

NO. **SΞ2 58 38 0**  
VANCOUVER REGISTRY

**THE SUPREME COURT OF BRITISH COLUMBIA**

**BETWEEN:**

**WOODFIBRE LNG GENERAL PARTNER INC., AS GENERAL  
PARTNER ON BEHALF OF WOODFIBRE LNG LIMITED  
PARTNERSHIP**

**PETITIONER**

**AND:**

**DISTRICT OF SQUAMISH**

**RESPONDENT**

**NOTICE OF CIVIL CLAIM**

**This action has been started by the Plaintiffs for the relief set out in Part 2 below.**

If you intend to respond to this action, you or your lawyer must

- (a) file a Response to Civil Claim in Form 2 in the above-named registry of this court within the time for Response to Civil Claim described below, and
- (b) serve a copy of the filed Response to Civil Claim on the Plaintiffs.

If you intend to make a Counterclaim, you or your lawyer must

- (a) file a Response to Civil Claim in Form 2 and a Counterclaim in Form 3 in the above-noted registry of this court within the time for Response to Civil Claim described below, and
- (b) serve a copy of the filed Response to Civil Claim and Counterclaim on the Plaintiffs and on any new parties named in the Counterclaim.

**JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the Response to Civil Claim within the time for Response to Civil Claim described below.**

**Time for Response to Civil Claim**

A Response to Civil Claim must be filed and served on the Plaintiffs,

- (a) if you were served with the Notice of Civil Claim anywhere in Canada, within 21 days after that service,

- (b) if you were served with the Notice of Civil Claim anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the Notice of Civil Claim anywhere else, within 49 days after that service, or
- (d) if the time for Response to Civil Claim has been set by order of the court, within that time.

## **Part 1: STATEMENT OF FACTS**

### **A. Parties**

1. The Plaintiff Woodfibre LNG General Partner Inc. ("**Woodfibre Inc.**") is a company incorporated in Alberta with an address for service in this proceeding c/o 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

2. Woodfibre LNG Limited Partnership ("**Woodfibre LNG**") is a limited partnership with an address for service in this proceeding c/o 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

3. The District of Squamish (the "**District**") is a municipality incorporated pursuant to the *Local Government Act*, R.S.B.C. 2015, c. 1 and the *Community Charter*, S.B.C. 2003, c. 26 with an address located at 37955 Second Avenue, P.O. Box 310, Squamish, British Columbia, V8B 0A3.

4. Woodfibre Inc. is the general partner of Woodfibre LNG. Woodfibre LNG is the owner of the Woodfibre liquified natural gas ("**LNG**") project (the "**Project**") located in the District.

### **B. Overview of Claim**

5. This claim concerns the unlawful course of action of the District, including its Mayor and certain members of Council (collectively, "**District Council**") and other authorized representatives, of intentionally misusing the District's powers for the improper purpose of delaying and/or stopping the Project, despite the Project having obtained all requisite approvals from the Provincial, Federal, and Squamish Nation (Skwxwíl7mesh Uxwumixw) governments.

6. The focus of this claim is on the intentional misuse of District powers to attempt to delay or stop the Project as part of the adoption of an illegal major industry tax rate in 2025 (the "2025 Major Industry Rate"), which only applies to Woodfibre LNG.

7. The intentional misuse of District powers in relation to the 2025 Major Industry Rate is part of a course of conduct, whereby District powers have been continually and systematically misused with the intent to delay or stop the Project. Relevant additional misconduct includes, but is not limited to:

- (a) Implementing processes that unnecessarily delayed the issuance of, and then ultimately refusing to issue, a temporary use permit ("TUP") for the use of first temporary floating worker accommodations for house workers the Project ("Floatel #1") despite approval from all other levels of government. Ultimately, Woodfibre LNG was ordered to begin housing workers on the Floatel by the Provincial Environmental Assessment Office ("EAO");
- (b) Delaying granting and issuing building permits for certain temporary modular trailer structures required during the construction phase of the Project for over 600 days;
- (c) Exercising its process and powers when considering and approving a subsequent TUP for Floatel #1 and a second temporary floating work accommodation for the Project ("Floatel #2") in a manner that exceeds its jurisdiction and which impaired and delayed Woodfibre LNG's ability to use Floatel #2 or both floatels despite anticipated approvals from all other levels of government;
- (d) Delaying the issuance of building permits for permanent buildings by impermissibly requiring landslide assessments that are not required under the District's Official Community Plan ("OCP") and associated bylaws.

8. At all material times, true motivations of the District, including members of District Council and other authorized representatives of the District, has been and continues to be to delay or stop the Project by any means available, including through unlawful misuse of District powers.

9. This unlawful misuse of District Powers has adversely impacted Woodfibre LNG and the Project, which is under construction (and is not generating any revenue), and will continue to have an impact once the Project enters into the operations phase (e.g. through the unsustainable application of the 2025 Major Industry Rate).

### **C. The Project**

10. The Project site is located seven kilometres southwest of the District on the northwestern shoreline of Howe Sound at the former site of the Woodfibre pulp mill (the “**Project Site**”). The Project will include a natural gas liquefaction facility and a LNG transfer facility for the export of the LNG product to global markets via marine vessels. It is currently expected to operate for at least 40 years and to produce up to 2.1 million tonnes of LNG per year.

