS INTERESTS

STRATEGIC GOAL 3: Review legislation, policy and operational practices and provide advice

We are committed to integrating Indigenous interests into Trans Mountain activities by reviewing legislation, policies and operational practices of the regulators, the government and the company.

HIGHLIGHTS

- Provided input to the government on Bills C-68 and C-69
- Participated in five major emergency management training exercises

Modernizing the Impact Assessment Regime

One important example of the Committee's efforts to integrate Indigenous interests into government policy was the Indigenous Caucus' advice to the Government of Canada on Bills C-68 and C-69 (modernization of the impact assessment regime: CEAA 2012; NEB Act; *Fisheries Act*; *Navigable Waters Protection Act*).

The Indigenous Caucus submissions focused on ensuring greater opportunity for Indigenous peoples to participate in the development of environmental law, policy and administrative decision-making, both at the level of advisory committees and panels and at the community level. In an age where reconciliation is a fundamental goal of the federal government and important to Canadians, increasing such opportunities must be included in efforts to "modernize" the federal government's approach to environmental protection and regulation.

Emergency Response

It is essential that Indigenous communities are part of any emergency response activities related to the Trans Mountain pipeline. To date, IAMC-TMX members and Indigenous monitors have participated in training, five emergency management exercises and one environmental inspection of a spill and a post-spill debrief. Committee members have provided input to Trans Mountain Corporation, the NEB, CCG and WCMRC with respect to spill exercises.

For example:

- Some of our members took part in a training session for the Incident Command System (ICS), which is the organizational structure that government and industry use for emergency response. This training provides the basic knowledge that is needed to participate in the Incident Command Post in the event of an emergency such as an oil spill.
- After the HMCS Calgary fuel spill in the Salish Sea, Committee members participated in a post-spill debrief with regulators regarding the incident to increase our knowledge of the system we are working with, as it relates to a real event. After the debrief, we provided ECCC and the Department of National Defence with recommendations and advice for improving their protocols when informing coastal Indigenous communities of marine emergencies.

- On November 6 – 8, 2018, IAMC-TMX members participated in WCMRC functional exercise. This exercise was designed to assess the effectiveness of WCMRC's capability to respond to an oil spill in a marine environment. Following our participation in this two-day exercise, the IAMC-TMX is working with government on how to enhance Indigenous communities' role in marine safety.

We have come a long way to building trust and understanding through the emergency management exercises that we have participated in. Regulators are improving their understanding of Indigenous interests and concerns related to emergencies. The Indigenous participants better understand the company's and the regulators' emergency management processes and procedures. As a result, capacity has been elevated and we are now better able to collaborate on emergency response and to provide informed input to government and regulators.





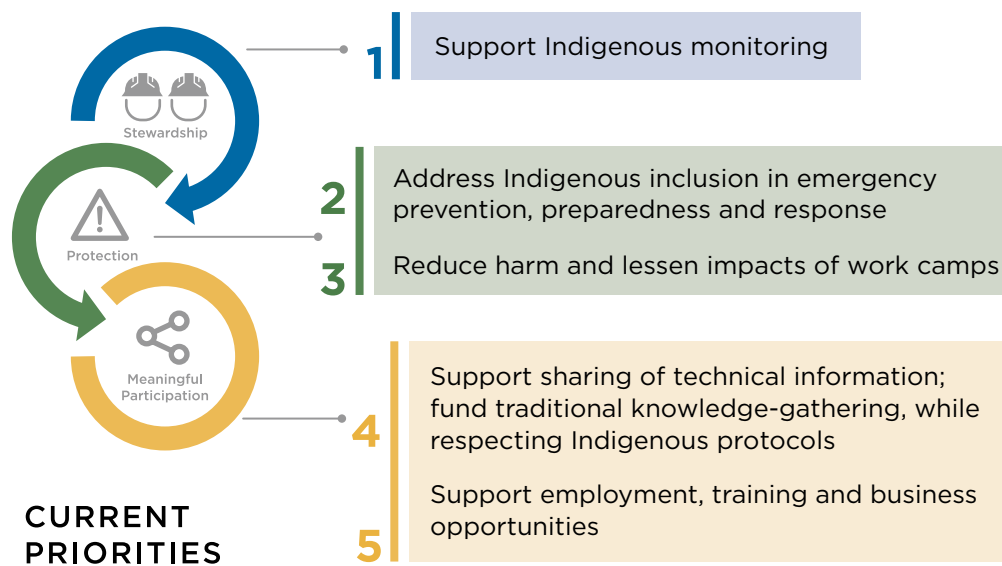
CAPACITY BUILDING

STRATEGIC GOAL 4: Enhance Indigenous groups' capacity.

In 2017, the Government of Canada committed \$64.7 million to support the IAMC-TMX. Of this, a total of \$42 million in contribution funding over five years, from April 1, 2017, to March 31, 2022, was allocated to support the work of the Committee and to fund projects that address the priorities of potentially impacted Indigenous communities related to Trans Mountain activities.

