



To:	Public Works and Transportation Committee	Date:	June 29, 2026
From:	Roeland Zwaag General Manager, Engineering and Public Works	File:	10-6125-30-010/Vol 01
Re:	Tilbury Phase 2 Liquefied Natural Gas (LNG) Expansion Project		

Staff Recommendation

That the comments on the “Tilbury Phase 2 LNG Expansion Project”, as outlined in Attachment 2, be endorsed for submission to the BC Environmental Assessment Office as part of the public comment period.

Executive Summary

The purpose of this report is to provide Council with an update on FortisBC’s proposed Tilbury Phase 2 LNG Expansion Project (the Project), which has advanced to the Effects Assessment phase of the provincial environmental assessment process led by the BC Environmental Assessment Office on behalf of both the Province and the Impact Assessment Agency of Canada. The Project proposes to expand FortisBC’s existing Tilbury LNG facility in Delta through construction of a new LNG storage tank, additional liquefaction capacity and supporting infrastructure including utilities, pipelines and marine fueling infrastructure.

Council has previously expressed opposition to the Project and identified concerns related to environmental protection, cumulative effects, transportation, infrastructure, emergency management and public engagement. City staff continue to participate in the environmental assessment process as members of the Technical Advisory Committee to ensure municipal interests are represented.

A public comment period is scheduled from June 25, 2026, to July 27, 2026. Attachment 2 provides comments for Council’s consideration for submission to the BC Environmental Assessment Office during this period.

Staff Report

Origin

The purpose of this report is to provide Council with an update on FortisBC's proposed Tilbury Phase 2 LNG Expansion Project (the Project), which is currently under review by the BC Environmental Assessment Office (BC EAO), and to advise Council of the ongoing environmental assessment process, recent City participation, and the public comment period associated with the Effects Assessment phase, including proposed City comments for submission to the BC EAO.

The Project proposes to expand FortisBC's existing Tilbury LNG facility in Delta through the construction of a new liquefied natural gas (LNG) storage tank, additional liquefaction capacity and supporting infrastructure including utilities, pipelines and marine fueling infrastructure.

This report supports Council's Strategic Plan 2022–2026 Focus Area #1 Proactive in Stakeholder and Civic Engagement:

Proactive stakeholder and civic engagement to foster understanding and involvement and advance Richmond's interests.

Analysis

FortisBC is proposing an expansion of its existing LNG facility located on Tilbury Island in Delta through the Tilbury Phase 2 LNG Expansion Project. The Project includes construction of a new LNG storage tank, additional liquefaction facilities and supporting infrastructure upgrades intended to expand LNG storage and production capacity. The expanded facility is expected to support regional energy resiliency, marine fueling operations and future energy demand over an operational life exceeding 40 years.

The Project is undergoing a coordinated environmental assessment process led by the BC EAO on behalf of both the Province and the Impact Assessment Agency of Canada (IAAC) under a substitution agreement. Under this process, the provincial environmental assessment process substitutes the federal impact assessment process to streamline the review.

The Project requires both provincial and federal environmental assessment review due to the proposed increase in LNG storage and processing capacity exceeding regulatory thresholds. Provincially, the Project is reviewable because it would increase LNG storage by more than 136,000 m³, which exceeds the threshold set out in British Columbia's Reviewable Projects Regulation. Federally, the Project also triggers assessment because it would increase LNG processing capacity by more than 50 per cent, bringing total processing capacity above 10,000 tonnes per day, as identified in the Physical Activities Regulations.

Environmental Assessment Process Update

On March 27, 2026, the BC EAO accepted FortisBC's revised Environmental Assessment Application and initiated the Effects Assessment phase of the environmental assessment process.

The revised application incorporated feedback received during the Application Review phase from Indigenous Nations, government agencies, Technical Advisory Committee (TAC) members, stakeholders and the public. The Effects Assessment phase includes review of the Project's potential environmental, social, economic, health and cultural effects, along with proposed mitigation measures and draft Environmental Assessment Certificate conditions.

On April 28, 2026, the Province designated the Project as a priority major project under its Look West economic strategy. The Project was one of 17 major projects added to the priority list, representing approximately \$88 billion in proposed investment over the next three years. The designation is intended to streamline permitting and approvals processes and support economic development. Attachment 1 provides an overview of the environmental assessment process and key milestones completed to date.

Participation History

Since the Project entered the environmental assessment process, the City has participated as a member of TAC and provided comments to the BC EAO regarding municipal interests, potential project effects, and the adequacy of the assessment process.

In July 2020, Richmond City Council formally expressed its opposition to the Project and identified a range of concerns requiring continued attention through the environmental assessment and regulatory review processes. In November 2023, the City reaffirmed its opposition to the Project in correspondence to the BC EAO and FortisBC, citing concerns regarding the potential environmental and socio-economic impacts of the Project, while continuing to participate in the environmental assessment process. Council's concerns focused on both the environmental assessment process and the potential environmental, social and infrastructure-related effects of the Project.