11. Construction of the Project is now anticipated to cost over US\$ 8.8 billion dollars. During operations, the Project is expected to create over 100 jobs based in Squamish and significantly contribute to local tax revenue.

12. The Project is currently under construction, which commenced in November 2023, and is scheduled to be operational by 2027. The construction phase is expected to take approximately three years. The Project will receive natural gas for liquification through a pipeline that is under construction as a separate project and owned by Fortis BC (the “**Eagle Mountain Pipeline Project**”).

### **D. The Property and Zoning**

13. The Project Site includes six contiguous parcels of land owned by Woodfibre LNG, located in the District and legally known and described as:

- (a) PID 015-791-611; District Lot 6237; Group 1; Except Plan EPP86841; New Westminster District;
- (b) PID 015-822-061; District Lot 5899; Group 1; Except Part in Reference Plan 5238; New Westminster District;
- (c) PID 031-814-026; Lot A District Lots 2351 and 8295; Group 1; New Westminster District; Plan EPP86843;

- (d) PID 031-813-992; Lot 1 District Lots 2802 and 8294; Group 1; New Westminster District; Plan EPP86842;
- (e) PIN 90176029; District Lot 8318, Group 1; New Westminster District; and
- (f) PIN 90176030; Block A; District Lots 1337, 6670 and 8318; Group 1; New Westminster District

(collectively, the “**Woodfibre LNG Properties**”).

14. Woodfibre LNG also holds a water lot lease granted by the Province over a 66.4 hectare area adjacent to the Woodfibre LNG Properties, legally known and described as District Lot 8296 (the “**Foreshore Property**” and together with the Woodfibre LNG Properties, the “**Project Properties**”).

15. The Woodfibre LNG Properties are zoned I-3 General Industrial Zone (the “**I-3 Zone**”) under the District’s Zoning Bylaw No. 2220, 2011 (the “**Zoning Bylaw**”). The I-3 Zone permits Bulk Gas and Fuel Storage and Loading Facilities. The Woodfibre LNG Properties are also designated Intensive Industrial under the District’s OCP.

16. The Foreshore Property is designated Marine Gateway under the OCP. Marine Gateway applies to navigable and non-navigable marine and foreshore areas.

#### **E. Major Project Approvals**

17. In or around 2012, Woodfibre LNG initiated the regulatory permitting process for the Project.

18. This process included assessments by the EAO pursuant to the *British Columbia Environmental Assessment Act*, 2002, by the Canada Impact Assessment Agency pursuant to the Canadian *Environmental Assessment Act*, 2012 (“**CEAA, 2012**”), and by the Squamish Nation (Skwxwíl7mesh Uxwumixw).

19. In 2015 and 2016, Woodfibre LNG received the following environmental assessment approvals to permit the construction and operation of a liquified natural gas facility at the Project Site:

- (a) A provincial Environmental Assessment Certificate from the EAO under the *British Columbia Environmental Assessment Act* (the “**Provincial EAC**”);
- (b) A Federal Decision Statement from the federal government under the *CEAA, 2012* (“**FDS**”); and
- (c) An environmental assessment approval from Squamish Nation through the Squamish Nation Environmental Assessment Agreement in 2015 (the “**SNEAA Approval**”),

(collectively, the “**EA Certificates**”).

20. Following the issuance of the EA Certificates, there have been continuous regulatory developments for the Project. These have included amendments to certain EA Certificates for Floatel #1 and #2 (see paragraphs 47-**Error! Reference source not found.** and 77-79, respectively), obtaining other required federal and provincial authorizations, as well as engaging District processes for local government authorizations, including the first TUP application (see paragraphs 54-64), the building permits for certain temporary modular trailer structures (see paragraphs 69-75), the second TUP application (see paragraphs 77-84) and the building permits for permanent structures (see paragraphs 85-92).

#### **F. The District’s Adoption of an Unlawful Major Industry Tax Rate**

21. No properties in Squamish, including any of the Woodfibre LNG Properties, were classified for property taxation under the *Assessment Act*, R.S.B.C. 1996, c. 20 and the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81 by the British Columbia Assessment Authority (“**BC Assessment**”) as Major Industry for the 2023 property taxation year commencing January 1, 2023 and ending December 31, 2023 (the “**2023 Tax Year**”), or for the 2024 property taxation year commencing January 1, 2024 and ending December 31, 2024 (the “**2024 Tax Year**”),

##### **i. The 2023 Tax Rate Bylaw**

22. On May 30, 2023, the District adopted its bylaw enacting property tax rates by property class for the 2023 Tax Year (the “**2023 Tax Rate Bylaw**”). The 2023 Tax Rate Bylaw

set the Major Industry tax rate for municipal purposes at 28.902 per \$1,000 of Taxable Assessed Value (the “**2023 Major Industry Rate**”).

*ii. The 2024 Tax Rate Bylaw*

23. On April 16, 2024, the District held a Regular Council Meeting at which District Council considered, among other things:

- (a) The 2024-2028 Five Year-Financial Plan Bylaw No. 3024, 2023 (Spring) Amendment Bylaw No. 3038, 2024 (the “**2024 Five-Year Financial Plan Amendment**”).
- (b) Tax Rate Bylaw No. 3039, 2024 applicable to the 2024 property taxation year (the “**2024 Tax Rate Bylaw**”).

