

Work Plan

for the

Environmental Assessment

of the

Mackenzie Valley Gas Project

(EA03-007)

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 (MVEIRB or Review Board) examined the applications and related documentation. The Review Board concluded that the proposed barge landing and staging area are an integral part of the proposed Mackenzie Gas Project development as described in the Preliminary Information Package submitted by Imperial Oil, the Aboriginal Pipeline Group, ConocoPhillips, Shell, and ExxonMobil. Consequently, the Review Board will conduct an Environmental Assessment of the Mackenzie Gas Project as a whole.

This Environmental Assessment (EA) 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" (the Cooperation Plan). These documents can be accessed on the MVEIRB's web site (www.mveirb.nt.ca).

The definitions of MVRMA s. 111 apply in this document and throughout the EA. Terms not defined in the MVRMA are used in their general sense and do not imply specific activities or standards that may be associated with the term in other jurisdictions.

2 APPROACH

2.1 Overview

This EA is divided into two phases. Phase 1 will provide an opportunity for the Review Board to gauge the level of public concern, and to scope the issues for the environmental assessment. It is a scoping exercise. Phase 2 will consist 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, if required, include the development of detailed Terms of Reference based on the outcome of phase 1, the preparation and filing of a Developer's Assessment Report, a Conformity Check, Information Requests, Technical Analysis Reports, and a Report of Environmental Assessment by the Review Board.

This 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 evidence of significant adverse environmental impacts or of public concern sufficient 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 order an Environmental Impact Review without entering into phase 2. In this case the development will be

referred to a joint panel review as contemplated under the Cooperation Plan.

2.2 Phase 1 Purpose

Phase 1 of this assessment serves several purposes. These are:

- (a) Gauge the level of public concern about the proposed Mackenzie Valley Pipeline and determine if the level of public concern warrants a referral to Environmental Impact Review according to MVRMA s. 128(1)(c).
- (b) Record the evidence to support any decision under (a).
- (c) Scope the development for the purposes of MVRMA s. 117(1)
- (d) Record evidence of environmental impacts for the purposes of MVRMA s. 117(2) and s. 128(1)(b).
- (e) Subject to (a) above, determine which issues will need to be assessed in phase 2 of the assessment, or in a panel review.

It should be noted that the MVEIRB is the only participant in the joint panel review under the Cooperation Plan that is mandated to include direct cultural and socio-economic impacts in its environmental impact assessment process. It is therefore important to the Review Board to conduct a careful scoping of these issues prior to finalizing any Terms of Reference for an Environmental Impact Statement under a joint panel review.

2.3 Hearing Process

The Review Board has carefully considered its options to accomplish the purposes outline above, while fulfilling all its legal obligations and honouring its commitments under the Cooperation Plan. Paragraph 117(2)(c) of the MVRMA mandates the Board to provide the public with adequate opportunity to submit comments about a development. Options to do so range from conducting a written hearing only, to conducting hearings in regional centres to conducting hearings in all communities potentially affected by the proposed development. The factors that determined the decision set out by the Board below included timeliness, cost effectiveness, fairness, and the quality of the resulting EA.

Written submissions only are not compatible with the oral traditions of many residents of the Mackenzie Valley. A written hearing would put the residents in small communities along the proposed pipeline route at a disadvantage compared to government agencies, industry, as well as southern or Yellowknife based non-governmental organizations.

Hearings in all communities along the proposed pipeline route on the other hand would be time consuming. Hearings at this stage of the process may also put undue strain on the facilities of small communities, which will likely see hearings during phase 2 or during a panel review in addition to the ongoing consultation efforts by the developer.

For the purpose of scoping the development and the assessment the Review Board has therefore determined that hearings in the regional centres of Inuvik, Norman Wells, and Fort Simpson will be the most effective and efficient way to achieve the purposes of phase 1 of the EA. Interested parties will also have opportunity to make their views on scoping known to the Board via written submissions.

2.4 Scoping

Phase 1 of the EA is as indicated, a scoping process. The actual "scope of development" and "scope of assessment" will be determined through this process. It is the Board's view that the scoping should start out as wide as possible and then narrow based on the evidence gathered in phase 1. The statements under the relevant sections below are thus very broad. It is not the Board's intention to duplicate efforts and assess impacts that are already being assessed by other jurisdictions. The Board is, however obliged to carefully determine the exact scope of its proceedings. Any statement of inclusion of components or impacts made in subsequent sections of this document should not be construed as the EA focusing on these components or impacts. The purpose of the proceedings defined in this work plan is to determine what the EA should in fact focus on.

The Board is coordinating its EA with other jurisdictions as called for by the MVRMA and the Cooperation Plan. The Board does, however, not pre-suppose the scope of development and the scope of assessment without having supporting evidence on the public record. It is the purpose of phase 1 to gather and record this evidence.

3 SCOPE OF DEVELOPMENT

This section outlines the initial scope of the development. 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. During phase 1 the Review Board will identify those components that are being or have been assessed. by other jurisdictions and do not require further examination in this EA.

The Review Board deems the initial scope of the development to include all components and activities associated with building a Mackenzie Valley pipeline and related facilities. Activities carried out to obtain information necessary to design the pipeline or to prepare an Environmental Impact Statement, such as geotechnical field investigations are not part of this scope.

While portions of the pipeline, as well as the gas wells and the gathering system, are located outside the Mackenzie Valley, they are part of one and the same development. During phase 1 of the EA the Review Board may consider submissions regarding any component of the development described in the PIP. In addition the Board may consider submissions regarding components not described in the PIP that are necessary to carry out the development that is described. The initial scope of the development includes pre-construction (e.g. transporting and staging of material and equipment), construction, operation, decommissioning, and post closure (e.g. reclamation) activities.