While the Indigenous communities have diverse needs and interests, through ongoing engagement the Committee has heard that its priority should be to support capacity in the following key areas:

- Indigenous monitoring;
- Indigenous inclusion in emergency prevention, preparedness and response;
- Reduction of harm and mitigation of impacts from work camps;
- Knowledge-gathering and information sharing; and
- Participation in employment, training and business opportunities.



The Capacity Funding Program is an important aspect of the Committee's work. The program provides support for:

- **Community-initiated projects** that address the priorities of individual or small groups of communities;
- **Committee-sponsored projects** that are designed to address the common priorities of communities along the route and to pilot new ways for regulators, communities and/or the proponent to work together; and
- **Participation** of Indigenous community representatives in the work of the Committee and subcommittees, along with supporting resources.

The Committee invites proposals from eligible Indigenous communities on an ongoing basis and makes funding decisions, which NRCan administers.

Identifying and Addressing Common Priorities

The Committee is a forum where the common priorities of Indigenous communities can be explored and pursued. In our first 19 months, our efforts have been focused on:

Indigenous Monitoring

Indigenous communities along the pipeline route have expressed a common interest in having greater Indigenous involvement in the monitoring, regulation and oversight of the project.

The Indigenous Monitoring Subcommittee was established by the Committee to further its goal of inclusive and meaningful Indigenous involvement in the monitoring of environmental and safety issues, related to the project, the existing pipeline and the associated marine shipping.

The Committee also funded an Indigenous Monitoring Pilot Project in December 2017, to ensure Indigenous participation in the initial construction activities and to co-develop an Indigenous Monitoring Program framework with regulators.

Through the IAMC-TMX Indigenous Monitoring Program, Indigenous monitors participate in inspections, site visits and other compliance verification activities with federal regulators, including the NEB, DFO and Parks Canada. The IAMC-TMX monitoring program will operate across the entire pipeline route and the Committee has issued a call to eligible Indigenous communities and organizations along the route to express interest in participating.



Emergency Management

Through its engagement activities, the Committee identified “all hazards” emergency preparedness and response as a common priority along the TMX corridor.

An Emergency Management Working Group was established to further the Committee’s priority of greater Indigenous inclusion in emergency management, prevention, preparedness and response. The working group developed a work plan to focus on two areas relevant to both terrestrial and marine priorities:

- Analysis of potential gaps in proponent emergency management plans and development of advice and options to improve plans; and
- Analysis of gaps in community capacity to prepare and respond to emergencies and development of options to provide capacity support.

Four pilot projects are being developed to increase Indigenous inclusion in emergency management. The first pilot project will explore and remove barriers to participation in ICS in the event of an emergency such as an oil spill.

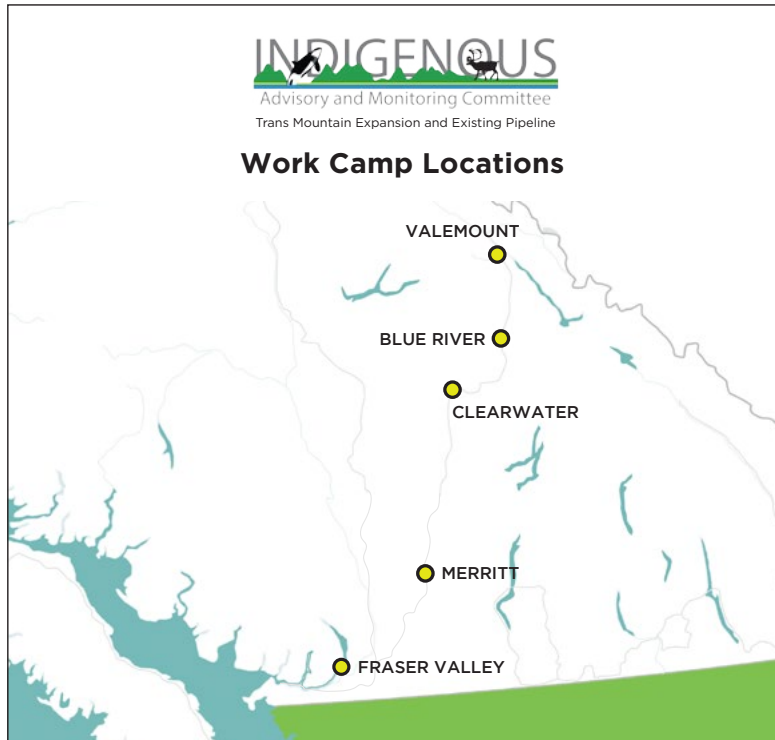
The remaining three pilot projects are in earlier stages of development but one will be based in BC and aims to improve all-hazards emergency preparedness plans, including hazardous spill response. Another pilot project will focus on spill preparedness and response in AB. A third will likely support technical workshops on emergency preparedness and emergency response for Indigenous communities in both BC and AB.

An Emergency Management Working Group was formed in March of 2018.