24. The Agenda for the Regular Council Meeting also included a motion that “The District of Squamish endorse the *District of Squamish Readiness Strategy – WLNG/EMGP*” as part of the in-camera portion of the meeting.

25. The 2024 Tax Rate Bylaw set property tax mil rate for Major Industry at \$125.000 per \$1,000 of Taxable Assessed Value (the “**2024 Major Industry Rate**”), corresponding to a property tax rate ratio between Major Industry and Class 1 Residential (“**Residential**”) of 54.54:1, and an increase of 96.0973 mils from the 2023 Major Industry Rate.

26. The District Council give three readings to both the 2024 Five-Year Financial Plan (the “**2024 Financial Plan Report**”) and the 2024 Tax Rate Bylaw based on a staff report recommending the same (the “**2024 Tax Rate Report**”).

27. The 2024 Tax Rate Report compared the proposed 2024 Major Industry Rate to the BC average set at \$28.9673 per \$1,000 of Taxable Assessed Value, corresponding to a property tax rate ratio between Major Industry and Residential of 8.91:1.

28. The 2024 Tax Rate Report referred to the Major Industry Rate as “the WLNG Tax” and recommended that the District increase the Major Industry Rate to 125 “to achieve

adequate taxation from WLNG once the plant is classified to Class 4 – Major Industry” and noted that this recommendation “[a]ligned with the Readiness Strategy”.

29. In discussing the 2024 Tax Rate Bylaw, the following discussions occurred between District Council and Staff with respect to the increase to the 2024 Major Industry Rate and Woodfibre LNG:

- (a) Staff noted that in prior years, the Major Industry Rate was set based on the Provincial average, but that it would now be set based on Squamish’s “Readiness Strategy”;
- (b) When questioned by a District councillor about the level of certainty that the Project Properties would be classified as Major Industry, Staff confirmed that it had a “great deal of certainty”, but that the timing would depend on the speed of Project construction; and
- (c) A District councillor commented on the importance of increasing the Major Industry Rate as part of the District’s ongoing effort to negotiate a 10-year tax agreement, and the opportunity that this increase presented to ensure the project would pay “its fair share of [the District’s] tax burden”.

30. The “Readiness Strategy” referred to at this Regular Council Meeting and referenced in the agenda and minutes for this meeting, is not available to the public.

31. District Council subsequently adopted the 2024 Five-Year Financial Plan Amendment and the 2024 Tax Rate Bylaw at the Council Meeting held on April 30, 2024, the same meeting at which District Council rejected the first TUP application (see paragraphs 56-62).

32. The 2024 Five-Year Financial Plan Amendment includes \$15,521,816 allocated to Protective Services in the 2024 Budget, and \$17,031,815 allocated to Protective Services in the 2025 Budget. This increase reflects the \$1.05 million budgeted for four additional RCMP officers that the District purportedly deemed necessary as a result of the Project. One hundred



percent of the cost of these additional RCMP officers would be sourced from the 2025 Major Industry Rate.

*iii. The 2025 Tax Rate Bylaw*

33. Between October and December 2024, District Council considered the 2025-2029 Five-Year Financial Plan Bylaw No. 3137, 2024 (the “**2025 Five-Year Financial Plan**”) at three meetings. At these meetings, District Council was presented a staff report which referred to the Capacity Funding Agreements, noting that Woodfibre LNG had agreed to provide special funding.

34. On December 17, 2024, District Council adopted the 2025 Five-Year Financial Plan.

35. For the purposes of the 2025 property taxation year (the “**2025 Property Tax Year**”), BC Assessment classified certain of the Woodfibre LNG Properties, and no other properties in the District, as Major Industry (Port) and Major Industry for the first time.

36. On October 28, 2024, Woodfibre LNG’s Compliance Manager advised BC Assessment that construction of the LNG plant portion of the Project was only 0.81% completed.

37. On February 18, 2025, District Council held a Special Business Meeting to consider the methodology to use in setting the 2025 mil rates and whether to increase the Class 4 tax revenue as a result of the reclassification of the Project Properties as Class 4.

38. At this meeting, the District Council discussed potential amendments to the 2025 Five-Year Financial Plan (from the associated staff report) to increase the tax revenue received from Class 4 – MI and transfer the revenue to reserve in order to fund four additional RCMP officers “to address community safety needs associated with the construction phase of the WLNG and Fortis Eagle Mountain Pipeline Project.”

39. In discussing the 2025 Tax Rate Bylaw, District Council and Staff made several comments confirming that the District would use the property tax from Woodfibre LNG to fund four additional RCMP officers that the District purportedly deemed necessary as a result of the Project. Further comments were made, including by District Council members, regarding the

very high Major Industry Rate as a way to “finally [see] some level of benefit from this project entering into [the] community”.

