

Newsletter of the Land and Water Boards of the Mackenzie Valley

FEBRUARY 2013 VOLUME III ISSUE I



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“Sharing responsibility by working together to make the best decisions for the land, water, and people.”

MVLWB and NEB Sign Memorandum of Understanding



MVLWB Chair Willard Hagen (left) and NEB Chair Gaétan Caron sign Memorandum of Understanding in Yellowknife, February 19, 2013.

In the Mackenzie Valley, both the Mackenzie Valley Land and Water Board (the Board) and the National Energy Board (NEB) have specific responsibilities in relation to the assessment, review, and monitoring of the exploration, development, production, and transportation associated with oil and gas projects and pipelines.

On February 19, 2013, the Board signed a memorandum of understanding (MOU) with the NEB that outlines how both parties have agreed to work together so that

responsibilities under their respective authorities are carried out in an efficient manner, duplication of effort is minimized, and effective and timely review of applications is achieved.

The MOU covers agreement on such matters as information sharing, knowledge exchange, and the development of project-specific agreements.

For more information, please contact Zabey Nevitt: zabey@mvlwb.com or (867) 766-7457.

Winter 2012-2013

Oil and Gas Exploration in the Sahtu

This winter will see continued oil and gas exploration in the Central Mackenzie conducted by Husky Oil, Conoco Phillips Canada, and MGM Energy.

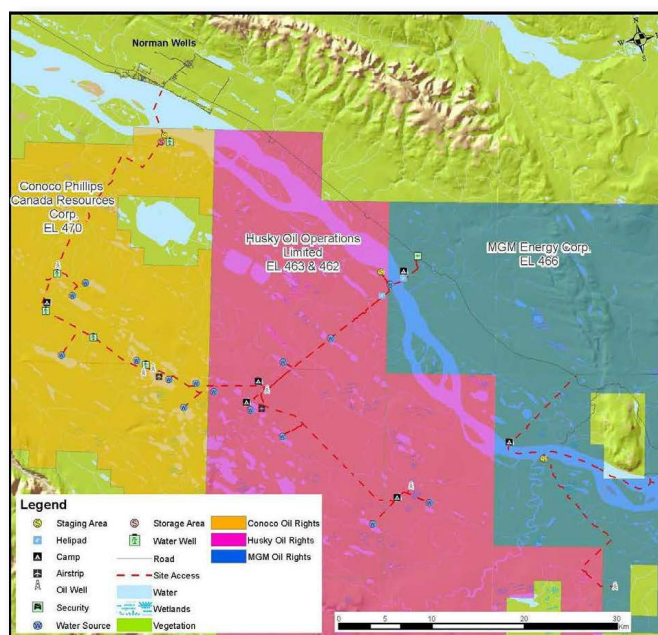
Conoco Phillips Canada has been authorized by the SLWB to conduct a winter exploration program on Exploration Licence 470 south of Norman Wells. The Land Use Permit and Water Licence that the SLWB approved for Conoco authorizes the drilling of two vertical wells, surface casing on a third, up to 15 groundwater monitoring wells, and support infrastructure including an airstrip, a staging area, and an ice bridge.

Husky Oil will continue to construct the same access roads and camps as were authorized for their 2010-2011 winter program on two exploration parcels between Norman Wells and Tulita. The company will re-enter one or two of the vertical wells drilled last year to perform a vertical fracture. They will construct a 40-km long, all-season road with a permanent storage site and airstrip. Husky will also conduct a groundwater investigation program by building five well pads with up to 15 bedrock wells and 20 shallow wells.

MGM Energy will be drilling one vertical well on Exploration Licence 466 south of Tulita (to be fractured) and will construct access roads, a staging area, campsites, and an ice bridge across the Mackenzie River. MGM will also drill two to three groundwater monitoring wells.

Although the regulatory process requires the SLWB to review each application separately, efforts are being made to consider the cumulative impacts of any potential oil and gas exploration across the 13 land parcels in the Sahtu Region. The SLWB is working closely with other regulators and the companies to ensure all concerns are adequately addressed, and that each company is employing best practices for mitigation measures and development.