They have been tasked with identifying opportunities for greater Indigenous inclusion in emergency prevention and management. They will also be working with Indigenous communities to improve emergency preparedness and response plans for all types of emergencies.

The working group’s focus is on enhancing the long-term capacities of Indigenous communities to deal with all types of environmental emergencies.

Construction Work Camps



Our third priority based on engagement and discussion with communities is to address issues and concerns related to the potential impacts of pipeline construction work camps on Indigenous communities, particularly on women and girls.

There may be at least five work camps created during the construction of the pipeline. Work camps can contribute economically to Indigenous communities, with opportunities for joint ventures, sub-contracts and jobs, but there are also potential negative effects.

Based on recent studies on the effects of work camps on Indigenous communities and the influx of workers in remote locations, we began laying the foundation with regulators and

government to consider the social and cultural effects on Indigenous communities.

We have also been engaging with community and other partners to launch a study that will review camp and community documentation; regulatory practices from other jurisdictions; and an analysis of the issues raised by communities that may not be addressed in current policies or plans. The study will assemble resources, tools, questions and wise practices materials for communities to help them prepare for camps and to identify areas for potential collaboration or additional work. The study will also review potential indicators for monitoring the impacts of work camps.



GOVERNANCE AND OPERATIONS

STRATEGIC GOAL 5: Optimize governance and operations

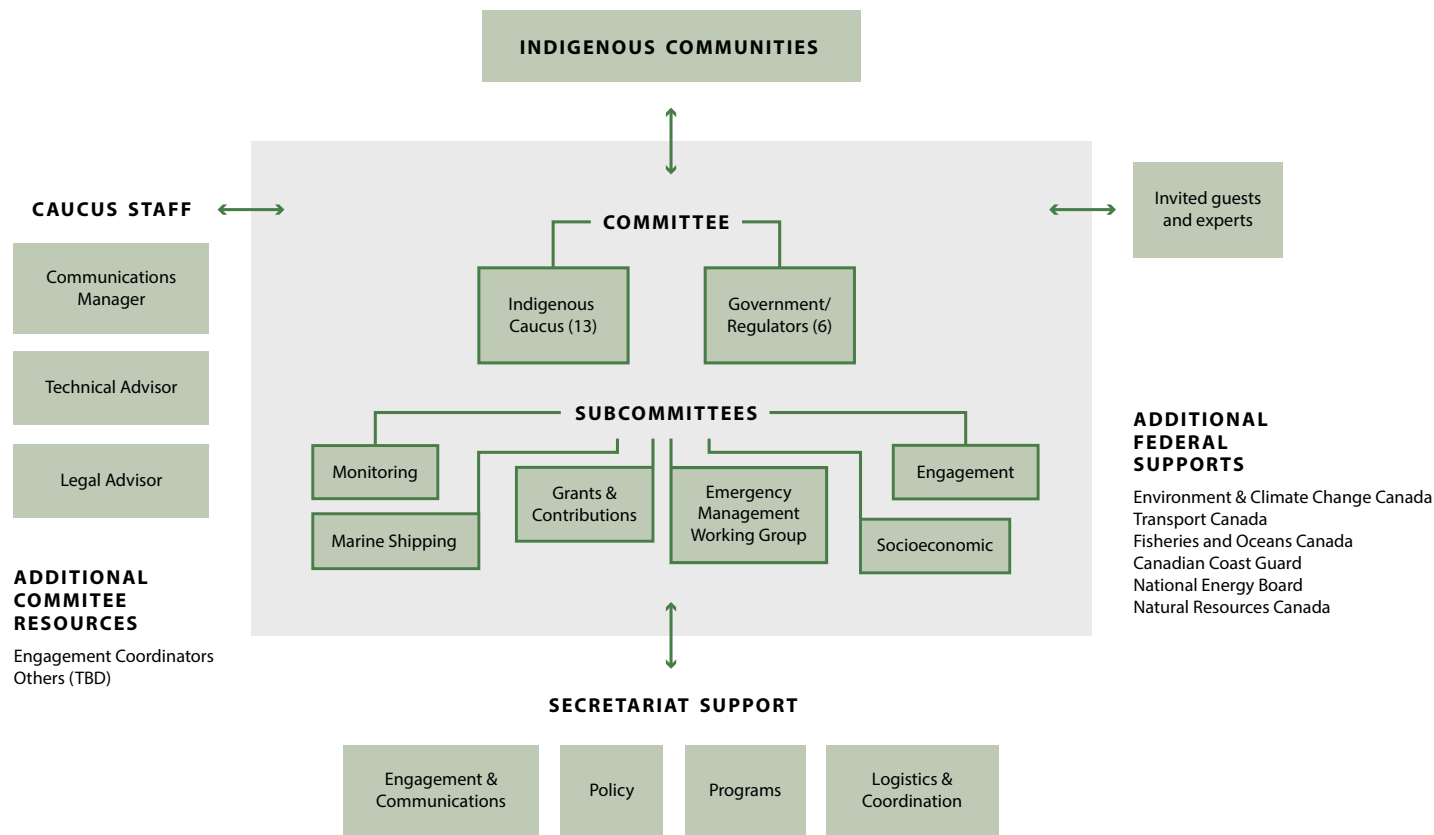
All structures need a foundation to build upon. This Committee is the first of its kind and there was no template—a diverse group needed to co-create everything from scratch. We took the time we needed in our first 19 months to build a solid foundation that will support the shared interests of the communities in the years to come.

