

**WWF-Canada**World Wildlife Fund Canada

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Martin Haefele Environmental Assessment Officer Mackenzie Valley Environmental Review Board Box 938, 5102-50<sup>th</sup> Avenue Yellowknife, NT X1A 2N7

Dear Martin Haefele,

World Wildlife Fund - Canada would like to thank the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for the opportunity to comment on the draft Work Plan for the first phase of your Environmental Assessment (EA) of the proposed Mackenzie Gas Project (MGP).

As a major northern-based environmental conservation organization, and having supported many community-based conservation initiatives throughout the north for over 30 years, we remain very keen to help ensure that today's industrial development proposals are produced, assessed, and regulated, and projects conducted, in accordance with the core principles of "Sustainable Development". In particular, we expect existing commitments to natural habitat protection to be fully honoured before any approved industrial activities compromise society's ability to do so. In the NWT's case, this clearly requires that the NWT Protected Areas Strategy 2004-2009 Action Plan (enclosed) be implemented in full, while the opportunity still remains intact.

In this letter we provide details of our two major recommendations for your Board as you finalise the Terms of Reference and Work Plan for this Environmental Assessment (EA). In summary we recommend:

- 1. That the EA be completed at a regional scale, recognizing the broad and cumulative nature of industrial development impacts on socio-cultural, economic and environmental values;
- 2. That the EA address the impact of the MGP in combination with other cumulative industrial developments on the ability to protect an adequate representative network of culturally and ecologically significant areas in the Northwest Territories.

Over the past decade, some significant and positive changes have occurred to the way Environmental Assessments are approached and conducted in Canada. I mention the main points here to underscore the general context and basis for our two recommendations to you.



Firstly, the whole field of 'Cumulative Impacts' work has developed and matured very significantly, such that the broad spatial and temporal aspects to any specific project are now recognized as valid and essential elements to consider in any thorough EA exercise. A good expression of the importance of addressing cumulative impacts at the regional level, and in the long-term, is found in the recent U.S. National Research Council (2003) review (commissioned by the U.S. Congress) of hydrocarbon development in the North Slope of Alaska. This approach, and the broad spatial and temporal scales implicit in it, is now widely accepted and practiced in Canadian jurisdictions, and by regulatory bodies such as the Canadian Environmental Assessment Agency, and the National Energy Board, and of course the MVEIRB.

Secondly, you may recall that in the case of Canada's first diamond mine – the BHP mine in NWT, in 1996 WWF filed in the Federal Court (Trial Division) for judicial review of the procedures used to arrive at the EA Review Panel's recommendations. This filing was primarily due to the failure to recommend specific time-limited actions on protected areas in the region as a condition of project approval. Resolution of this intervention was eventually achieved outside the courts, notably due to the commitment to develop an NWT Protected Areas Strategy (PAS), and that the federal government was prepared to change federal EA procedures (via the Canadian Environmental Assessment Act, CEAA, and associated guidance materials) such that any project subject to CEAA should consider the impact on existing protected areas and on the opportunity to complete a network of protected areas for the natural ecoregion in which the project would be located. The CEA Agency continues to reaffirm its commitment to include in a future revision to the Responsible Authority Guide, a specific reference to protected and potentially protected areas. (This step has been delayed by the passage of Bill C-19, the 5-year review of CEAA, but I understand from the Agency that this updated material can now be produced in the coming months, now that the Bill is passed). The NWT PAS was finalized in 2000 and specific candidate protected areas have been moving through this community-driven process, to receive initial protection via interim land withdrawals.

Thirdly, the National Energy Board's Filing Manual (replacing the Guidelines for Filing Requirements), now nearing completion, reflects clearly in many sections the need for project proponents to consider a broad regional and temporal scale. This reflects the need to consider cumulative effects via addressing the likely impacts of a project in combination with other past, present and future human actions.

And finally, the MVEIRB's Terms of Reference (TOR) and Work Plan for the EA of the De Beers Canada Mining Inc. Snap Lake Diamond Project (issued 20 September 2001) reflected a clear recognition of the need to address other past, present and future developments at a regional level (section 2.9 on Cumulative Impacts, and section 2.5.3 on spatial and temporal boundaries). Further, in sections 2.6.6 (Wildlife Habitat) and 2.7.2 (Land and Resource Use), the TOR called for the proponent to address "ecologically representative areas" at the ecoregion scale, as defined in the NWT PAS. These are all very positive improvements to the EA process, clearly establishing new standards for EA Terms of Reference and work plans.