The SLWB has a series of maps on their website that outlines permitted/completed oil and gas exploration. Board staff regularly update the maps to reflect ongoing activities. View the maps at: <http://slwb.com/content/presentations-and-maps>.



This map is for illustrative purposes only and may contain errors and/or omissions. Courtesy of the SLWB.

Permits and Licences

Husky Oil: S11A-003/S11L1-003, S12X-006, S12F-007/S12L8-007, S11L3-002

Conoco Phillips: S12A-005, S12L1-005

MGM Energy Corp: S12A-001, S12L1-001

MVLWB Holds Public Hearing in Fort Simpson for Canadian Zinc Corporation's Prairie Creek Mine Project

In late January and early February, the MVLWB convened a public hearing to learn from the Canadian Zinc Corporation (CanZinc), interveners, and members of the public about the company's plans to enhance, operate, and eventually close and reclaim the Prairie Creek Mine site. CanZinc, which owns the zinc, lead, and silver mine located 220 km northeast of Yellowknife, has applied for two Land Use Permits (MV2008T0012 and MV2008D0014) and a Type A Water Licence (MV2008L2-0002). A public hearing must be held when a type A licence is applied for.

Over the course of the hearing, representatives of CanZinc, federal, territorial, and Aboriginal governments, and others addressed the applications for the Land Use Permits (LUPs) and the Water Licence (WL).

The Board heard about the possible effects to the environment of the Prairie Creek Mine and listened to recommendations on how to best mitigate any such effects.

Board staff will now start the task of considering all the information put before it and will develop draft terms and conditions for the Permits and Licence, which it will distribute for review. At the end of the review period, and after analysis of feedback, the Board will finalize terms and conditions. The Board is the final decision maker for the Land Use Permits, and the Minister of Aboriginal Affairs and Northern Development Canada is responsible for the final approval and issuance of the Water Licence.

More information

All material concerning the renewal of the two LUPs and the WL, including transcripts of the public hearing, is available in hard copy at the MVLWB Public Registry in Yellowknife and online at: www.mvlwb.ca/mv/registry.aspx. Look for Canadian Zinc Corporation under 'companies' on the left side of the web page.

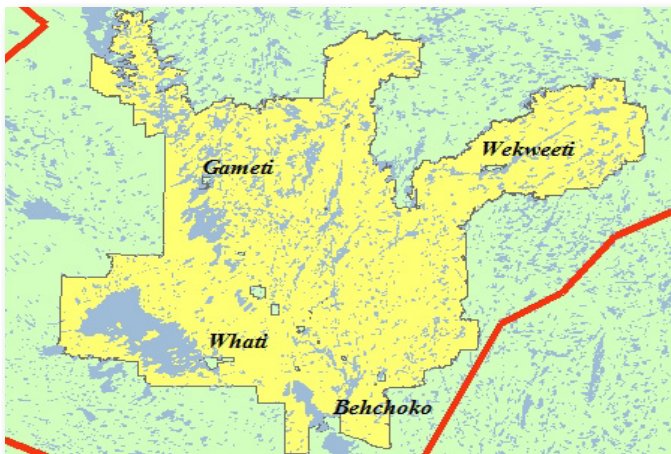


MVLWB public hearing in Fort Simpson for Canadian Zinc's Prairie Creek Mine.

WLWB Participation in the Tłjcho Aquatic Ecosystem Monitoring Program

Photos courtesy of Paul Vecsei

In September 2012, staff from the Wek'èezhii Land and Water Board (WLWB) provided technical support for the Tłjcho Aquatic Ecosystem Monitoring Program—a multi-year, aquatic ecosystem initiative based on traditional Tłjcho and scientific knowledge. The NWT Cumulative Impact Monitoring Program (CIMP) sets the framework for this collaborative program that focuses on water and sediment quality, as well as fish and fish habitat. The goal is to determine if fish health and water and sediment quality near the four Tłjcho communities (see map) are changing over time.



