



Canadian Environmental  
Assessment Agency

Agence canadienne  
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JAN 6 2004

Mr. Todd Burlingame  
Chair  
Mackenzie Valley Environmental Impact Review Board  
200 Scotia Centre  
5102 – 50<sup>th</sup> Avenue  
P.O. Box 938  
Yellowknife, NT X1A 2N7

Re: Draft Work Plan for the Environmental Assessment (EA) of the Mackenzie  
Valley Gas Pipeline Project

*Todd:*  
Dear Mr. Burlingame:

The Canadian Environmental Assessment Agency (the Agency) has received a copy of the draft Work Plan for the Environmental Assessment (EA) of the Mackenzie Valley Gas Pipeline Project (draft Work Plan). As you are aware, the Mackenzie Gas Project is currently subject to the *Canadian Environmental Assessment Act* (the Act) within the Inuvialuit Settlement Region and Alberta. On August 21, 2003, the Minister of the Environment referred the proposed Mackenzie Gas Project to a review panel pursuant to section 29 of the Act.

The Agency participated in the process to develop the *Cooperation Plan for the Environmental Impact Assessment and Regulatory Review of a Northern Gas Pipeline Project through the Northwest Territories* (Cooperation Plan) and strongly supports its timeframes. The release of the Cooperation Plan was a critical milestone in the preparation for a proposal for a major natural gas development in the North such as the Mackenzie Gas Project. Its timelines demonstrate efficiency and effectiveness and, importantly, provide the public and proponents with clarity and certainty of process.

The Agency notes that the MVEIRB issued its notice of EA on December 11, 2003, the draft Work Plan on December 19, 2003, and intends to complete Phase 1 of the EA process in late May 2004. Any approaches that the MVEIRB could take to ensure that its EA is completed within the timelines identified in the Cooperation Plan would be strongly supported.

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## **Section 1 – Introduction**

It is recognized that the EA process has been structured into 2 distinct phases and that the MVEIRB could refer the proposed project to an environmental impact review without entering Phase 2. However, there appears to be some inconsistency throughout the document in dividing tasks between Phases 1 and 2. Steps and information requirements that would seem more appropriate in Phase 2 are currently identified for Phase 1 (e.g., see section 5.1 of the Work Plan). It is recommended that a consistency check be performed on the entire Work Plan to ensure that the steps and tasks are identified for the appropriate phase.

With respect to the identification of issues for assessing environmental impacts, the proponent for the Mackenzie Gas Project has, for this purpose, conducted numerous community and regional meetings throughout the Northwest Territories. The results of these activities are publicly available and the MVEIRB may wish to consider this information during its EA.

Lastly, in the last paragraph on page 1, the draft Work Plan indicates that the MVEIRB may chose to order or refer the proposed development to a joint review panel. We should suggest that the wording of this sentence be revised to reflect paragraph 128(1)(c) of the MVRMA.

## **Section 2 – Scope of the Development**

The draft Work Plan describes the development that will be the subject of the EA as including facilities and activities both within and outside of the Mackenzie Valley. Should components of the project located outside of the Mackenzie Valley be included, it is suggested that the Work Plan clarify that the MVEIRB would limit its consideration of those components to the potential environmental impacts or public concerns that can be said to be connected to regulatory activities within the Mackenzie Valley.

For instance, the draft Work Plan includes the manufacturing of materials within the scope of the development and specifically identifies the manufacturing of steel and pipe. The Agency suggests that, in this case, the inclusion of manufacturing and procurement of project components may be outside of an appropriate scope of development. Consistent with existing case law dealing with the scope of application of federal EA processes, the EA of any development under the MVRMA should remain connected with the regulatory authority which triggers its application.

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It is the Agency's view that, in deciding which project components to include in the scope of a project or development, a reasonable degree of certainty of timing, location and methods is required to facilitate effective public involvement and a reasonable analysis. In circumstances where these uncertainties occur or speculation would be required, and the project components are not connected to the regulatory activities that initiated the MVRMA EA process, it would be preferable to include those in the scope of the development.

### **Section 3 – Scope of the Assessment**

The draft Work Plan indicates that, in assessing social impacts, the MVEIRB intends to examine the economic impacts of the Mackenzie Gas Project.

As described in the draft Work Plan, Phase 1 of the EA will focus on the level of public concern regarding the proposed Mackenzie Gas Project. Should the MVEIRB decide to consider economic impacts, it is recommended that they be considered within the context of public concern. Any further consideration of economic impacts should be limited to within the context of potential impacts of the Project on the social and cultural environment.

This section of the draft Work Plan also indicates that the EA will focus first on impacts in the Mackenzie Valley and the Northwest Territories, but may consider impacts in the rest of Canada and beyond. As stated above, the MVEIRB may wish limit its consideration of those components to the potential environmental impacts or public concerns to that can be said to be connected to regulatory activities within the Mackenzie Valley.

### **Subsection 5.1.4 Ministerial Consultation on the EA Decision**

It is recommended that this section be revised and clarified to ensure that the options (bullets) are consistent with the wording in section 130 of the MVRMA. It is noted that the options listed refer to those available should the MVEIRB not refer the proposed Project to an environmental impact review. Accordingly, the lead sentence could be revised to specifically refer to the MVEIRB's possible choices in situations other than the ones described in subparagraph 128(1)(b)(i) and paragraph 128(1)(c) of the MVRMA.

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Thank you for the opportunity to provide comments on the draft Work Plan. Should you have any questions, please contact Mr. Yves Leboeuf, Legal Counsel, at (819) 953-2273.

Best wishes to the MVEIRB for the New Year and we look forward to the results of the EA process.

Yours sincerely,



Steve Burgess  
Acting Vice-President  
Program Delivery

c.c.: Mr. Frank Pokiak, Chair, Inuvialuit Game Council  
Ms. Liseanne Forand, ADM Northern Affairs Program, INAC