40. On April 22, 2025, District Council held a Special Business Meeting to consider first, second, and third reading of:

- (a) District of Squamish 2025-2029 Five-Year Financial Plan Bylaw No. 3137, 2024 (Spring) Amendment Bylaw No. 3152, 2025 applicable to the 2025 through 2029 property taxation years (the “**2025 Five-Year Financial Plan Amendment**”); and
- (b) District of Squamish 2025 Property Tax Rates Bylaw No. 3135, 2025 applicable to the 2025 property taxation year.

41. The 2025 Tax Rate Bylaw set property tax mil rate for Major Industry at 125.000 per \$1,000 of Taxable Assessed Value.

42. The staff report on the 2025 Five-Year Financial Plan Amendment again noted the reclassification of the Woodfibre LNG Properties to Major Industry and the resultant anticipated tax revenue of \$1.5 million.

43. On May 6, 2025, District Council adopted the 2025 Five-Year Financial Plan Amendment and the 2025 Tax Rate Bylaw at its regular Council Meeting.

44. The total property taxes Woodfibre LNG is required to pay to the District in 2025 for all of its Properties is \$1,855,182.53, attributable mostly to its Major Industry Properties.

45. On June 6, 2025, Woodfibre LNG filed a Petition in British Columbia Supreme Court Vancouver Registry, Action No. S-254273, seeking judicial review of the 2025 Tax Rate Bylaw (the “**Judicial Review**”).

46. The property taxes the Project faces for 2025 and any future property taxes imposed under Major Industry tax rates as high as the 2025 Major Industry Rate will adversely impact the Project while it remains under construction and is not generating any revenue. They also have a high potential to lead to a reduction in the long-term profitability of the Project over its lifetime and affect the Project’s viability once it enters into the operations phase. So long as

the Project faces inordinately high property taxes as a sustained cost for a longer period of time than would normally be the case, the expected net income and profits will be reduced.

## **G. The District's Attempt to Prevent Floatel #1**

### ***i. Major Approvals / Amendments – Floatel #1***

47. The original assessment applications leading to the EA Certificates did not address worker accommodations because at the time that the relevant applications were submitted Woodfibre LNG assumed there would be sufficient accommodation for workers in the local communities.

48. However, in response to concerns raised by the local community, including concerns related to land-based work camps and housing affordability and availability, Woodfibre LNG investigated the potential use of Floatel #1, which would be moored at the Project Site during the construction phase of the Project.

49. In or about October 2019, Woodfibre LNG sought approval, by way of an amendment to the Provincial EAC, to temporarily moor Floatel #1 at the Foreshore Property to provide accommodation for construction personnel, and submitted the relevant documents to the EAO, the Canada Impact Assessment Agency, and the Squamish Nation (the “**Floatel #1 Application**”).

50. On November 1, 2023, following an extensive review of the environmental and community safety concerns as part of the Floatel #1 Application, the EAO approved Woodfibre LNG’s application to amend the EAC to authorize Floatel #1 and associated infrastructure (the “**Provincial EAC Amendment**”).

51. In November 2023, the Squamish Nation also approved an amendment under the SNEAA Approval to permit the proposed Floatel #1 (the “**SNEAA Approval Amendment**”). The SNEAA Amendment imposed conditions intended to address environmental concerns and community safety, including a prohibition against the discharge of any effluent from Floatel #1 into Howe Sound and a requirement for a Floatel Waste Disposal Management Plan.

52. On November 29, 2023, the Canada Impact Assessment Agency posted its decision analysis relating to Floatel #1 in support of its determination that changes to mitigation

measures and follow-up requirements included as conditions in the FDS would not be required the “FDS Decision”).

53. In October and November, 2023, required approvals were granted under the *Canadian Navigable Waters Act* and *Fisheries Act*. The mooring facility for Floatel #1 was constructed accordingly.

*ii. The Temporary Use Permit Application*

54. In or about 2022, while Woodfibre LNG was going through the Floatel #1 EA Application process and seeking required approvals, the District advised Woodfibre LNG that since the Project Site was zoned I-3 under the District’s Zoning Bylaw, and residential uses are not permitted in the I-3 Zone, Woodfibre LNG would have to also obtain a TUP from the District to permit the use of the proposed Floatel #1 at the Project Site. On August 31, 2023, after a year of extensive discussions with District Staff following the pre-application meeting, Woodfibre LNG submitted an application for a TUP to permit Floatel #1 (the “**First TUP Application**”).

55. Shortly after submitting the TUP Application, the District requested, and Woodfibre LNG agreed, to advance the District \$1 million in capacity funding to assist the District with its participation in the regulatory and permitting processes relating to various District permits, including securing a TUP for the proposed Floatel #1.

*iii. District Council Rejects the TUP Application*

56. Following the Provincial EAC Amendment, the SNEAA Amendment, the FDS Decision and the receipt of other federal and provincial permits, Woodfibre LNG and the District continued to discuss the proposed Floatel and Woodfibre LNG responded to the District’s comments, concerns and questions.

57. In or about January 2024, with the above noted approvals now in place, Woodfibre LNG advised the District of its desire to commence using the Floatel at the Property by April 1, 2024.

58. Between March and April 2024, District Council considered TUP No. 76, the proposed TUP for Floatel #1 (“**TUP 76**”) at three meetings. At these meetings, District Council was presented with staff reports recommending approval of the First TUP Application.