The Tłjcho Communities: Whaà, Gameti, Wekweèti, and Behchoko.

Tłjcho Elders are leading the community-driven project with support from staff of the Tłjcho Government and the Wek'èezhii Renewable Resources Board. It builds on a successfully implemented, collaborative project conducted in 2010 and 2011 in waterbodies near Behchoko. This year, the program took place in Wekweèti.

There are already many large-scale developments in the Wek'èezhii Region, with more proposed for the future. Because of this, the people of the Tłjcho communities are concerned that contamination of downstream aquatic ecosystems may have already occurred or will happen when the new projects are in operation. Consequently, there is a need to update baseline information and to carry out ongoing monitoring of the aquatic ecosystem in anticipation of continuing industrial pressures on the watershed.

The program, which receives funding from CIMP, the Northern Contaminants Program, and the Department of Fisheries and Oceans, will continue in Gameti in 2013 and Whaà in 2014.



Students from Alexis Arrowmaker School in Wekweèti display fish netted from Snare Lake. Students worked with fish biologists and Tłjcho elders to assess fish health, collect water quality samples, and prepare fish to eat.



DFO Fish biologist Deanna Leonard pulls in a fish net with help from Tłjcho translator Jonas Lafferty.

External Initiatives Update

A summary of important events that enhance our relationships with major players in the regulatory regime of the Mackenzie Valley.

New Amendment to the NWT Waters Regulations Eliminates Regulatory Duplication for Disposal of Drill Waste

On December 19, 2012, an amendment to the Northwest Territories Waters Regulations (the Regulations) came into force, thereby eliminating a duplicative approval requirement by a Land and Water Board and the National Energy Board (NEB) for the disposal of drill wastes by downhole injection. Based on the amendment, a water licence is no longer required for downhole disposal of waste from a Land and Water Board regulating water use under the Regulations. This activity continues to require an authorization from the NEB under the *Canadian Oil and Gas Operations Act*. The amendment streamlines this area of regulation by providing clarity of oversight on matters concerning the authorization of all waste disposal options by the NEB. The amendments were published in Part II, Vol.146, No.26 of the *Canada Gazette*.

Standard Procedures and Consistency Working Groups Update

On January 15, 2013, the MVLWB approved *Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories* (see cover page). In addition, the Board approved the *Water Use Fee Policy* (prepared by the Application Processes Working Group) and revisions to the *Working Group Terms of Reference*. The Land and Water Board websites will have links to the documents, which will become effective in March.

The following Working Group products are also nearing completion:

- *Engagement and Consultation Policy*
- *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*
- *Process for Developing New Terms and Conditions*
- *Standard Land Use Permit Conditions Template*
- *Guide to the Land Use Permitting Process*

For more information, contact Standard Procedures and Consistency Working Groups Coordinator Patty Ewaschuk by email: pewaschuk@wlwb.ca; by phone 905-852-1516

Boards Assist Aurora College in Education Initiative

For the third consecutive year, the MVLWB and WLWB accepted an invitation from the Environment and Natural Resources Technology Program (ENRTP) to visit Aurora College's Fort Smith campus. The main goal of the ENRTP is to prepare students for work in the environmental field through courses on wildlife management, Geographic Information Systems (GIS), environmental assessment, the northern regulatory system, and several hands-on, field-work opportunities.

Ryan Fequet from the WLWB and Julian Morse, from the MVLWB (and a recent ENRTP graduate), delivered a

