



DRAFT
Work Plan

for the

Environmental Assessment

of the

Mackenzie Valley Gas Pipeline Project

Mackenzie Valley Environmental Impact Review Board

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1 INTRODUCTION

On December 10, 2003 the Mackenzie Valley Land and Water Board referred a Land Use Permit and a Water Licence application for a barge landing and a staging area at Camsell Bend on the Mackenzie River to Environmental Assessment. The Mackenzie Valley Environmental Impact Review Board carefully examined the applications and related documentation. The Board concluded that the proposed barge landing and staging area are an integral part of the Mackenzie Gas Project as described in the Preliminary Information Package submitted by the Mackenzie Gas Project, consisting of Imperial Oil, the Aboriginal Pipeline Group, ConocoPhillips, Shell, and ExxonMobil. Consequently the Review Board will conduct an Environmental Assessment (EA) of the Mackenzie Gas Project as a whole.

The remainder of section 1 provides a broad overview of the Board's approach to this EA. Section 2 defines the scope of the development that is being assessed, while section 3 defines the scope of the assessment. Section 4 defines the responsibilities of those involved in the assessment and section 6 describes the process. Some legal context as well as a schedule and are provided as appendices.

This Environmental Assessment is subject to the requirements of Part 5 of the MVRMA. It is also subject to the MVEIRB's Environmental Impact Assessment Guidelines (revised in April 2001) and the MVEIRB's Rules of Procedure. This EA is further guided by the "Cooperation Plan for the Environmental Impact Assessment and Regulatory Review of a Northern Gas Pipeline Project through the Northwest Territories". These documents can be accessed on the MVEIRB's web site (www.mveirb.nt.ca).

This EA is divided into two phases. Phase 1 serves to gauge the level of public concern, and to scope the issues for assessing environmental impacts. Phase 2 consists of the assessment of environmental impacts, following the Review Board's standard process. In phase 1 the Review Board will hold a series of Public Hearings in the Mackenzie Valley to gather evidence of any public concerns and to determine which issues will be examined in detail during phase 2. Phase 2 will include Terms of Reference based on the outcome of phase 1, a Developer's Assessment Report, a Conformity Check, Information Requests, Technical Analysis Reports, and a Report of Assessment by the Review Board. The Work Plan only provides details for phase 1 because phase 2 will be shaped by the outcome of phase 1.

The Review Board reserves the option to evaluate at the end of phase 1 whether there is sufficient evidence for significant adverse environmental impacts or for public concern to order an Environmental Impact Review according to MVRMA s. 128(1)(b)(i) or s. 128(1)(c). If the Review Board determines that sufficient evidence exists, it may conclude the EA and refer the proposed development to a joint panel review without entering into phase 2.

2 SCOPE OF DEVELOPMENT

This section outlines the scope of the development considered in this EA. It is not intended to be a complete development description. For a description of the development please refer to the Mackenzie Gas Project's Preliminary Information Package (PIP), which is available at the MVEIRB's web site.

The Review Board deems the scope of the development to include all components and activities associated with extracting natural gas and natural gas liquids from the Parson's Lake, Taglu, and Niglintgak gas fields, process the gas and gas liquids for shipment and ship the gas and gas liquids to the currently existing pipeline system in Alberta.

The PIP divides the development into four principle components: the field production facilities; the gathering system; the natural gas liquids pipeline to Norman Wells; and the transmission pipeline to ship natural gas to the existing pipeline system in Alberta. Of these only the latter two are situated in the Mackenzie Valley. However, these pipelines cannot exist in isolation from the production facilities and the gathering system. The Review Board views all four principle components to be part of one development. Similarly, any transmission pipeline that may be built by a different developer from the existing pipeline system north to a yet unspecified point where it would connect with the Mackenzie Valley pipeline is, in the view of the Review Board, part of the same development.

