

ENVIRONMENTAL IMPACT SCREENING COMMITTEE

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9 November 2001



Submission Number: 09/01-05

Peter Jalkotzy

Inuvialuit Environmental & Geotechnical Inc.
1338R - 36th Ave. N.E.
Calgary AB T2E 6T6

Mr. Jalkotzy:

RE: Shell Canada Resources (Jalkotzy), Camp Farewell, Mackenzie Delta Type B Water Licence - Amendment Application for Oil and Gas Exploration Camp

During its 29 October and 1-2 November 2001 meeting, the Environmental Impact Screening Committee considered the above-noted application. The EISC did not believe that it was necessary to screen the amendment since it deals with standards set by the government, and therefore considered it as an information item. They do, however, wish to pass along the comments received from Environment Canada and the Department of Fisheries and Oceans. The EISC concurs with many of their comments and believe they should be carefully considered during the N.W.T. Water Board's examination of the proposed amendment.

Please contact me if you have any questions.

Sincerely,

Linda Graf
Secretary

cc: Greg Cook, Water Resources, DIAND, Yellowknife
Gordon Wray, N.W.T. Water Board, Yellowknife

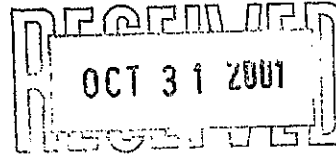
Encl.(2) Letter from DFO, Dated 29 October 2001
Letter from Environment Canada, 15 October 2001



Fisheries
and Oceans

Pêches
et Océans

Fish Habitat Management
Suite 101, 5204-50th Avenue
Yellowknife, Northwest
Territories
X1A 1E2



Your file / Votre référence
09/01-05

Our file / Notre référence

October 29, 2001

Environmental Impact Screening Committee
P.O Box 2120
Inuvik, NT
X0E 0T0

Attention: Linda Graf

**RE: Shell Canada Resources-Camp Farewell Type B Water Licence
Amendment Application**

Dear Ms. Graf:

The Department of Fisheries and Oceans, Fish Habitat Management – Western Arctic Area (DFO) has reviewed the above mentioned water licence amendment application.

It is the position of DFO that discharge of effluent to a waterbody has the potential to impact fish and fish habitat. This should be taken into consideration when the screening committee is reviewing Shell Canada's application to amend existing effluent limits in the water licence.

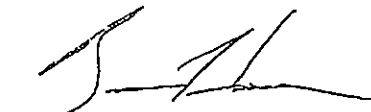
When reviewing the proposed water licence amendment for the NWT Water Board, DFO raised the following two points that should be considered in the review of this application:

- The issue of total loading rather than just "dilution as the solution"
- Whether the new values submitted are within the confidence interval of the old values. If they are, there would be no justification for the amendment.

In addition, other projects within the Mackenzie Delta face similar water licence requirements to Camp Farewell yet are taking a different approach. Rather than requesting an amendment to existing effluent limits, treatment systems are either being modified to meet the limits, or if that is not possible the effluent is transported to a different treatment facility. Prior to amending effluent limits at Camp Farewell, other possible alternatives should be considered such as land application (ie. the Snowfluent process). For information on the Snowfluent process, Environment Canada should be contacted.

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If you have any questions, please contact me at (867) 669-4931 or Pete Cott at (867) 777-7500.



Bruce Hanna

Habitat Biologist

Fish Habitat Management

Department of Fisheries and Oceans- Western Arctic Area

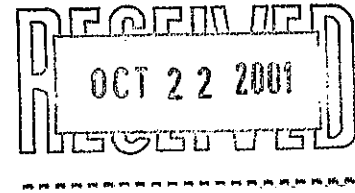
Copy: Pete Cott, Area Habitat Biologist-DFO

Canada



Environment Canada
Environnement Canada

Environmental Protection Branch
Suite 301, 5204 - 50th Ave
Yellowknife, NT
X1A 1E2
Ph. (867) 669-4700



Oct 15, 2001

Greg Cook
Environmental Assessment Coordinator
Water Resources Division
DIAND, Yellowknife

RE: Request for an amendment to Water Licence # N7L1 - 1762, Shell Canada, Camp Farewell

On behalf of Environment Canada I have reviewed the information that was provided by Shell Canada Ltd.

To assist in this review I had Dale Ross, Water Survey Division look at the flow calculation and he concurs with the findings (letter attached) that were submitted by Inuvialuit Environmental & Geotechnical Inc (IEG) on behalf of Shell Canada.

As outlined by IEG, Middle Channel does provide a fairly large winter flow rate and would easily meet the 100 -1000 :1 effluent dilution. However over the last month EC has reviewed several other projects that involve camps which will be located within the delta. It is EC's understanding that the water licence issued for these projects have similar requirements as those listed for the Camp Farewell site. In some these other projects the operator is modifying its sewage treatment system so that they can achieve water licence limits. Where effluent quality does not meet licence limits the proponent will haul the effluent to another treatment facility such as Inuvik's sewage lagoon. In two of these projects, the use of the snowfluentTM is being proposed as the final treatment phase before release to the environment.

Consideration must be given to the possibility that once this licence is amended to allow for higher limits for effluent quality it could trigger other proponents to follow suit. This in turn would lead to a higher concern level for cumulative effects on the appropriate VECs within the waters of the Mackenzie Delta.

There are other options that could be considered by the proponent in this case such as upgrading the sewage treatment efficiencies in combination with alternative disposal methods for the treated effluent. As noted above snowfluent has been proposed by others and would be an alternative for this site. Enclosed is a copy of a study that was conducted by Environment Canada in 1995, "Assessment and evaluation of a demonstration project using SnowfluentTM process for treated municipal wastewater under arctic conditions at Inuvik, NWT March 1995". Using "snowfluent" as a disposal option for treated sewage is an acceptable option provided that appropriate snow making technology is used and that the recommendations made in the above noted study are implemented. Also an appropriate monitoring program should be implemented in conjunction with this disposal method to verify the quality of the snow and spring melt water. Extra copies of this report are available from the Environment Canada office in Yellowknife.

Canada

I discussed this disposal option with Canadian Wildlife Service and they have indicated that this option would be acceptable to them as long as the snowfluent discharge is kept within the existing lease boundary.

In conclusion meeting the requirements of the Federal *Fisheries Act* is mandatory, irrespective of any other regulatory or permitting system. Section 36(3) of the *Fisheries Act* specifies that unless authorized by federal regulation, no person shall deposit or permit the deposit of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any other deleterious substance that results from the deposit of the deleterious substance, may enter any such water. To ensure compliance with this Act EC recommends improving effluent treatment be pursued rather than raising effluent quality limits.

If you have any questions or concerns please contact me at (867) 669-4733 or email stephen.harbicht@ec.gc.ca.

Sincerely

Stephen Harbicht

cc. Paul Latour, CWS, Yellowknife, NT
Dale Ross, IWD, Yellowknife, NT

Canada