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Mr. Randall Warren Shell Canada Energy PO Box 100 Station M 400-4<sup>th</sup> Avenue SW Calgary AB T2P 2H5

Re: Proposed Containment Cell for Unipkat I-22 Sump Remediation

In response to the letter from IEG Consultants Ltd. (IEG) on behalf of Shell Canada Energy (Shell), dated March 4, 2011 Environment and Natural Resources (ENR) would like to clarify its role in the registration of the proposed containment cell in Inuvik with respect to the above referenced project.

ENR wishes to make clear that it is not a regulator of activities as described by Shell in its application to the Environmental Impact Screening Committee (EISC), or Indian and Northern Affairs Canada (INAC) for a Land Use Permit (LUP), or the Northwest Territories Water Board (NWTWB) for a Water Licence (WL). Any deposit of waste must be licenced by the appropriate Land and/or Water Board.

ENR tracks the movement of hazardous waste from registered generators, carriers, to receiving facilities. Based on the information provided, ENR considers the contaminated soil from the Unipkat I-22 sump remediation a hazardous waste. Based on recent information provided by IEG in the letter the proposed containment cell does not require registration with ENR according to the *Guideline for the General Management of Hazardous Waste*<sup>1</sup>, unless time, nature and volume requirements are otherwise triggered.

For further clarification, on Feb. 24, 2011 ENR sent a letter to Shell providing advice and recommended detailed criteria cited from other jurisdictions that is typically required for the registration and Licencing of such proposed treatment and/or storage facilities. This information was provided as advice on the understanding that the deposit of waste in the containment cell would require a Water Licence by the Board(s).

It is ENR's understanding, by virtue of the *NWT Waters Act* and *Regulations*, that it is the jurisdiction of the regional Land and Water Board(s) to determine under which terms and conditions a Water Licence would be issued. This is of course following the submission of an application for a Water Licence to the Board(s), and sufficient information (as determined by the Board(s) and/or requested by reviewers of the application(s)) is supplied to make a decision on the application.

To date ENR has not seen information that demonstrates an appropriate facility is in Inuvik to accommodate the complex waste streams originating from such historical drilling waste sumps and associated undertakings. Hence, ENR recommends that until such time that it is demonstrated that an appropriate facility is designed, constructed, and operated and licenced in the Northwest Territories, that all contaminated wastes in question stemming from this remediation project, should be transported to an appropriately facility that is capable of accommodating such wastes. At this time, such facilities are known to exist in British Columbia and/or Alberta.

ENR notes the NWT Waters Act and Regulations state:

- "(g) where the undertaking involves the handling or storage of petroleum products or hazardous materials,
- (i) a plan for the safe handling, storage and disposal thereof, and
- (ii) a contingency plan for their containment and for the clean-up thereof in the event of a spill;  $\dots$ <sup>2</sup>

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<sup>&</sup>lt;sup>1</sup> GNWT February 1998, Guideline for the General Management of Hazardous Waste. Also available online at: <a href="http://www.enr.gov.nt.ca/">http://www.enr.gov.nt.ca/</a> live/documents/content/General management.pdf

<sup>&</sup>lt;sup>2</sup> Page 4, Section 6 Applications for Licences, item (2) (g). Northwest Territories Waters Regulations (SOR/93-303)

ENR recommends that compliance with this section of the *NWT Waters Act* and *Regulations* would facilitate appropriate handling and storage requirements for the wastes in question until such time as they are transported to an appropriate receiving facility.

Sincerely,

Harvey Gaukel

Manager, Environmental Protection

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