The Scope of the Development also includes activities and developments related to pre-construction, construction, operation, decommissioning, and post closure within the Mackenzie Valley as well as outside the Mackenzie Valley. This includes the manufacturing of materials as well as transporting materials and equipment from various locations to the Mackenzie Valley.

The scope of the development includes but is not limited to the following components:

- Clearing of a Right-of-Way (RoW) and brush disposal
- Creation of access roads to RoW
- Barge landing sites
- Staging sites
- Camps
- Access between barge landing and staging/camp sites
- Quarries
- Garbage and sewage disposal
- Transport of pipe and equipment via truck and rail to Hay River
- Transport of pipe and equipment via barge from Hay River
- Transport of pipe and equipment via truck from Hay River
- Storing of pipe, equipment, camps over the summer months
- Creating a ditch and temporary road
- Laying, welding, and burying of pipe
- Constructing stream crossings for pipe
- Restoration of cleared RoW
- Placing of large work camps near communities
- Provision of large number of jobs during construction
- Creation of well sites
- Drilling wells
- Construction of a gathering system
- Construction of a gas plant
- Construction of compressor stations

- Operation of gathering system, pipe, compressor stations and associated other facilities
- Restoration of access roads, camp sites, waste disposal sites, staging areas, barge landing sites
- Manufacturing of steel and pipe

3 SCOPE OF ASSESSMENT

The scope of this EA includes all components of the proposed development as defined above. It includes the assessment of impacts from induced development related to the pipeline. According to the MVRMA's definition of 'impact on the environment' this EA will examine impacts on components of the bio-physical environment such as water, air and wildlife, as well as direct and indirect impacts on wildlife harvesting and cultural, social and heritage resources. In assessing social impacts, the Review Board will also examine economic impacts of the proposed development.

This EA focuses first on impacts in the Mackenzie Valley and the Northwest Territories, but may consider impacts in the rest of Canada and beyond. The spatial boundaries of the assessment will vary with the development component examined, the impacts from the development component, and the environmental components being affected. The temporal boundaries of this EA include pre-construction, construction, operation, decommissioning and post-closure activities related to the proposed development, as well as to development induced by the proposed development. Boundaries for the assessment of individual impacts will be identified during the EA.

A more detailed description of the scope of the assessment will be developed based on the results of phase 1 of the EA, if phase 2 is entered.

4 ROLES AND RESPONSIBILITIES

This section explains the roles and responsibilities of the Review Board, the Review Board's staff and other parties involved in the Environmental Assessment process.

4.1 Review Board

The Review Board is required to undertake the following in relation to this EA:

- Conduct the EA in accordance with ss.126(1) of the MVRMA;
- Take into account any previous screening or assessment report made in relation to the development, in accordance with s.127 of the MVRMA;
- Determine the scope of the development, in accordance with ss.117 (1) of the MVRMA;
- Consider environmental assessment factors in accordance with ss.117 (2) of the MVRMA;
- Make a determination regarding the environmental impacts and public concern of the development, in accordance with ss.128 (1) of the MVRMA;
- Report to the Federal Minister in accordance with ss.128 (2) of the MVRMA; and,
- Identify areas and extent of effects, within or outside the Mackenzie Valley in which the development is likely to have a significant adverse impact or be a cause of significant public concern, in accordance with ss.128 (4) of the MVRMA.

4.2 Review Board Staff

The Review Board's Executive Director and staff are the primary contacts for the developer, government bodies (federal, territorial and municipal), non-government organizations (NGOs), aboriginal groups, expert advisors (experts contracted directly by the Review Board), the public and other interested parties. This does not limit or preclude the Developer from contacting other parties during in the EA process. The Review Board may choose to hire expert advisors to provide technical expertise on specific aspects of the EA.

4.3 Developer

The developer is expected to respond in a suitable and timely manner to directions and requests issued by the Review Board. Such requests include but are not necessarily limited to Information Requests, requests for translation of documents, the request for the developer's presence at Public Hearings, and requests to produce public information material.