59. On March 18, 2024, a YouTube video surfaced which featured an interview with a member of District Council from April 2023, in which that member conveyed that “Woodfibre LNG is not a done deal”. The member of District Council questioned whether the Project was financially viable, and expressed that because Woodfibre LNG had not adequately dealt with its housing, the Project was not inevitable.

60. On April 23, 2024, District Council held a public hearing regarding TUP 76. Many of the members of the public who participated at the public hearing did not address the First TUP Application, but rather spoke in opposition to the Project generally and raised concerns about climate change and the impact of fossil fuel industry.

61. At a Council Meeting held on April 30, 2024, District Council defeated a second motion to approve TUP 76 subject to a 1-year term. District Council did not consider the motion included in the Agenda (to authorize TUP 76 for a 3-year term).

62. District Council’s decision to deny the First TUP Application, despite Staff’s recommendation of approval and despite the approvals granted by all other levels of government, caused significant harm to Woodfibre LNG and its workers. Among other things:

- (a) Woodfibre LNG had already incurred over \$100 million since 2023 to retrofit Floatel #1 to address the concerns raised by the District and community about housing. This did not include the costs associated with on-board services;
- (b) Floatel #1 was, at the time, vacant and anchored in Nanaimo. Woodfibre LNG incurred a cost of approximately \$100,000 a day to anchor the Floatel while using interim work camp accommodations;
- (c) Most of the workforce required for the current construction activities were being housed at a temporary land camp located at Port Mellon and transported by water to the Project Site for each shift. The roundtrip travel time for the workers was approximately 2.5 hours. The Port Mellon camp was intended to be a temporary housing solution while Woodfibre LNG addressed the District’s request to house the workforce outside of Squamish boundaries while awaiting the arrival of Floatel #1; and

- (d) Woodfibre LNG was incurring daily costs of approximately \$65,000 to provide alternative housing and transportation for approximately 300 workers sited at the Port Mellon camp.

*iv. Subsequent Events*

63. At the Council Meeting on April 30, 2024, a councillor proposed that Woodfibre LNG provide security in the amount of \$8 million, in addition to the \$2 million letter of credit condition written in the draft TUP conditions. On May 3, 2024, Woodfibre LNG wrote to District Staff and advised that it was prepared to agree to the requested increase in security to \$10 million and requested that the TUP Application be brought back to Council for consideration.

64. At a Council Meeting on May 21, 2024, District Council passed a resolution to reconsider the motion on the First TUP Application that was defeated in April, but deferred the vote on the motion until June 4, 2024. At the latter meeting, District Council ultimately passed a motion to refer the First TUP Application back to Staff with the direction that Staff work with Woodfibre LNG to gather more information.

*v. The EAO Order*

65. On June 17, 2024, the EAO issued an order that Woodfibre LNG must stop housing workers in any location or manner not authorized by the Provincial EAC Amendment and begin housing workers on Floatel #1 in accordance with the Provincial EAC Amendment by 5:00pm on June 21, 2024 (the “EAO Order”).

66. On June 18, 2024, Woodfibre LNG withdrew the First TUP Application.

67. In accordance with the EAO Order, Woodfibre LNG has housed its workers on Floatel #1 since June 21, 2024.

68. Between April 30, 2024 and June 21, 2024, the District’s conduct in relation to TUP 76 continued to impact construction of the Project, including by:

- (a) Affecting the required location of Project workforce accommodation;

- (b) Requiring modifications to the construction resource plans (e.g. from additional workforce daily transportation times of approximately 2.5 hours); and
- (c) Requiring Woodfibre LNG to expend over \$7,000,000 in rental fees and other direct charges for and costs for Floatel #1 while it was not in use.

#### **H. The District's Delay in Issuing Building Permits**

69. On May 12, 2023, Woodfibre LNG initiated pre-application engagement with the District on its anticipated temporary construction buildings, by providing a list of its proposed temporary buildings to the District. One of the primary purposes of this engagement was to determine which of the temporary buildings that would be utilized during the construction phase of the Project required permits. As part of this engagement, the District confirmed that all of the 4-plex and 8-plex modular construction trailer structures would require building permits.

70. Between May 18 and August 12, 2023, Woodfibre LNG had pre-application meetings and exchanged correspondence with District Staff to discuss the specifics of the building permit requirements for the modular construction trailer structure and to confirm the building permit application requirements for such temporary buildings.

71. Woodfibre LNG submitted building permit applications to the District on the following dates:

- (a) August 16, 2023, in respect of four temporary buildings;
- (b) September 11, 2023, in respect of a fifth temporary building;
- (c) September 18, 2023, in respect of a sixth temporary building.

72. On or about July 16, 2024, one of the applications was withdrawn. The remaining temporary buildings for which building permits were being sought consisted of four 4-plex office modular construction trailer structures and one 8-plex lunchroom modular construction trailer structure (the "Temporary Construction Trailers").

