

## **Presentation of Community Issues and Positions Regarding the MGP Winter Geotechnical Program**

**November 30, 2004**

The Smbaa K'e Dene Band (SKDB) held a community meeting yesterday (November 29, 2004) to discuss some of the outstanding issues relating to the Mackenzie Gas Project's proposed Winter Geotechnical Program. The community wanted to finalize its positions with respect to these issues, some of which have been outstanding for almost a year and were raised with Imperial Oil and its contractors well before the current environmental assessment (EA) process. During yesterday's discussions, a few other issues arose that also need to be addressed in the context of the EA. All of these issues are presented in summary form and will be discussed in more detail during the Smbaa K'e community hearing.

- 1) Environmental Monitoring – The Smbaa K'e Dene Band maintains a clear position with respect to environmental monitoring. Prior to any resource development activities on its land, the SKDB wants baseline research to be carried out, with its involvement, so that there are reference points that can be used to assess future impacts. The SKDB is particularly concerned about mbedzih (woodland caribou) and water quality. With respect to the Winter Geotechnical Program, and given its short duration, the SKDB is willing to take the following approach:
  - a. Environmental monitor training will be provided to the SKDB through the support of industry and/or the government at least 30 days prior to commencement of the winter works;
  - b. Two to three SKDB environmental monitors will be contracted by the proponent (through the Development Corporation) for a period of at least 10 days prior to any work commencement to 'scout' the project area, by skidoo and on foot, and document mbedzih tracks and sightings, using notebooks, GPS readings, and digital photography;
  - c. The same monitors will be employed by the SKDB during the geotechnical work to monitor all program activities and environmental practices, including wildlife interaction;
  - d. Following the winter works, the monitors will again 'scout' the program area for at least 5 days to carry out a preliminary assessment of possible project impacts on mbedzih in the immediate area;
  - e. The SKDB will continue to encourage, support, and participate in longer-term mbedzih, water quality, and general baseline environmental studies – with the recommendation that these studies begin prior to MGP mobilization and construction.

- 2) Facilities and Borrow Sites – The Sambaa K'e Dene Band continues to oppose the establishment of a 900 man camp / fuel storage / equipment marshalling site in the K'eotsee watershed area. It continues to insist that Imperial identify an alternate site immediately to the north of the K'eotsee watershed (a move of approximately 20 kms). A new site location would reduce the possibility of any contaminants entering the K'eotsee, Tetcho Lake, Sambaa K'e waterways, and would also reduce the amount of project travel through the K'eotsee watershed over the three years of mobilization, construction, and demobilization. It is not clear whether Imperial has made a concerted effort to identify alternate sites.

Acknowledging the shortage of gravel in the corridor area and the decision by Imperial to relocate from the Shihndaakaa Tsela site, the SKDB is willing to consider the two borrow pits to the east of K'eotsee. However, in order to ensure that the practices used in developing these pits is environmentally sound and culturally sensitive, the SKDB is interested in accessing the borrow pit permits, developing the pits, and providing the gravel to Imperial on a contractual basis. This approach would also ensure a long-term gravel supply for the community and would be considered an economic benefit from the project. In this case, the winter geotechnical work would be carried out at these sites under SKDB environmental monitoring.

- 3) Winter Road Preparation and Upgrading – Since November 2003, the SKDB has expressed serious concerns about the ability of the Trout Lake winter road to handle heavy traffic. To date, no significant effort has been made by Imperial, its agents, or the Department of Transportation to address this issue. The community is insistent that an ice base, rather than the current snow base, is essential for the road to maintain its integrity. The road would also have to be widened in some places and greater attention would have to be paid to water crossings. Increased dragging and plowing would also be required. The SKDB does not receive adequate funding to upgrade and maintain the road for industrial traffic.

Significantly, it may be difficult at this late stage to get the water permits required to lay an ice base. Furthermore, the creeks from which this water would be drawn are unusually low and already frozen to the ground. If this issue is not addressed immediately, the winter geotechnical program will be unable to proceed – the community will not allow use of the winter road for industrial traffic without the required upgrading. This issue was raised prior to the program being sent to EA and no substantive progress has been made.

- 4) Community and Harvester Compensation – The SKDB holds firm to the principles outlined in the Draft Community and Harvesters' Agreement tabled with Imperial in September 2004 and submitted to the MVEIRB early last week. The issue of compensation was raised throughout the TK study and subsequent MGP meetings: the community has seen no benefit from the Enbridge pipeline on its land and will not approve any type of resource development activities on its

lands without clear recognition of its right to receive and manage collective and individual compensation.

- 5) Socio-Economic Benefits – As noted in the Community and Harvester Compensation Agreement, the issues of compensation and benefits can be negotiated as a package directly with the community. Regional benefits achieved through the PWG or Kadule Corporation may be considered as a component of the overall SKDB compensation / benefits package. Imperial has remained relatively inflexible on the issue of benefits, particularly contracts, and the federal government needs to exercise its legal responsibility to accommodate First Nation interests by coming to the negotiations table to move things forward.
- 6) Consultation and Negotiation – Considerable consultation and negotiation has taken place between Imperial and the SKDB, but little progress has been made on some key issues. The SKDB therefore insists that further consultations and negotiations regarding the winter geotechnical program and other MGP matters be tri-party and include the community, industry, and the federal government (or its legally-delegated agencies).