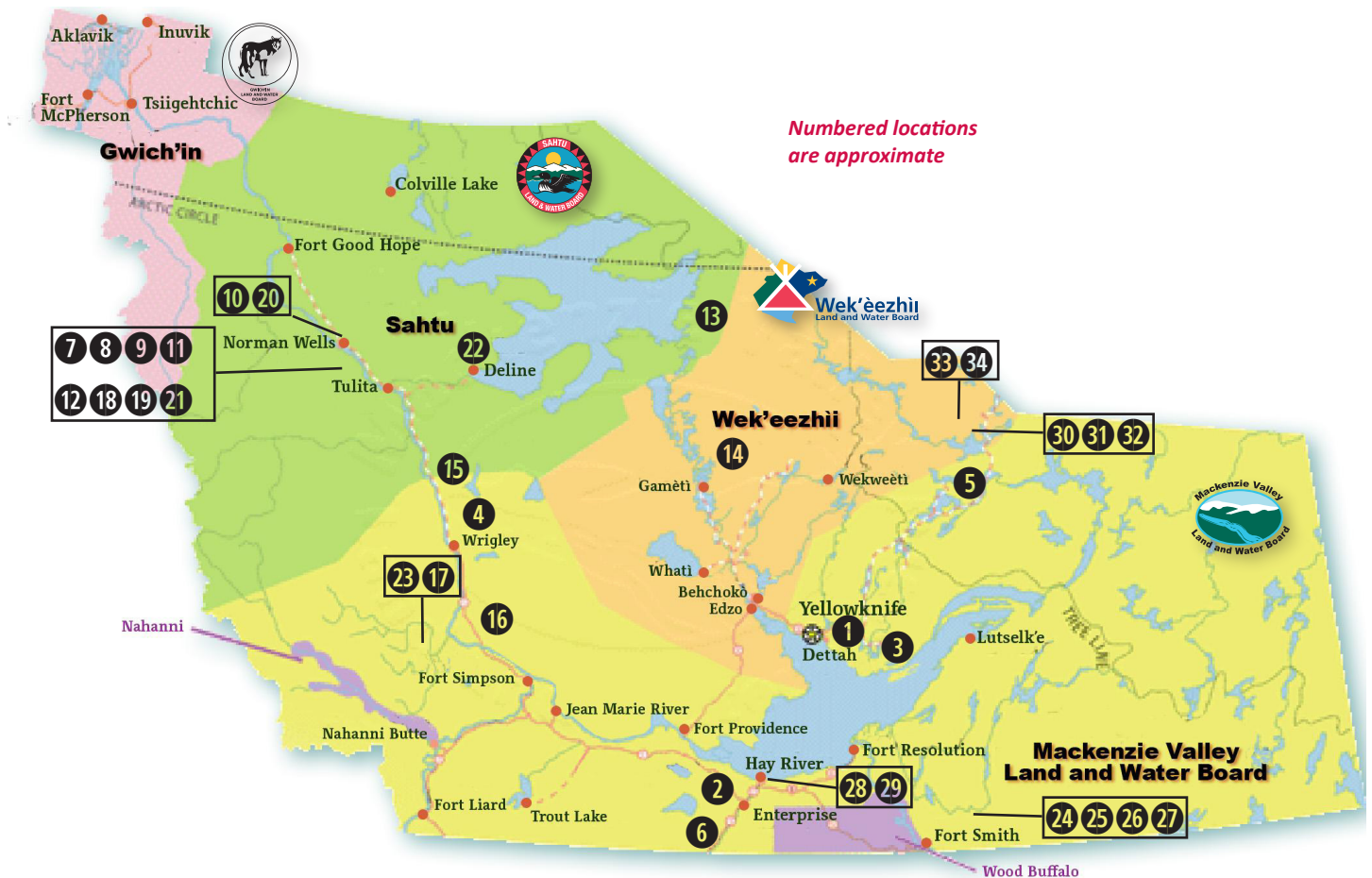
session titled *The Mackenzie Valley Resource Management Act In A Day*. The session presented the legislative framework of the Mackenzie Valley, outlined the steps in the regulatory process, discussed the roles of the various parties involved in the valley's regulatory regime, highlighted the numerous occupations related to the regulatory system, and included a role-playing exercise during which students got to see the regulatory system from various perspectives.



Background, at small table: Ryan Fequet (left) and Julian Morse teaching an ENRTP class at Aurora College, Fort Smith.