HIGHLIGHTS

- Essential policies in place
- IAMC-TMX Three-year Work Plan approved
- Selected Indigenous Caucus members for three year terms

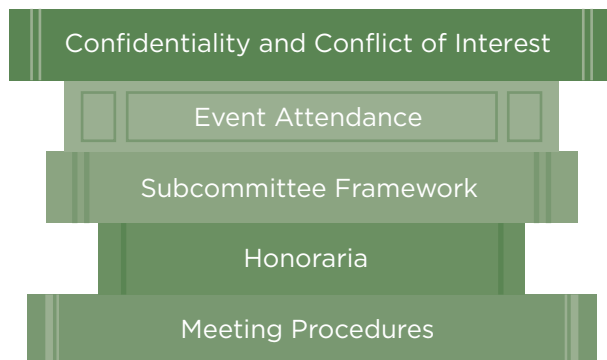
TOR

Our TOR were developed over a six-month period and were approved in July of 2017 (Appendix A). The TOR sets out the Committee’s mandate, governance and decision-making process. The next month, our first official meeting took place. Since then our policies and processes have been created and refined, subcommittees were struck and work plans were established.



Policies

We have instituted essential policies needed to ensure that the Committee remains transparent and accountable to the federal government and to the Indigenous communities.



Committee Strategic Planning

With our TOR and essential policies in place, the Committee turned to developing its strategic plan. The IAMC-TMX held four workshops over a five-month period in 2018 to develop the strategic plan and validated this with communities at the Line-Wide Gathering in November 2018. During our planning session we reviewed the UNDRIP in order to ensure our processes were aligned to respect its principles.

Indigenous Caucus Selection Process

Members of IAMC-TMX's Indigenous Caucus are not federal appointees. The potentially impacted Indigenous communities are invited to participate in the selection of members along the pipeline corridor and shipping lanes. In total, there are 13 Indigenous Caucus members, one for each region as provided for in IAMC-TMX's TOR.

Each member of the Indigenous Caucus strives to advance the interests of the Indigenous communities as a whole. Each member also pays special attention to the concerns and perspectives of the Indigenous communities of the grouping that selected the member.

The initial Indigenous Caucus was selected on an interim basis for a term ending on January 31 2019. In November 2018, the Indigenous Caucus began the process to select members to a new term (ending March 31st, 2022). Currently, there are twelve members; dialogue continues regarding the selection of the 13th member (BC Métis).

The Indigenous Caucus asked Indigenous communities to provide, by stated deadlines, nominees and comment on a preferred selection method. The Caucus offered to host regional meetings where Indigenous communities could work together and select members by consensus.

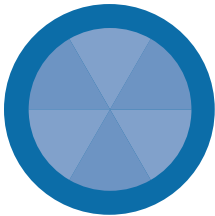
As a result, there were several methods of selecting an Indigenous Caucus carried out by the communities: consensus decision-making at regional meetings, electoral vote at regional meetings, Tribal Council Resolution, Letter of Support signed by a majority of Chiefs in a TOR region and acclamation.

Indigenous Caucus Staff

There are currently two personnel—a Technical Advisor and Communications Manager—who are employees of and report directly to, the Indigenous Caucus. There is also Legal Counsel employed by the Indigenous Caucus. These resources provide strategic advice based on their respective expertise and engagement efforts with Indigenous communities, federal representatives and other parties.

Secretariat

The Committee is supported by a Secretariat, established within NRCan. It operates with funds provided by the Government of Canada and administered by NRCan. The Secretariat provides policy and program assistance, implements decisions of the Committee and administers the Capacity Funding Program. In addition, the Secretariat supports the administrative and financial affairs of the Committee.



ENGAGEMENT

CROSS-CUTTING OBJECTIVE: Determine Community Priorities

Engaging with Indigenous communities, as well as with other partners, to establish good lines of communication and maintain constructive relationships is an important aspect of our work. Only through these relationships will IAMC-TMX successfully achieve its goals. In our first 19 months, we have laid the groundwork for active engagement with communities.

HIGHLIGHTS

- Initiated the Regional Engagement Coordinators Pilot
- Created an interactive forum, the Line-Wide Gathering, where community members would come together for dialogue and to set priorities with the Committee
- Established social media platforms to reach a wider audience
- Met regularly with community and senior government representatives to discuss TMX issues

Sharing Information

Part of our role is to share information relating to the environmental, safety and socioeconomic aspects of the Trans Mountain activities. In our first year and a half, we used a variety of tools to share information about our activities with community members, federal partners and agencies and the public.