73. Between September 2023 and April 2025, the District made a number of requests related to the building permit applications for the Temporary Construction Trailers (the

**“Temporary Building Permit Applications”**) and associated documentation, including the provision of and updates to:

- (a) The architectural drawings and Site Plans;
- (b) A Flood, Debris Flow and Debris Flood Hazard Assessment and associated statement/letter of assurance;
- (c) A Coastal Flood Hazard Assessment and associated statement/letter of assurance;
- (d) A Statement of collaboration between the different consultants who provided the Flood, Debris Flow and Debris Flood Hazard Assessment and the Coastal Flood Hazard Assessment;
- (e) Building Information Sheets;
- (f) District Building Permit Document Checklists;
- (g) Site wide Emergency Response Plan and Wildlife Management Plans;
- (h) A Geotechnical Memo and analysis related to the Erosion and Sediment Control Design Guidelines;
- (i) Assurances from the Engineer of Record related to certain assessed aspects and mitigations; and
- (j) Various other information, drawings and updates related to the Temporary Construction Trailers and Project.

74. The District sought numerous updates to the same documents and, at times, the updates being requested were clerical in nature and appeared to have no relation to the substance of the Temporary Building Permit Applications and associated legal requirements.

75. Ultimately, approval of the Temporary Building Permit Applications took 20 months, with building permits finally being issued on April 3 and 8, 2025.



76. The delay in processing the Temporary Building Permit Applications has impacted, and continues to adversely impact, the construction of the Project, including by:

- (a) Altering the required sequence of demolition, site preparation and construction activities (by delaying the demolition of the pre-existing administration building, so it could be used as office space);
- (b) Requiring modifications to the construction resource plans (e.g. location of office and dining spaces) for a constrained worksite; and
- (c) Requiring that Woodfibre LNG expend over \$350,000 in rental fees and other direct charges for the Temporary Construction Trailers while they were not capable of use.

## **I. The District's Improper Conduct regarding Floatel #2**

### ***i. Major Approvals / Amendments – Floatel #2***

77. In or about early 2025, it became clear to Woodfibre LNG that there was not enough space on Floatel #1 to house the majority of Woodfibre LNG's workers. As a result, Woodfibre LNG understood, in meeting the intent of the EA Certificates and the EAO Order, that it would need to apply for and use an additional floatel to house the additional workers within the District (i.e. Floatel #2).

78. On June 11, 2025, Woodfibre LNG sought approval, by way of an amendment to the Provincial EAC, to temporarily moor Floatel #2 at the Foreshore Property to provide additional accommodation for construction personnel, and submitted the relevant documents to the EAO, the Canada Impact Assessment Agency, and the Squamish Nation (the "**Floatel #2 Application**").

79. In the Floatel #2 Application, Woodfibre LNG indicated that it would need to use diesel-powered generators until it was able to connect to shore power, which may take up to six months after Floatel #2 becomes operational. It is anticipated that the required amendments to the EA Certificates resulting from the Floatel #2 Application will be issued imminently.

### ***ii. The District's Consideration of Floatel #2***

80. Between July and August 2025, District Council considered TUP No. 80, the proposed TUP for Floatels #1 and #2 (“**TUP 80**”) at three meetings.

81. At the July 29, 2025, Special Business Meeting, District Council passed a motion to authorize TUP 80 for a period of two-years. The Staff recommendation, which was to approve the TUP was passed with two amendments, one of which was that “a condition be added that requires shore power be sourced from BC Hydro for Floatel 2” (the “**Condition**”). District Council did so despite having been warned by District Staff that such a condition may go beyond the District’s jurisdiction, and without addressing or considering that jurisdictional limit. Further, District Council did not provide notice to Woodfibre LNG of the motion, or an opportunity to make written or oral submissions.

82. In discussing the Condition, members of District Council improperly raised environmental concerns that are beyond the District’s powers as a reason for imposing the Condition.

83. On August 26, 2025, District Council held a Special Business Meeting at which it, as part of its approval of the minutes from the July 29, 2025, Special Business Meeting, purported to pass a resolution to amend the July 29, 2025 minutes to correct the Condition. This amendment replaced the original wording of the Condition with the wording of “when docked, Floatel 2 is required to use shore power supplied by BC Hydro as its primary source of electricity which must be sourced from BC Hydro’s normal renewable energy supply.” Again, District Council did not provide notice to Woodfibre LNG of the resolution, or an opportunity to make written or oral submissions. After approving the “corrected” minutes, District Council declined another item on the agenda for the meeting, which was a council request for an opportunity to discuss reconsideration of the decision to approve TUP 80.

84. On October 2, 2025, the District provided Woodfibre LNG with an updated TUP, which contained the Condition wording as amended at the August 26, 2025 Special Business Meeting. It is anticipated that the Condition will be inconsistent with the required amendments to the EA Certificates resulting from the Floatel #2 Application. As a result, District Council’s decision to impose or amend the Condition will foreseeably cause significant harm to Woodfibre

LNG and its workers, which could include impacts consistent with those identified as a result of the denial of the First TUP Application in paragraph 63.

**J. The District's Attempt to Impose Improper Landslide Assessment Requirements**

85. Woodfibre LNG has submitted and continues to submit building permit applications for certain permanent buildings, which included an application for its Operations and Control Building, which was submitted on April 16, 2025 (the "**O&C BP Application**"). In support of the O&C BP Application (and its other applications), Woodfibre LNG submitted:

- (a) The Letters of Assurance required under the British Columbia Building Code 2024 dated February 18, 2025;
- (b) A Flood Hazard Assessment on August 14, 2025;
- (c) A Memorandum addressing Henriette Lake Dam in relation to the Permanent Buildings on September 8, 2025;
- (d) A Memorandum addressing Coastal Hazard Assessment for the Permanent Buildings on September 17, 2025;
- (e) An updated Flood Hazard Assessment on September 17, 2025;
- (f) An Addendum to the Flood Hazard Assessment on October 3, 2025; and
- (g) The Henriette Dam Breach Impacts Assessment Memorandum dated October 9, 2025.