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<sup>&</sup>lt;sup>1</sup> A very important review is the March 2003 final report to the U.S. Congress of the National Research Council of the National Academies, on "Cumulative Environmental Effects of Oil and Gas Activities on Alaska's North Slope". Benefiting from a substantial body of literature and experience since 1968, this review makes clear recommendations about the need to take a regional, long-term approach in order to adequately assess and address the inevitable diverse cumulative impacts of incremental development following an initial major hydrocarbon development project.



Building on these precedent setting developments, the following are WWF-Canada's recommendations regarding the MVEIRB draft Work Plan, and phase 1 of the EA:

<u>Recommendation #1.</u> That the EA be completed at a regional scale, recognizing the broad and cumulative nature of industrial development impacts on socio-cultural, economic and environmental values.

The proposed Mackenzie Valley gas pipeline would be the largest industrial development project in the NWT's history, and one of the largest in Canada. The development and associated and subsequent industrial activities would inevitably result in cumulative impacts on a regional scale to the NWT's ecosystems and socio-cultural environment, including the destruction of natural habitat, fragmentation of wildlife migration routes and displacement of wildlife, as well as the potential disruption to subsistence harvesting and northern traditions. These impacts are well documented in areas such as NE British Columbia, Alberta and the North Slope of Alaska where intensive industrial exploration and development has occurred for many years.

WWF agrees with the broad regional and temporal scale described in the current MVEIRB draft work plan scope of assessment ("focusing on impacts in the Mackenzie Valley and Northwest Territories, but may consider impacts for the rest of Canada and beyond", and including "preconstruction, construction, operation, decommissioning and post-closure activities"). However, in order to fully address the cumulative effects likely to result from the MGP, as required by law under the Canadian Environmental Assessment Act (CEAA), the EA should also include impacts arising from the project, in conjunction with increased exploration and development, which are already occurring as a result of the proposed pipeline. At a minimum the cumulative effects assessment should include the 16 natural ecoregions intersected by the proposed pipeline route, and those with current hydrocarbon exploration licenses, and should address effects expected beyond the lifespan of the initial MGP. (You could usefully provide to the MGP proponents the federal website for the National Ecoregion Framework/Ecological Land Classification: <a href="http://sis.agr.ca/cansis/nsdb/ecostrat/intro.html">http://sis.agr.ca/cansis/nsdb/ecostrat/intro.html</a>).

WWF is concerned over the current approach taken in the MGP Preliminary Information Package (PIP), which addresses ecological impacts only within a very narrow 1km corridor centred on the alignment of the proposed pipeline, and a 1 km buffer around each gas field. This approach clearly does not address impacts that will occur at a regional level. We believe that the MGP environmental impact assessment should be conducted at a scale consistent with the approach outlined in the PIP for the socio-economic impact assessment. Socio-economic and environmental values are highly interconnected, especially in northern Canada, and should both be considered at an ecoregion scale, or at least within a 200 km radius from the proposed development. This distance is consistent with the "zones of influence" from the oil-gas industry's cumulative footprint, recognized in the U.S. National Research Council (2003) review (commissioned by the U.S. Congress) of hydrocarbon development in the North Slope of Alaska.

The MGP is likely to be the first in a series of major phases in future oil-gas developments in the Mackenzie Valley, and eventually extending to the Beaufort Sea. Experience elsewhere in the world has shown very clearly that industrial development proceeds in stages/phases, and that socio-economic and environmental impacts are cumulative and occur at varying scales, often hundreds of kilometres from an initial "project". If, and when, a Mackenzie gas pipeline is built, oil-gas exploration and other industrial activity will most certainly accelerate in the adjacent regions.

We view the issue of spatial and temporal scale to be absolutely central to society's ability to secure a satisfactory approach to this large initial development project, especially in this 'frontier region', that truly accords with the core



principles of "sustainable development" and the wide range of existing relevant policy and legal commitments made by governments, industry and local groups.

<u>Recommendation #2.</u> That the EA address the impact of the MGP in combination with other cumulative industrial developments on the ability to protect an adequate representative network of culturally and ecologically significant areas in the Northwest Territories.

The EA should address clearly the impact that the MGP and subsequent industrial activity in the Mackenzie Valley will have on the ability to complete a representative network of protected areas, recognizing that cumulative impacts will occur at the regional scale beyond the lifespan of an initial gas pipeline project. Therefore, this assessment should include the impact of the project on the ability to protect an adequate representative network of important cultural and ecological areas in the Mackenzie Valley.