Communication Tools



Facebook



Twitter



Newsletters
& Emails



Website



Community
Events,
Meetings &
Workshops



Line-Wide
gathering

Community Engagement

We are committed to meaningful engagement with Indigenous communities and organizations in order to integrate Indigenous knowledge, values and perspectives into the monitoring, regulation and performance of Trans Mountain activities.

In our first 19 months, we had a number of major community engagement events and visits:

- An open house in October of 2017;
- A community engagement session in March of 2018; and
- 12 community visits attended by the Co-Chairs and other members.

These events promoted an understanding of the IAMC-TMX's mandate and enabled Committee members to hear the interests and concerns Indigenous communities have regarding Trans Mountain activities. In addition, IAMC-TMX meetings generally take place in communities along the pipeline route and local representatives are invited to attend.



Line-Wide Gathering

On November 5th and 6th, 2018, the Committee's Indigenous Caucus brought together people from Indigenous communities along the pipeline corridor and shipping lanes for our first Line-Wide Gathering. Chief Gordon Planes was our host and Grand Chief Steven Point was the Chairperson. It was an opportunity for us to share with community members our work accomplished to date and to hear their thoughts on IAMC-TMX's priorities moving forward.

Nearly 90 Indigenous participants were joined by representatives from the British Columbia Coast Pilots Ltd., NEB and the federal government. We focused on priorities such as:

- Indigenous monitoring and marine stewardship;
- Emergency management and spill response; and
- The impacts of work camps.

Participants took the opportunity to work together and present their ideas and recommendations, which inform our work.

IAMC-TMX Member Engagement

The integration of Indigenous knowledge, values and perspectives into the oversight of the Trans Mountain system is one important value. One of the ways in which we act on this value is by connecting, sharing knowledge and learning from communities.

Communities are 'engaged' when they have a meaningful role in the deliberations, discussions, decision-making and/or implementation of issues affecting them.

Over the last 19 months Committee members have sought out many opportunities to engage with Indigenous communities.

For example, Indigenous Caucus and Federal Committee members represented the IAMC-TMX at several events that bring together other leaders and communities, including:

- The 2018 BC Assembly of First Nations (BC AFN) Annual General Meeting;
- The annual Joint Gathering hosted by the BC AFN in 2018 and 2019; and
- The 2018 BC AFN Special Chiefs Assembly.

Committee members have also participated in conferences and other topic-specific events as panelists, presenters or attendees. For example, Chief Ernie Crey gave an Indigenous perspective as part of "The Case for Inclusive Energy Future" panel. This took place at the North American Energy Systems of Tomorrow event, held at Canada's Embassy in Washington, DC.

We are committed to building an understanding of the interests and issues that Indigenous communities have regarding the Trans Mountain pipeline and expansion. The understanding that we have developed through our engagement activities has already aided us in our work to develop a common perspective regarding pipeline inspections and other activities related to the TMX project. As we provide advice on pipeline issues in the future, connecting with Indigenous communities will be even more important.

IAMC-TMX Engagement Pilot Projects

To support our engagement efforts, the Committee established a Regional Engagement Coordinator (EC) pilot in 2018. The pilot began with two ECs, one located in BC, the Burrard Inlet/Lower Fraser region and one in the Alberta First Nations region. The pilot is intended to create space for two-way communication between communities and the IAMC-TMX. The pilot will undergo an independent assessment in 2019.

In addition, the IAMC-TMX funded a Nation-led project to support efforts to reach out to communities in a particular region. The intention is to identify citizens' interests and concerns about the TMX and to share this with the IAMC-TMX. Best practices and results from these engagement efforts are being shared in the Engagement Subcommittee.

Engaging with Government

We are continually looking for ways to develop new relationships between Indigenous communities, the government and the NEB that is collaborative, inclusive and meaningful. Since the Committee started, we have met with the Prime Minister, NEB Chair & CEO, Minister and Associate Deputy Ministers of NRCan to build relationships.

This new relationship must start from a commitment from everyone, which is why we meet annually with the Minister of NRCan and regularly with other senior government representatives from NRCan, NEB, DFO, Parks Canada and others on subjects important to Indigenous communities along the pipeline and marine corridors. Our discussions to date have focused on safety, protecting Indigenous and environmental interests and potential social and economic impacts to our communities.



Meeting the Prime Minister

On June 5, 2018, the Committee met with the Prime Minister to discuss the impact the government's decision to buy the Trans Mountain system would have on Indigenous nations in the pipeline and marine corridors. The Indigenous Caucus emphasized that if the government is going to build the TMX, then it must build it better than Kinder Morgan would have – safer, more respectful of Indigenous rights and title and Treaty rights and fairer in its distribution of economic benefits to affected Indigenous nations.

LESSON LEARNED

As a first-of-its-kind Committee, our first 19 months have been a time to establish our structure, identify shared priorities, put “boots on the ground” and learn how to work together in a new and good way. It has been a time to focus on relationship building, joint learning and joint action. Continuing to improve is important to us, as is documenting and reflecting on the lessons learned along the way.