86. On October 6, 2025, almost six months after Woodfibre LNG submitted the O&C BP Application, the District raised, for the first time, the need for a landslide assessment assurance statement, which was the continuation of a previous request for a landslide hazard assessment.

87. Upon reviewing the OCP and associated District bylaws, it became clear to Woodfibre LNG that a landslide assessment assurance statement was not required for the area or type of land on which the Operations and Control Building was located.

88. In order to appease the District and ensure the O&C BP Application moved forward, Woodfibre LNG submitted the requested landslide assessment assurance statement on October 20, 2025, despite never having been provided a legislative basis for this requirement by the District.

89. The District ultimately approved the O&C BP Application and issued the associated building permit on October 10, 2025. However, the District has made further requests related to the landslide assessment and associated assurance statements for the other building permit applications.

90. Around the same time, the District linked the landslide hazard assessment to an amendment of the Development Permit Area 10 permit that was received for the Project in November 2023 (the “**DPA10 Amendment**”), which was set to be considered at the October 21, 2025 Council Meeting. Through the DPA10 Amendment, which under the OCP is a form and character application (related to the permanent buildings), Woodfibre LNG sought to add two additional buildings to the Project which were required in order to meet industry standards.

91. Upon reviewing the OCP and associated bylaws, it also became clear to Woodfibre LNG that the OCP did not require a landslide assessment assurance statement or the associated landslide hazard assessment for the DPA10 Amendment.

92. District Council ultimately approved the DPA10 Amendment at the October 21, 2025 Council Meeting.

#### **K. Status of Project Construction**

93. As noted, the Project is expected to be operational in 2027. While BC Assessment has now classified certain of the non-port related Woodfibre LNG Properties as Major Industry and the port-related Properties as Major Industry (Port) based on the state of construction at the relevant assessment dates, the Project improvements are not complete, and the Project is generating no revenue. As of October 28, 2024, the improvements at the LNG plant were only 0.81% complete. As of September 2025, construction continues and marine works are progressing. Eleven modules had arrived on site and vertical assembly is underway.

**L. The District was Motivated to Stop the Project for Improper Reasons and Took Improper Actions to Do So**

94. The District, including certain members of District Council and other authorized representatives, has at all material times, been motivated to stop, delay, and/or harm the Project at every possible chance, for unlawful or improper reasons, by any means including misuse of District powers (the “**Improper Motivation**”). Such Improper Motivation are based on the personal animus of members of District Council and other authorized representatives towards the Project and/or Woodfibre LNG, among other things.

95. At a time unknown to Woodfibre LNG, but known to the District, the District decided to take actions to prevent the Project from continuing due to the Improper Motivation (the “**Decision**”).

96. At a time unknown to the Woodfibre LNG, but known to the District, the District began looking for opportunities to delay and/or stop the Project because of the Improper Motivation (the “**Objective**”).

97. As a result of, and in furtherance of, the Improper Motivation, the Decision, and/or the Objective, the District engaged in an ongoing course of conduct in which they took numerous unlawful actions in excess of the District’s powers, including, among other things:

- (a) Intentionally setting a pejorative and punitive 2025 Major Industry Rate intended to single out and target Woodfibre LNG in order to coerce Woodfibre LNG to behave as the District wishes, whether by changing its land use or entering into a tax exemption agreement;
- (b) Rejecting TUP 76 for reasons entirely unrelated to land-use regulation, and despite the Project having received approval from all three other governments involved;
- (c) Failing to issue building permits for five modular trailer structures for the construction phase in order to delay the project by 20-months;
- (d) Exercising its process and powers when considering and approving TUP 80 in a manner that exceeds its jurisdiction, including related to the Condition, with the

intent of impairing or delaying Woodfibre LNG's ability to use Floatel #2 or both floatels and, in order to further delay the Project and/or cause financial harm to Woodfibre LNG; and

- (e) Demanding that Woodfibre LNG perform additional landslide assessments despite there being no requirement for Woodfibre LNG to do so in the OCP in order to delay and/or prevent the O&C BP Application, the other building permit applications and the DPA10 Amendment.

(collectively, the "**Improper Actions**").

98. The District had no lawful authority to take any of the Improper Actions for reasons that included the Improper Motivation, the Decision, and/or the Objective.

99. The District has provided various purported justifications for the Improper Actions in order to conceal the District's Improper Motivation. These justifications have been inconsistent, ever-changing, and consistently beyond the District's statutory mandate.

100. The District took the Improper Actions, or any of them, for the purpose of injuring Woodfibre LNG. In the alternative, the District took the Improper Actions with knowledge or reckless indifference to the fact that they had no power to take such actions and that doing so was likely to injure Woodfibre LNG.