Securing Canada's Natural Capital: A Vision for Nature Conservation in the 21st Century, a recent report on the state of conservation in Canada by the National Round Table for the Environment and the Economy (NRTEE, 2003), found that conservation planning has generally not kept pace with development pressures on the Canadian landscape. The report underscored that the federal government should require conservation planning prior to issuing permits in the Mackenzie Valley (NTREE, 2003: Chapter 6 – Conservation Planning for Whole Landscapes). This type of targeted approach enables governments and stakeholders to focus resources strategically and protect intact ecological and cultural areas.

The federal government has made numerous commitments, both nationally and internationally, regarding sustainable development, with specific references to the establishment of a network of protected areas across the country. International commitments include the *Convention on Biological Diversity* (1992), and *the Inuvik Declaration* (1996). National commitments include *Canada's Green Plan* (1990), the *Tri-Council Statement of Commitment to Complete Canada's Networks of Protected Areas* (1992), the *Whitehorse Mining Initiative* (1994), the *Joint Federal-Territorial Task Force on Northern Conservation* (1994) and *the Minerals and Metals Policy* (1996). *The Mackenzie River Basin Transboundary Waters Master Agreement* (1997) signed by Canada, British Columbia, Alberta, Saskatchewan, the NWT and the Yukon, promotes cooperative, sustainable management and advocates for the maintenance of ecological integrity within the entire Mackenzie Watershed.

In the NWT, both DIAND and the GNWT have committed to sustainable natural resource management and development, which includes initiatives regarding the protection of a network of culturally and ecologically significant areas, and policy commitments for increased regulatory certainty to industries interested in the development of the NWT's natural resources. These include the *Northwest Territories Protected Areas Strategy* (NWT-PAS) (1999), the Federal "North of 60 Action Plan" for Sustainable Development (2001), GNWT Sustainable Development Strategy (1993) and Non-Renewable Resource Development Strategy (1998), and Improving the Northern Operating Environment (2001).

Irrespective of these commitments, in the NWT's Mackenzie Valley only five of the 16 ecoregions that are directly intersected by the proposed major gas pipeline or adjacent hydrocarbon development areas are reasonably represented by protected areas. Clearly, a network of well-connected protected areas in these natural ecoregions would, if reserved prior to pipeline completion, go a long way towards helping achieve this satisfactory regional approach – while we still have the option.



The Northwest Territories Protected Areas Strategy (NWT-PAS) (which is supported by representatives from NWT communities, industry, government and non-governmental organizations) provides an effective community-based tool for advancing culturally and ecologically significant areas to long-term protected status. The NWT-PAS states "in order to achieve a long-term balance of ecological, cultural and economic values in the Mackenzie Valley, a network of culturally significant and ecologically representative protected areas must be reserved prior to or concurrently with the development of the pipeline."

The NWT-PAS has a five-year Action Plan to 2009 (see attached document), which in conjunction with high quality regional land use planning, is well-placed to help achieve this target. Full implementation of the NWT-PAS Action Plan would also meet the as yet unfulfilled federal and territorial government commitments to complete representative protected areas networks in this part of Canada.

The Alaskan NRC review also underscores the need for comprehensive planning approaches, and emphasizes that a network of protected areas serves not only to protect a sample of key natural and cultural areas, but also provides an essential series of comparable ecological benchmark/reference areas in affected natural regions, against which to meaningfully assess, and hopefully mitigate, impacts from industrial development. Indeed, without such benchmark protected areas in comparable ecoregions, it would be very difficult over the lifespan of such a major project to evaluate properly and defensibly the significance of monitored changes close to the project structures, given that a range of factors including broad ecosystem stressors such as climatic change and airborne contamination will continue to impact these northern ecosystems.

WWF believes firmly that by broadening the current approach of the EA to a regional scale and to include impacts from the design of the MGP and associated exploration areas, as well as ensuring that conservation goals of the NWT-PAS are met prior to or in conjunction with the construction of the pipeline, all parties will have a realistic chance of helping ensure that this and future development projects in the Mackenzie Valley do not significantly compromise environmental or socio-cultural values, or the longer-term economic options for local people.

I hope these two recommendations are clear to you and your Review Board, and that you will be able to incorporate them into your finalized TOR and Work Plan for this project. Please do not hesitate to contact me if you would like further details or discussion.

Sincerely,

Dr. Peter J. Ewins

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Encl. NWT Protected Areas Strategy 2004-2009 Action Plan and Map

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