The initial scope of the development may include 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

4 SCOPE OF ASSESSMENT

The scope of phase 1 of this EA includes all components of the proposed development as defined above. It also includes the assessment of impacts from induced development, such as increased exploration following the construction of, or the decision to construct, a pipeline. MVRMA s. 117 (2)(a) requires the Board to consider "any cumulative impact that is likely to result from the development in combination with other developments".

According to the MVRMA's definition of 'impact on the environment' this EA will examine impacts on 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. To properly assess social impacts, the Review Board must also consider economic impacts of the proposed development.

The spatial and temporal boundaries of the EA will be determined at the conclusion of phase 1. Initially no specific boundaries are set. Where the Board becomes aware of impacts outside the Mackenzie Valley it will coordinate the EA with the appropriate authorities in that jurisdiction. The

Board may exclude impacts from its assessment if it is satisfied that those impacts are being or have been addressed already in other jurisdictions.

The purpose of phase 1 is to narrow the scope of phase 2, or that of an Environmental Impact Review to those issues that are most important to the residents of the Mackenzie Valley and other Canadians.

5 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.

5.1 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;
- 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 or public concern about 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.

5.2 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.

All related correspondence should be directed to the Environmental Assessment Officer for the EA:

Martin Haefele

Tel: (867) 766-7053

Fax: (867) 766-7074

e-mail: mhaefele@mveirb.nt.ca

P.O. Box 938 (5102 50th Ave) Yellowknife, NT X1A 2N7

5.3 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.

5.4 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". The standing of an individual or organization as directly affected party or intervener is subject to approval by the Review Board. 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 confer any legal status beyond the Review Board's proceeding. 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 an opportunity to submit information requests for Board approval during phase 2. The Board has asked individuals and organizations to identify themselves as potentially directly affected party or interveners prior to February 12, 2004. Party status may be granted at any time during the proceedings. Parties identifying themselves after February 12, 2004 should be aware that a need to review the public record of the proceedings prior to joining will not be accepted as reason for extending timelines.

6 EA PHASE 1 SCHEDULE

The table below outlines the milestones of phase 1 of the EA. All dates are target dates and are subject to change. See below for an explanation of milestones.

Milestone	Approximate dates
MVLWB referral of Camsell Bend development	December 10, 2003
Public notification of referral	December 11, 2003
Draft work plan phase 1issued	December 18, 2003
Work plan phase 1 issued	February 6, 2004
Identification of parties (directly affected parties and interveners)	Mid to end of February 2004
Receipt of written submissions	From start up until April 16, 2004
Public Hearings in Sahtu Settlement Area (Norman Wells)	Week of March 15, 2004
Public Hearings in Gwich'in Settlement Area (Inuvik)	Week of March 29, 2004
Public Hearings in Deh Cho region	Week of April 13, 2004
Closing of Public Registry	April 16, 2004
Decision on direct referral to Impact Review	May 7, 2004
Issuing of Reasons for Decision and Report of Environmental Assessment (if applicable)	May 21, 2004

6.1 Identification of Parties

A form for potentially directly affected parties and interveners to identify themselves was distributed with the notification of referral on December 11, 2003 and with the draft work plan on December 18, 2003. Individuals or organizations that want to identify themselves but have not received the form should contact the MVEIRB. The Board will initially decide on approving party standing shortly after February 12, 2004 and then as needed. The role and the responsibilities of parties are outlined in section 5.4 of this work plan.

6.2 Written Submissions

All parties as well as the public are invited to submit evidence that, in their opinion, will assist the Board in achieving the purposes of phase 1 as outlined in section 2.2 of the work plan. Written submission will be placed on the public record. Upon special request the Board may consider confidential submissions. Parties who do not wish to have their submission put on the public record

must contact board staff prior to making a submission. The Board will decide on a case by case basis on the merits of a request for confidentiality and if it will receive and consider such a submission as per its Rules of Procedure.

Submissions should be in a format that is easily accessible to all EA participants. The Review Board prefers documents to be submitted digitally in either Word or PDF format. However, hardcopy, 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. For regular mail the date the submission is received at the Review Board's office is considered to be the submission date. The Board will not consider any submission after the closing of the public record.

Oversized items or items that are difficult to reproduce, such as colour maps, should be submitted digitally, and/or 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.

6.3 Public Hearings

The Review Board will hold two to three day hearings in Inuvik, Norman Wells and Fort Simpson. All hearings will be conducted as "community hearings" as defined in the Review Board's Rules of Procedure.

6.4 Phase 1 EA Decisions

Following the hearing process and the receipt of written submissions, the Board will consider the evidence brought before it and make a decision to either enter into phase 2 of the EA or to directly order an Environmental Impact Review. In the latter case the Board will refer the development to a joint panel review as contemplated under the Cooperation Plan. In the interest of an expedient process the Board intends to make its decision known as soon as possible. If required, a Report of Assessment will be issued as soon as possible following the decision.

6.5 Report of Assessment

In the event of a direct referral to a joint panel review, the Board will issue a Report of Assessment. This report will summarize the evidence that lead to the Board's decision and provide reasons for the decision. It may also contain recommendations or suggestions directed at various parties, including recommendations for the Terms of Reference for an Environmental Impact Statement for the panel review. The report will be distributed and subjected to an approval process as per MVRMA s. 128, and MVRMA s.130(1) respectively.

In the event of phase 2 being entered there will be no Report of Assessment at the conclusion of phase 1, but a draft Terms of Reference and Work Plan for phase 2.