Partnership

The co-development of the TOR by Indigenous communities, the NEB and government laid the foundation for the way the Committee works. It also gave everyone time to learn how to successfully work together despite a diversity of views about the project.

Consistent with our TOR, we seek to depart from past practices and create new means of learning from each other and working together. That goal can certainly be challenging at times. It is easy for frustration to develop because of strongly held views that the regulatory system needs to change in order to better integrate Indigenous interests and perspectives. System-wide change is difficult to achieve and progress is often slow. We recognize, however, that difficulties are often systematic in nature. Indeed, the individual members’ genuine desire to work together to change the system for the better is one of the Committee’s core strengths.

We have also recognized the importance of investing time to learn from each other. By doing that we are sharing expertise with one another, building trust in each other and working together to identify and explore issues and solutions.

There is a lot of work to be done by the Committee and we recognize that it cannot all be done at once. It was important for us to set priorities on issues of common interest—like monitoring, emergency management and work camps—and to identify the tasks that will move us closer to our long-term goals.



Changing Operational Practices

One of the challenges the Committee continually faces is how to increase integration of Indigenous perspectives into governments’ operational practices and decision-making. We are taking the time to learn from one another and find the most effective ways to work together.

We are encouraged with the progress we have made with the Indigenous Monitoring Pilot. Indigenous monitors are now involved in the planning, implementation and follow-up to inspections. But there is still more work to be done.

Working with the Proponent

Through interactions with representatives from Trans Mountain Corporation, we have observed some openness to input from the Committee and some desire on Trans Mountain's part to work with the Committee to address Indigenous issues.

One important consideration we have come to understand is that for many of the changes we want to make, Trans Mountain Corporation needs to be involved early on in the discussions, as they are often the ones who can implement some of the changes we are seeking. For example, integrating "chance finds" into all emergency management exercises is not something that the NEB can regulate, but it is something that Trans Mountain Corporation could institute into their policy guidelines. In doing just that, they have demonstrated a best practice for the industry. Consistent engagement with Trans Mountain Corporation will be important going forward.

As we continue to work together through the Discussion Forum, the subcommittees and the Emergency Management Working Group, we hope Trans Mountain will increasingly see value in the Committee. The Indigenous Caucus may offer advice to Trans Mountain and there may be difficult discussions. In such cases, we will rely on mutual commitment to making the project better and addressing Indigenous perspectives to support building understanding, exploration of options and acceptable solutions.



Awareness of Our Role

As a new initiative, raising awareness about the Committee has been difficult – within government and also within communities. A lot of communities still do not know who we are and what we do. TMX is only one of the many issues facing Indigenous communities today. This is a significant factor in the challenge of engaging all the communities along the pipeline and marine corridors.

We are focused on how to better engage with the affected Indigenous communities. We have brought on two engagement coordinators as part of a pilot program, as one effort to increase our capacity in this regard. We will be reviewing the effectiveness of that pilot in the coming months. We also invite local Indigenous nations to participate in Committee meetings held in their territories and we are moving in other ways to making our work more transparent. Other initiatives we need to consider include building, where possible, formalized networks of representatives of the affected Indigenous nations in each region. We realize that meaningful engagement with the affected Indigenous nations is critical if we are to succeed in our work and will be doing more of this going forward.

We also know that while it is important to collaborate in new ways to address complex issues that affect many communities, it is also important to be clear that this work does not replace the government's duty to consult, or the proponent's work with, Indigenous communities. It is clear that there remains some confusion within the Indigenous communities on this point, which can create mistrust and skepticism about the Committee. We will continue to communicate that the Committee exists to supplement, not replace, other work between the Indigenous nations and the Crown.



Adapting to Change

There has been a need to adapt in the face of changes beyond our control. The Committee's TOR were established after the TMX project was approved by the Governor-in-Council in November 2016. We thought that construction was to start in September of 2017, so we had very little time to co-develop the TOR, establish ourselves and to get our initiatives, especially the monitoring pilot, in place before the start of the construction.

The Federal Court of Appeal decision forced us to stop and shift gears. The Indigenous Caucus felt it was important in this phase to provide advice to the NEB and government with respect to the reconsideration. However, to protect the integrity of the regulatory process, government members did not directly participate in the development of advice. These events have demonstrated the challenges involved in generating joint advice. The TOR outlines how advice is given and this has not unfolded in a way that was expected. The Committee will reflect on this when the TOR is reviewed, including with respect to whether the TOR should expressly task the Indigenous Caucus alone with the advice-giving function.

The government's decision to buy the Trans Mountain system provides an opportunity to build the project better, if it proceeds. The Caucus is continually looking for opportunities to work with the government and regulators to make it safer, more respectful of Indigenous rights, title and treaty rights and fairer in its distribution of economic benefits to affected Indigenous communities.

Co-developing and Testing New Ways of Working Together

Pilot projects are a useful way of testing a possible action and exploring options for integrating Indigenous knowledge and perspectives into operational policies and practices. Additionally, they help us to connect networks of communities that share common interests so that the benefits of these pilot projects can be shared across communities.