The developer may present additional information at any time to the Review Board beyond what was requested during the EA process. The Review Board encourages the developer to continue consulting all potentially affected communities and organizations during the EA process. The Review Board may request that the Developer provide a written record verifying consultations, including how the consultations have influenced the design of any part of the development.

4.4 Other Directly Affected Parties and Interveners

Aboriginal groups, communities, or land owners that may potentially be affected by the development can obtain standing as “directly affected party”. Being granted status as directly affected party does not imply a determination by the Review Board that the party will necessarily be affected and does not constitute a legal right for compensation. It does give the party the right to fully participate in the EA. Public interest groups, non-governmental organizations and other interested parties may participate in the EA as interveners.

Directly affected parties and interveners may present information at any time during the EA and may be given opportunity to identify information requests. The Review Board may also direct information requests at any directly affected party or intervener.

4.5 Submissions to the Board

All submissions to the Review Board are considered during the Review Board’s decision-making process on the environmental assessment. These submissions will be public documents and will be posted on the Review Board’s Public Registry. Submissions should be in a format that is easily available to all stakeholders. The Review Board prefers documents to be submitted digitally in either Word or PDF format, in addition to a hardcopy original. However, hardcopy only, hand delivered or via courier, as well as fax transmissions are acceptable as long as they are printed and can be reproduced via photocopier in a clearly legible manner. Oversized items or items that are difficult to reproduce, such as colour maps, should be submitted digitally, as well as hardcopy in sufficient quantities to be distributed to those parties with limited access to computer technology. Please contact the Review Board’s staff for the quantities required.

5 EA PROCESS

5.1 Phase 1

Refer to Appendix A for a schedule of all Phase 1 EA process steps.

5.1.1 EA Start Up

At the start of the EA, the Developer, government bodies, NGOs, aboriginal groups, expert advisors, the public and other interested parties are informed of the referral. As part of the referral, staff starts a public registry on the development and start tracking development issues.

Notification of the referral is done by

- Written notification;
- News release; and
- Newspaper advertising.

Tasks involved in starting the environmental assessment are:

- Open EA file;
- Open public registry;
- Notify public of referral;
- Notify regulatory authorities of the referral;
- Notify the developer of the referral; and
- Distribute additional developer information as it is submitted.

The Review Board will undertake a preliminary analysis of the EA reports provided by the Developer to determine if the information provided by the Developer met the minimum information requirements set out in ss.117 of the MVRMA. If ss.117 is adequately addressed the Review Board would be in a position to consider if there were any transboundary issues associated with the proposed development and inform the appropriate parties.

During the start up phase the Board will also prepare itself for public hearings, which will determine whether the Board may refer the development to an Environmental Impact Review based on public concerns or whether to continue with the Environmental Assessment process and perform a technical analysis of the proposed development.

Deliverables: Public Registry; notification of public, government and, developer; issue tracking; identification of directly affected parties (including responsible Ministers) and interveners; MVRMA ss.117 conformity analysis report.

5.1.2 EA Hearings

The purpose of Public Hearings will be to

- a) determine whether or not there is sufficient public concern to refer the proposed development to a panel review without an in-depth technical analysis;
- b) gather and record the evidence of such public concern, or lack thereof; and
- c) gather and record evidence, if any, of significant adverse environmental impacts.

The Board hearings will provide the public and aboriginal groups of the Mackenzie Valley an opportunity to voice their views and opinions on the proposed development directly to the Board rather than through the developer's public consultation process. To fulfill this purpose the hearings in communities outside of Yellowknife will be conducted as Community Hearings as defined in the Review Board's Rules of Procedure sections 73 to 77.

Hearings will be held in selected communities within the Gwich'in, Sahtu and Deh Cho regions, plus additional hearings in Hay River and Yellowknife. The communities within each region that are closest to the proposed pipeline are the Gwich'in Settlement Area communities of Inuvik and Tsiigehtchic; the Sahtu Settlement Area communities of Norman Wells, Tulita and Fort Good Hope; and the Deh Cho communities of Fort Simpson, Jean Marie River and Wrigley.