Approved Land Use Permits, Water Licences, Plans, and Reports

September 1, 2012 - January 31, 2013



Key	LW Board	Land Use Permit	Company	Project
1	MVLWB	MV2012S-0019	AANDC - CARD	Soil testing
2	MVLWB	MV2012Q-0016	Hay River Métis Council	Quarrying
3	MVLWB	MV2012C-0022	North Arrow Minerals Inc.	Mineral exploration
4	MVLWB	MV2012X-0024	Enbridge Pipelines Inc.	Miscellaneous maintenance
5	MVLWB	MV2012C-0015	Seabridge Gold	Mineral exploration
6	MVLWB	MV2012X-0027	Ms. Mark King, Mr. Ron McBryan	Harvesting wild hay
7	SLWB	S12E-008	GNWT-DOT	Prohibition Creek bridge
8	SLWB	S12F-007	Husky Oil	All-season road
9	SLWB	S12S-002	Husky Oil	Permafrost and aggregate survey
10	SLWB	S12Q-004	Imperial Oil	Bank excavation on artificial islands
11	SLWB	S12A-005	Conoco Phillips Canada	Oil exploration - wells and ground-water investigation program
12	SLWB	S12X-006	Husky Oil	Groundwater investigation program

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	LW Board	Land Use Permit	Company	Project
13	WLWB	W2011C-0004	New Nadina	Mineral exploration
14	WLWB	W2012Q-0004	NTPC	Quarrying
Key	LW Board	Water Licence	Company	Project
15	MVLWB	MV2012L1-0006	Enbridge Pipelines Inc.	Miscellaneous maintenance
16	MVLWB	MV12L8-0008	Enbridge Pipelines Inc.	Waste disposal
17	MVLWB	MV1L2-0003	Canadian Zinc Corporation Ltd.	Prairie Creek pilot plant
18	SLWB	S12L8-008	GNWT-DOT	Prohibition Creek bridge
19	SLWB	S12L8-007	Husky Oil	All-season road
20	SLWB	S12L8-004	Imperial Oil	Bank excavation on artificial islands
21	SLWB	S12L1-005	Conoco Phillips Canada	Oil exploration; 3 wells and a water investigation program
22	SLWB	S12L3-006	Community of Deline	Municipal water licence
	LW Board	Major Plans and Reports	Company	Plan/Report
23	MVLWB	MV2002L2-0003	Canadian Zinc Corporation Ltd.	Mine Water Contingency Plan
24	MVLWB	MV2011L4-0002	NTPC	Hazardous Material Management Plan/Waste Management Plan
25	MVLWB	MV2011L4-0002	NTPC	Public Engagement Plan
26	MVLWB	MV2011L4-0002	NTPC	Emergency Preparedness Plan
27	MVLWB	MV2011L4-0002	NTPC	Spill Contingency Plan
28	MVLWB	MV2009L3-0005	Town of Hay River	Sewage Lagoon Operations and Maintenance Plan
29	MVLWB	MV2009L3-0005	Town of Hay River	Biotreatment Pad Operations and Maintenance Plan
30	WLWB	W2007L2-0003	Diavik Diamond Mines Inc.	A21 Dyke Design Report
31	WLWB	W2007L2-0003	Diavik Diamond Mines Inc.	Processed Kimberlite Containment Operations Plan
32	WLWB	W2007L2-0003	Diavik Diamond Mines Inc.	2011 Aquatic Effects Monitoring Program Annual Plan
33	WLWB	W2009L2-0001	BHP Billiton	2011 Aquatic Effects Monitoring Program Annual Plan
34	WLWB	W2007L2-0001	BHP Billiton	Wastewater and Processed Kimberlite Management Plan

Other Land and Water Board Licence and Permit Activities September 1, 2012 - January 31, 2013

	MVLWB	GLWB	SLWB	WLWB
New applications received	13	0	6	0
Referrals to environmental assessment	0	0	1	0
Extensions*	7	0	0	2
Amendments*	4	0	4	1
All plans and reports*	8	1	0	6
Final clearances*	18	2	4	5
*Approved				

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