For example, through the Indigenous Monitoring Pilot, the Committee learned several valuable lessons that we are using to inform and improve our activities going forward. One of these was that planning, communicating and scoping inspections with Indigenous monitors before getting into the field is critical. The NEB is interested in gathering input on the development of their annual compliance verification plans. This represents an opportunity to integrate Indigenous perspectives into the entire program of compliance verification activities and to identify construction activities that may pose high risks to Indigenous interests, in addition to the environmental and safety risks typically considered in the planning phase.

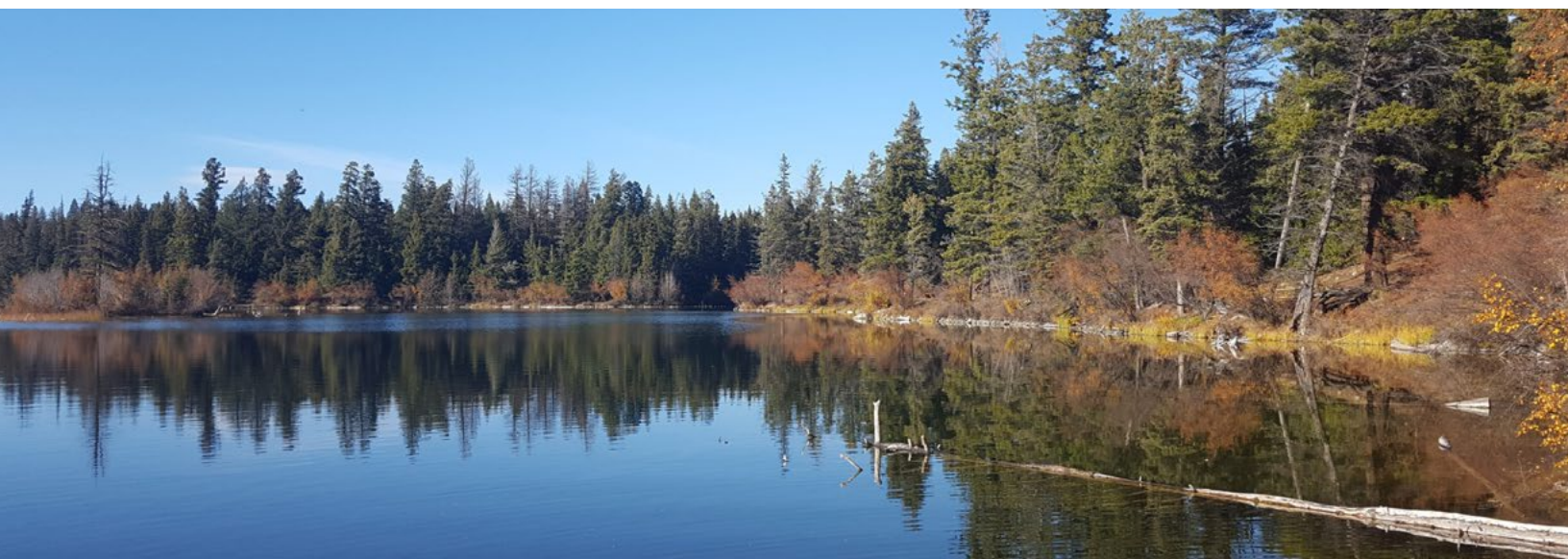
Capacity Funding Program

The administration process for the Capacity Funding Program can place a significant financial and administrative burden on Indigenous recipients. We have heard significant frustration from some Indigenous communities in this regard. To address those concerns, the Committee is implementing intake processes that simplify the application process for small projects. In addition, we are developing detailed guides outlining the steps of applying for and administering a contribution agreement. The Secretariat is available to work with Indigenous communities to develop proposals and review program requirements.

We will be reviewing these strategies in this coming year to ensure that these measures are sufficient to support communities to apply for funding.

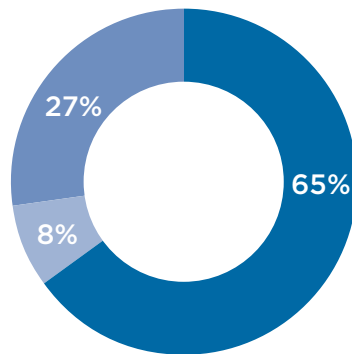
Focusing Resources

It takes tremendous effort and substantial resources to work in partnership through co-developed structures. The reality of linear projects spread over large geographic areas affecting many communities with differing histories, organizational structures and priorities, further increases the demands on all participants. The Committee has learned that in order to achieve results, it needs to focus its work and resources on common priorities.