Deliverable: Board public hearings in up to 10 communities.

5.1.3 EA Decision

At the end of phase 1 the Review Board will consider all evidence brought before it during phase 1. The Board will then decide if enough evidence of public concern and/or significant adverse environmental impacts already exists to refer the development to an Environmental Impact Review.

If enough evidence exists, the Review Board will refer the development to a joint review panel as outlined in the Cooperation Plan. In accordance with MVRMA s. 128 the Board will issue written Reasons for Decision in form of a Report of Assessment and distribute it to:

- the Minister of DIAND who will distribute it to responsible ministers and the NEB as required;
- any agency that conducted a preliminary screening on the development or referred the development to EA;
- the developer; and
- the Public Registry for this EA.

If the Board decides to enter into phase 2 of the EA, it will issue a draft Terms of Reference and Work Plan for phase 2.

Deliverable: Decision and Reasons for Decision. Draft Terms of Reference and Work Plan, if phase 2 is entered.

5.1.4 Ministerial Consultation on the Environmental Assessment Decision

The Minister of Indian and Northern Affairs will respond to the Review Board's Report of Environmental Assessment. The minister has the following options:

- accept the Report of Environmental Assessment;
- refer the Report back to the Review Board for further consideration; or
- refer the development to a panel review irrespective of the recommendations in the Report of Environmental Assessment.

Deliverable: Ministerial acceptance of the Report of Environmental Assessment or referral to panel

review irrespective of the Report. the Minister of Indian and Northern Affairs

5.2 Phase 2

Table 1 contains the milestones regularly applied in environmental assessments. The actual milestones, their description, and scheduling will be developed if phase 2 of the EA is entered.

Table 1 – Generic Milestones and Responsibility Assignments for Phase 2 in the EA Process

Milestone	Developer	Government Bodies	Other Parties	Review Board and Staff
Prepare draft Terms of Reference and Work Plan				✓
Review and comment on draft ToR and WP	✓	✓	✓	
Revise and approve final ToR and WP				✓
Submit DAR	✓			
Conformity Check and Deficiency Statement (if required)				✓
Deficiency Statement Response	✓			
Information Requests		✓	✓	✓
Information Request Responses	✓	✓	✓	
Public Hearing	✓	✓	✓	✓
Technical Analysis		✓	✓	✓
Review Board Report of EA and Reasons for Decision				✓
Response from the Minister of Indian Affairs and Northern Development (if required)		✓		
Consultation - throughout / as required	✓	✓	✓	✓

APPENDIX A – DEFINITIONS AND LEGAL INFORMATION

1.0 Review Board Legal Context for Environmental Assessment (EA)

The Review Board, in exercising its authority is guided by the following legal principles and by definitions, purposes and factors found in the MVRMA. This context provides the developer, Regulatory Authorities the Designated Regulatory Agency (the National Energy Board) as required, federal and territorial governments, aboriginal groups, expert advisors, and other affected or interested parties the framework within which the EA will be conducted.

1.1 Legal Principles

The Review Board is governed by the rules of natural justice and procedural fairness. This essentially means that fair play is required when exercising decision-making functions. Three of the basic elements are:

(i) The right to be heard - means providing fair opportunity for parties to prepare and state their case, and to correct or contradict relevant statements prejudicial to their position;

(ii) The rule against bias - is a rule against prejudging a case; addressing not only actual bias but also any reasonable apprehension of bias; and,

(iii) Fettering of discretion - means the Review Board is governed by the common law principle which requires that s/he who hears must decide. This means that the Board members who hear or review the evidence in an EA must be the decision makers. Members who did not participate can play no role in the decision. The law also requires that the Board and its members must be free to exercise their full authorities under the statute. The Board must decide each case on its own merits.

1.2 Definitions

The context within which the Review Board conducts an EA is based on following definitions and indicated sections from the MVRMA.