#### **M. Loss and Damage**

101. As a direct and reasonably foreseeable result of the District's actions, as set out above, Woodfibre LNG has suffered or will suffer the following loss and damage, without limitation:

- (a) Loss of profit from the Project;
- (b) Delay in profit from the Project;
- (c) Increased Project costs;
- (d) Illegally high property taxes;

- (e) Legal fees of this proceeding and the Judicial Review; and
- (f) Such further and other loss and damage as may become apparent and as Woodfibre LNG may later particularize.

**Part 2: RELIEF SOUGHT**

- 102. General damages for misfeasance in public office.
- 103. Special damages.
- 104. Punitive, aggravated, and/or exemplary damages.
- 105. Special costs, or in the alternative, costs.
- 106. Such further and other relief as this Honourable Court may deem just.

**Part 3: LEGAL BASIS**

- 107. Woodfibre LNG pleads and relies on the tort of misfeasance in public office, as recognized by the Supreme Court of Canada in *Odhavji Estate v. Woodhouse*, 2003 SCC 69.
- 108. District has, at all material times, been motivated to stop the Project for unlawful or improper reasons, including without limitation, the Improper Motivation.
- 109. At a time unknown to Woodfibre LNG, but known to the District, the Decision was made and/or the Objective was deliberately pursued, because of the Improper Motivation.
- 110. As a result of, and in furtherance of the Decision and/or the Objective, the District, deliberately took numerous unlawful actions in that they, *inter alia* took the Improper Actions.
- 111. The District had no lawful authority to carry out the Improper Actions.
- 112. Further, or in the alternative, the District had no lawful authority to take any of the Improper Actions for reasons that included the Improper Motivation or to implement the Decision or Objective.

113. The Improper Actions, or any of them, were taken for the purpose of injuring Woodfibre LNG. In the alternative, the Improper Actions were taken with knowledge of or subjective recklessness as to the illegality of its actions and the fact that that doing so was likely to injure Woodfibre LNG.

114. As a result of the Improper Actions, Woodfibre LNG has suffered and continues to suffer loss, harm, and expense.

115. The District's conduct, including the Improper Actions, is sufficiently wanton, egregious and high handed to warrant an award of aggravated, exemplary, and/or punitive damages.

Plaintiff s' address for service is c/o the law firm of Lawson Lundell LLP, whose place of business and address for service is 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2 (Attention: James D. Fraser, Jane Mayfield, and Samantha Andison).

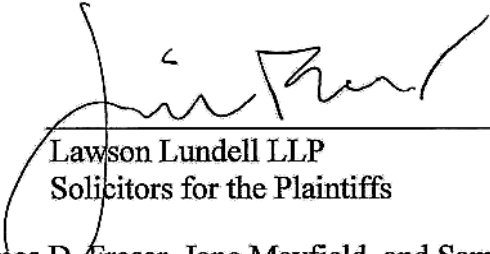
Fax number address for service is: (604) 669-1620.

E-mail address for service is: [jdfrazer@lawsonlundell.com](mailto:jdfrazer@lawsonlundell.com)

Place of Trial: Vancouver

The address of the Registry is: 800 Smithe Street, Vancouver,  
British Columbia V6Z 2E1

Dated at the City of Vancouver, in the Province of British Columbia, this 6<sup>th</sup> day of November, 2025.



\_\_\_\_\_  
Lawson Lundell LLP  
Solicitors for the Plaintiffs

This Notice of Civil Claim is filed by James D. Fraser, Jane Mayfield, and Samantha Andison, of the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.



Rule 7-1(1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
  - (a) prepare a list of documents in Form 22 that lists
    - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
    - (ii) all other documents to which the party intends to refer at trial, and
  - (b) serve the list on all parties of record.

## **APPENDIX**

The following information is provided for data collection purposes only and is of no legal effect.

**Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:**

**Claim in misfeasance in public office.**

**Part 2: THIS CLAIM ARISES FROM THE FOLLOWING:**

A personal injury arising out of:

- ☐ a motor vehicle accident
- ☐ medical malpractice
- ☐ another cause

A dispute concerning:

- ☐ contaminated sites
- ☐ construction defects
- ☐ real property (real estate)
- ☐ personal property
- ☐ the provision of goods or services or other general commercial matters
- ☐ investment losses
- ☐ the lending of money
- ☐ an employment relationship
- ☐ a will or other issues concerning the probate of an estate
- ☒ a matter not listed here

**Part 3: THIS CLAIM INVOLVES:**

- ☐ a class action
- ☐ maritime law
- ☐ aboriginal law
- ☐ constitutional law
- ☐ conflict of laws
- ☒ none of the above
- ☐ do not know

**PART 4:**

NO.  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH  
COLUMBIA**

**BETWEEN:**

**WOODFIBRE LNG GENERAL PARTNER  
INC., AS GENERAL PARTNER ON  
BEHALF OF THE WOODFIBRE LNG  
LIMITED PARTNERSHIP**

**PLAINTIFF**

**AND:**

**DISTRICT OF SQUAMISH**

**DEFENDANT**

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**NOTICE OF CIVIL CLAIM**

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Vancouver, British Columbia  
V6C 3L2  
Phone: (604) 685-3456  
Attention: JDF / JIM / SEA