FINANCIAL REVIEW

IAMC-TMX 5-Year Budget: \$64.7M



- IAMC Contribution Program (\$42M)
- IAMC Operating & Maintenance (\$5.3M)
- Federal & Secretariat Support (\$17.4M)

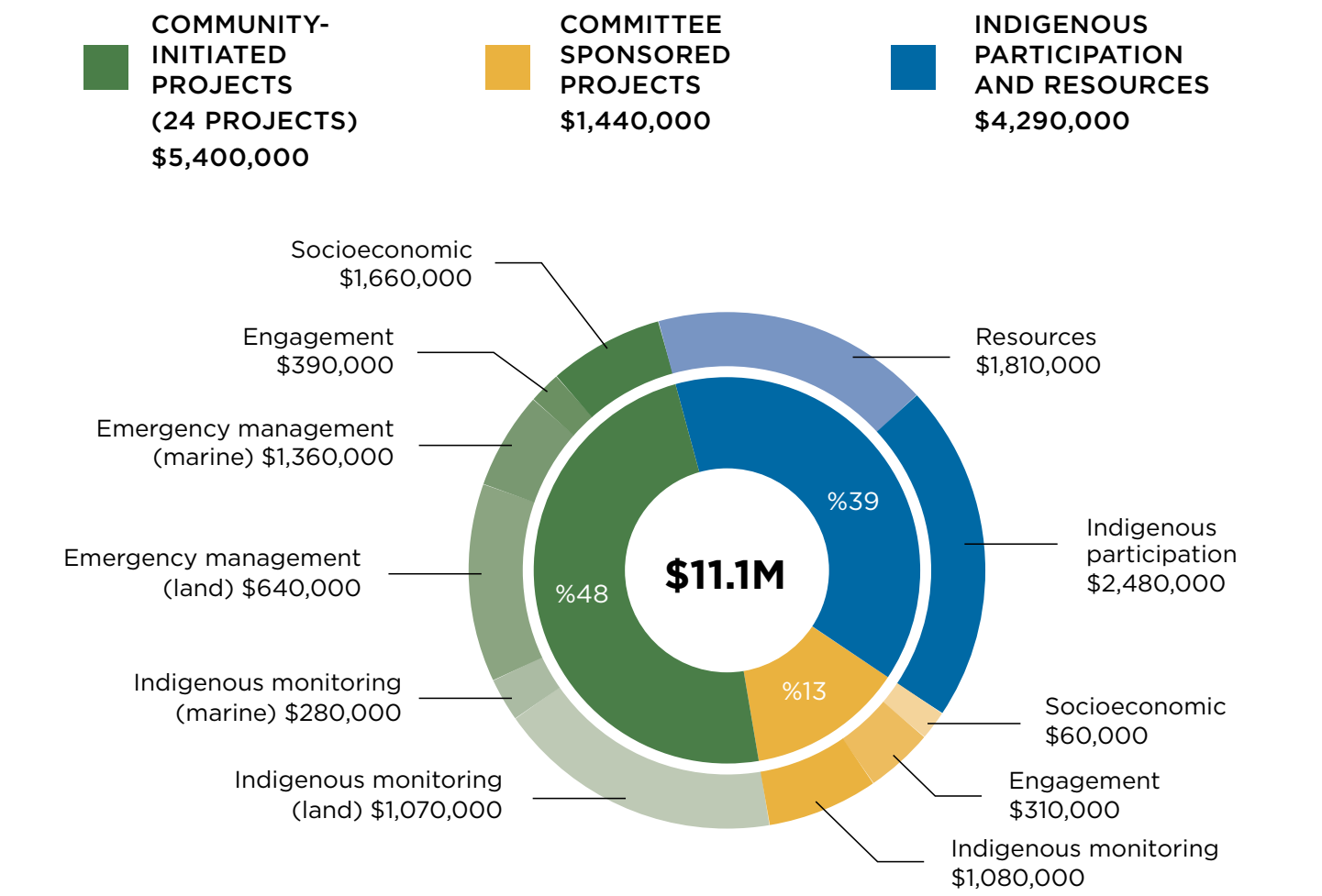
IAMC-TMX Five Year Budget Profile*

TMX		2017-18	2018-19	2019-20	2020-21	2021-22	Total
Committee	Grants & Contributions	\$2,249,077*	\$11,000,000	\$12,000,000	\$10,000,000	\$6,750,923	\$42,000,000
	Operating & Maintenance	\$944,100	\$1,421,400	\$1,403,700	\$922,300	\$616,000	\$5,307,500
Federal Supports	This includes the National Energy Board, Transport Canada, Fisheries and Oceans and the Secretariat	\$3,169,900	\$3,736,600	\$3,741,300	\$3,399,700	\$3,346,000	\$17,393,500

Note:

**This is an amended budget profile. As of January 4, 2019, Treasury Board approved the Committee's request to move \$2.75 million in unspent G&C funding from 2017-18 to future years. The original funding profile approved in June 2017 was: \$5M for 2017-18; \$11M for 2018-19; \$11M for 2019-20; \$9M for 2020-21; \$6M for 2021-22; a total of \$42M.*

Approved Contributions Program Funding Commitments* (2017-18 & 2018-19)



**Table reflects amounts approved by Committee.
Actual spending can vary depending on the project.*



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