Development - means any undertaking, or any part of an undertaking, that is carried out on land or water and, except where the context otherwise indicates, wholly within the Mackenzie Valley, and includes measures carried out by a department or agency of government leading to the establishment of a national park subject to the National Parks Act and an acquisition of lands pursuant to the Historic Sites and Monuments Act.

Environment - means the components of the Earth and includes

- ▶ Land, water and air, including all layers of the atmosphere;
- ▶ All organic and inorganic matter and living organisms; and
- ▶ The interacting natural systems that include components referred to in paragraphs (a) and (b).

Follow-up program - means a program for evaluating

- ▶ the soundness of an environmental assessment or environmental impact review of a proposal for a development; and

- ▶ the effectiveness of the mitigative or remedial measures imposed as conditions of approval of the proposal.

Harvesting - in relation to wildlife, means hunting, trapping or fishing activities carried on in conformity with a land claim agreement or, in respect of persons and places not subject to a land claim agreement, carried on pursuant to aboriginal or treaty rights.

Heritage resources - means archaeological or historic sites, burial sites, artifacts and other objects of historical, cultural or religious significance, and historical or cultural records.

Impact on the environment - means any effect on land, water, air or any other component of the environment, as well as on wildlife harvesting, and includes any effect on the social and cultural environment or on heritage resources.

Mitigative or remedial measure - means a measure for the control, reduction or elimination of an adverse impact of a development on the environment, including a restorative measure.

Scope of assessment - the components of the environment that will be evaluated for impacts from the proposed development and includes a determination of the environmental effects to be addressed and the scope of the environmental effects to be assessed.

Scope of development - a description of the development and associated parts as determined by the Review Board.

s.114 The purpose of this Part [Part 5] is to establish a process comprising a preliminary screening, an environmental assessment and an environmental impact review in relation to proposals for developments, and

- ▶ to establish the Review Board as the main instrument in the Mackenzie Valley for the environmental assessment and environmental impact review of developments;
- ▶ to ensure that the impact on the environment of proposed developments receives careful consideration before actions are taken in connection with them; and
- ▶ to ensure that the concerns of aboriginal people and the public are taken into account in that process.

s.115 The process established by this Part shall be carried out in a timely and expeditious manner and shall have regard to

- ▶ the protection of the environment from the significant adverse impacts of proposed developments; and
- ▶ the protection of the social, cultural and economic well-being of residents and communities in the Mackenzie Valley.

ss.117(1) Every environmental assessment of a proposal for a development shall include a determination by the Review Board of the scope of the development, subject to any guidelines made under section 120.

ss.117(2) Every environmental assessment and environmental impact review of a proposal for a development shall include a consideration of:

- ▶ The impact of the development on the environment, including the impact of malfunctions or accidents that may occur in connection with the development and any cumulative impact that is likely to result from the development in combination with other developments;
- ▶ The significance of any such impact;
- ▶ Any comments submitted by members of the public in accordance with the regulations or the rules of practice and procedure of the Review Board;
- ▶ Where the development is likely to have a significant adverse impact on the environment, the imposition of mitigative or remedial measures; and
- ▶ Any other matter, such as the need for the development and any available alternatives to it that the Review Board or any responsible minister, after consulting with the Review Board, determines to be relevant.

APPENDIX B – PHASE 1 SCHEDULE

<i>Milestone</i>	<i>Approximate dates</i>
Comments on draft Work Plan due	January 9, 2004
Public Hearings in Gwich'in Settlement Area	Week of March 1, 2004
Public Hearings in Sahtu Settlement Area	Weeks of March 15
Public Hearings in Deh Cho region	Week of March 29, 2004
Public Hearings in Hay River	April 14/14, 2004
Public Hearings in Yellowknife	April 19-21, 2004
Decision on direct referral to Impact Review	May 14, 2004
Issuing of Reasons for Decision and Report of Assessment (if applicable)	May 28, 2004

All dates are approximations only. The order of hearings is subject to change.