Key areas of municipal interest and concern include:

- the adequacy of public engagement in Richmond during the environmental assessment process, including the absence of an in-person public engagement event in Richmond;
- the cumulative effects of the Project in combination with other major regional projects, particularly with respect to the Fraser River estuary, sensitive ecosystems, flood resilience, and transportation systems;
- potential effects related to air quality, greenhouse gas emissions, as well as LNG transport and storage;
- the adequacy of proposed climate resilience measures;
- potential effects on traffic, local infrastructure, and community conditions during construction and operations; and
- potential effects on the Fraser River and adjacent ecological values, including water quality, fish and wildlife habitat, and broader ecological functions.

Through the environmental assessment process, FortisBC and the BC EAO have responded to concerns raised by participating agencies, Indigenous Nations and local governments through revisions to the application, additional technical studies, proposed mitigation measures and draft environmental assessment conditions. Staff continue to review these materials to determine the extent to which municipal concerns have been addressed.

Air quality and human health considerations continue to be reviewed through the environmental assessment process. Participating agencies, including Vancouver Coastal Health, have recommended air quality monitoring, public notification and appropriate mitigation measures to address potential effects associated with Project operations.

While Council has previously expressed opposition to the Project, staff continue to engage in the environmental assessment process to ensure municipal interests are represented through review of proposed conditions, mitigation measures, monitoring requirements and management plans, and to advocate for measures that avoid, mitigate or address potential impacts to Richmond.

Public Comment Period

As part of the Effects Assessment phase, the BC EAO opened an additional public comment period on June 25, 2026, which closes on July 27, 2026. During this period, the public, Indigenous Nations, stakeholders and agencies will have the opportunity to review and provide comments on:

- the Draft Assessment Report;
- the Draft Environmental Assessment Certificate, including proposed Environmental Assessment Certificate conditions;
- the Joint Permitting and Regulatory Coordination Plan;
- the Regulatory Coordination Issues Tracking Table; and
- the draft federal conditions.

The Draft Assessment Report summarizes the BC EAO's assessment of the Project and its potential environmental, social, economic, health and cultural effects. The Draft Environmental Assessment Certificate and associated conditions establish the legally binding requirements that would apply to the Project if approved. The public comment period is the final formal public engagement opportunity prior to completion of the environmental assessment process and preparation of recommendations to provincial decision-makers.

Attachment 2 outlines comments for Council's consideration for submission to the BC EAO as part of the current public comment period.

Following the public comment period, the BC EAO will finalize the Assessment Report and referral package for consideration by provincial decision-makers. A decision on the Environmental Assessment Certificate is anticipated later in 2026.

Next Steps

City staff will continue to participate on the TAC and represent municipal interests through review of project conditions, mitigation measures and future consultation opportunities. Subject to Council endorsement, staff will submit the comments outlined in Attachment 2 to the BC EAO before the public comment period closes on July 27, 2026.

Should the Project receive approval, City staff will continue to participate in applicable review processes and inter-agency coordination related to implementation of environmental assessment conditions and associated management plans, where appropriate. Staff will continue to monitor the Project and provide updates to Council as appropriate.

Budgetary Implications

There are no budget impacts associated with this report.

Conclusion

Since 2020, the City has been engaged in the environmental assessment process and other review opportunities, advocating for municipal interests related to environmental protection, transportation, infrastructure, and emergency management.

The Project advanced to the Effects Assessment phase in March 2026 following acceptance of FortisBC's revised application by the BC EAO. The public comment period opened on June 25, 2026 and closes on July 27, 2026. Through this report, Council is being asked to endorse the comments set out in Attachment 2 for submission to the BC EAO.

Following the close of the public comment period, the BC EAO will finalize the Assessment Report and referral package for provincial decision-makers. A decision on the Environmental Assessment Certificate is anticipated later in 2026. Staff will continue to monitor the Project and provide updates to Council as appropriate.

Respectfully submitted,

Chad Paulin, Director, Climate and Environment

Report Contributors

This report was prepared by Nadia Chan, Manager, Environment and reviewed by Transportation and Engineering.

Endorsed by Serena Lusk, CAO

Att. 1: Tilbury Phase 2 LNG Expansion Project Environmental Assessment Timeline
2: Comments for submission to the BC Environmental Assessment Office

Tilbury Phase 2 LNG Expansion Project Environmental Assessment Timeline

Environmental Assessment Process



★ We are here

Early Engagement (2020 – 2021)

- FortisBC initiated the environmental assessment by filing an Initial Project Description with both the BC Environmental Assessment Office (BC EAO) and Impact Assessment Agency of Canada (IAAC) in February 2020
- This phase involved public consultations, including virtual open houses, to gather input from Indigenous groups, stakeholders, and the general public
- In September 2021, Fortis submitted a Detailed Project Description, which was accepted by both agencies in early 2022

Process Planning (2021 – 2022)

- The BC EAO and IAAC collaborated to formalize the environmental assessment process, including identifying information requirements and determining timelines
- In January 2022, the federal minister approved the substitution request, allowing the BC EAO to lead the federal impact assessment on behalf of IAAC

Application Development and Review (2024 – 2025)

- December 2, 2024: FortisBC submitted the Environmental Assessment (EA) Application to the BC EAO
- January 14 – March 3, 2025: A 45-day public comment period was held, inviting feedback from the public, Indigenous groups, and stakeholders
- January 21, 2025: A virtual information session was conducted
- January 23, 2025: An in-person open house was held in Delta
- May 28, 2025: The BC EAO sent a letter to FortisBC regarding the application review
- June 1, 2025: The BC EAO continued its review of the Application and related technical materials, including consideration of potential project effects

Effects Assessment and Recommendation (2026)

- March – August 2026: The BC EAO is conducting the Effects Assessment phase, including preparation of the draft Assessment Report, draft Environmental Assessment Certificate conditions, and referral package
- June 25 – July 25, 2026: A 30-day public comment period is scheduled for review of the draft Assessment Report and proposed certificate conditions
- July – August 2026: The BC EAO will finalize the Assessment Report and referral package for consideration by provincial decision-makers

Decision (2026)

- A provincial decision on the Environmental Assessment Certificate is anticipated before the end of 2026



Comments for submission to the BC Environmental Assessment Office

The following table summarizes potential comments for Council's consideration in relation to the final public comment period on the draft Environmental Assessment Certificate materials for the Tilbury Phase 2 LNG Expansion Project.

Matter identified	Comment to the BC EAO	Document reference
Public engagement in Richmond	While the draft conditions provide for ongoing information-sharing and community feedback, the City notes that the environmental assessment process did not include a dedicated in-person public information session in Richmond, despite Richmond's proximity to the Project and interest in potential transportation, air quality, ecological, and emergency management effects. The City encourages the Environment Assessment Office (EAO) to ensure that neighbouring municipalities are provided with opportunities for direct, community-based engagement for projects of this scale.	Draft Schedule B, Conditions 4, 9, and 10
Cumulative effects	The City notes that draft Schedule B, Condition 18.2 requires updated plans and reports arising from cumulative effects initiatives to be submitted to the EAO, BC Energy Regulator (BCER), Metro Vancouver, and First Nations, but does not include Local Governments such as the City of Richmond. Given Richmond's proximity to the Project and interest in potential cumulative effects on the Fraser River estuary, sensitive ecosystems, flood resilience, and the regional transportation system, the City requests that Condition 18.2 be amended to include the City of Richmond, or Local Governments, on the distribution list for these updates.	Draft Schedule B, Condition 18
Air quality	The City supports the proposed Air Quality Management Plan. The City requests that Condition 14.5(c) of the Draft Schedule B Table of Conditions be amended to include the City of Richmond on the distribution list for annual ambient air quality monitoring reports, given Richmond's proximity to the Project and interest in potential off-site air quality effects.	Draft Schedule B, Condition 14
Greenhouse gas emissions / Net-Zero Plan	The City notes draft Schedule B Condition 11 respecting the Net-Zero Plan and requests that ongoing reporting and updates to the Net-Zero Plan be shared with the City of Richmond to support transparency regarding implementation of the Project over time. The City further notes that certain matters raised during Application review, including non-methane fuel management, future	Draft Schedule B, Condition 11

	feed gas composition, and commitments to recognized standards for refrigerant management and vapour recovery system maintenance, were not, in the City's view, substantively resolved prior to the process advancing.	
Climate resilience	The City notes the importance of proposed climate resilience measures, particularly as they relate to flood resilience, surface water management, and adaptive management in a changing regional environmental context.	Draft Schedule B, Condition 12 and Condition 18
Traffic, local infrastructure, and community conditions	The City supports the proposed framework for development of a Transportation Management Plan. The City notes that Condition 12.7(b)(vi) of the Draft Schedule B Table of Conditions states that transportation reports will be distributed to any municipality that requests them. The City requests confirmation that the City of Richmond will be included on transportation-related distribution lists and community feedback reporting where project transportation routes, traffic effects, complaints, or adaptive management measures may have regional implications.	Draft Schedule B, Condition 10 and 12
Fraser River and adjacent ecological values	The City notes the potential for effects of the Project on the Fraser River and adjacent ecological values, including water quality, fish and wildlife habitat, and broader estuarine ecological functions. In particular, the City notes draft Schedule B provisions respecting erosion and sediment control, surface water quality and quantity management, spill prevention and response, hydrostatic testing and discharge management, protection of aquatic life in receiving environments, and the assessment of 6PPD-quinone-related fish effects associated with project transportation near Tilbury Slough. Given the Project's location adjacent to Tilbury Slough and the Fraser River, the City requests that the final conditions provide clear expectations for monitoring, reporting, and adaptive management relevant to adjacent aquatic environments and ecological values, including information sharing with affected neighbouring municipalities where appropriate.	Draft Schedule B, Condition 12, 17 and 18; Draft Certified Project Description