

## **Northwest Territories Water Board Reasons for Decision**

Issued pursuant to section 26 of the  
*Northwest Territories Waters Act, S.C. 1992 C.39*

Water Licence Number: N7L1-1831 (Type B)

This is the decision of the Northwest Territories Water Board (Board) for the issuance of Water Licence N7L1-1831. The project is located at latitude Latitude 69°11'36.07" North and Longitude 135°20'33.88" West in the Northwest Territories.

The Northwest Territories Water Board issued Licence N7L1-1831 in accordance with Section 14 of the *Northwest Territories Waters Act*.

### **Background:**

Shell Canada Ltd applied to the Board on December 2<sup>nd</sup>, 2010 for a Water Licence associated with a program to remediate a legacy drilling waste disposal sump and impacted shoreline at the Unipkat I-22 well site in the Mackenzie Delta. The Board deemed the application complete during a teleconference Board meeting held on February 22, 2011.

### Canadian Environmental Assessment Act (CEAA)

The Board participated in the subsequent *Canadian Environmental Assessment Act's* (CEAA) screening process as a Regulatory Authority. Indian and Northern Affairs Canada (INAC) acted as the Federal Environmental Assessment Coordinator (FEAC) through its North Mackenzie District Office (NMDO). In a January 27<sup>th</sup>, 2011 letter to review agencies (Department of Fisheries and Ocean Canada (DFO), INAC-Water Resource Division (INAC-WRD), INAC-North Mackenzie District Office (INAC-NMDO), Environment Canada (EC) and Government of Northwest Territories-Environment and Natural Resources (ENR)) the Board requested comments concerning the application and its potential impacts to Inuvialuit Settlement Region (ISR) Water be submitted to the FEAC by February 11<sup>th</sup>, 2011. This information was provided to the Board by the FEAC on February 10<sup>th</sup>, 2011.

The Board and DFO signed-off on the CEAA Screening Report on February 23, 2011 and INAC signed-off on February 22, 2011.

### Environmental Impact Screening Committee (EISC)

On January 24<sup>th</sup>, 2011 the Board received an official notification of an Environmental Impact Screening Committee (EISC) action. The committee received recommendations and additional mitigation measures on the proposed Unipkat I-22 sump remediation project from DFO, EC, ENR, the Government of Northwest Territories-Department of Transportation (DOT), the Aklavik Hunters and Trappers Committee (AHTC), and the Fisheries Joint Management Committee (FJMC). The EISC supports these recommendations and additional mitigation measures.

During a meeting held January 26-28, 2011 the EISC screened the above noted project description to determine if the proposed development could have significant negative environmental impacts. Based on the information provided the EISC concluded that the development, if authorized subject to the environmental terms and conditions recommended by the EISC, will have no significant negative impact on the environment or on Inuvialuit wildlife harvesting in the Inuvialuit Settlement Region (ISR) [IFA Section 11(17)b]. A letter was sent to the applicant on January 31<sup>st</sup>, 2011 regarding the EISC decision on the proposed Unipkat I-22 project. The EISC understands that the project scope has been amended to use frozen river bar sediments. If approved, frozen river bar sediments will be used as a source of backfill, thus having sufficient volumes of suitable backfill material to avoid leaving depressions and resultant ponds. The EISC understands that, without the approval of use of the river bar sediments, the project will not proceed.

#### Notice of Application

In accordance with rule 38 of the Board Rules of Procedure, the Board advertised, on February 28, 2011, the application for a Water Licence regarding the Unipkat I-22 project in the News North and in various locations in the Town of Inuvik. Notices were also provided to the Hamlet office and Community Corporation office in Aklavik. The notice of application was advertised in English and in Inuvialuktun.

#### Reviewers' Comments

The Board sent the draft Licence for review to the following agencies: INAC-NMDO, INAC-WRD, EC, DFO and ENR. The Board received written comments from INAC (March 7, 2011), EC (March 4, 2011), DFO (March 4, 2011) and ENR (March 7, 2011). The draft Licence was submitted to the applicant on March 11, 2011 and received their comments on the same day.

The Board considered all submitted comments at a Board meeting held via teleconference on March 11, 2011. The Board amended the draft Water Licence and determined Water Licence N7L1-1831 as amended could be approved by the Chairperson.

#### **Requirements of the Northwest Territories Waters Act:**

Shell Canada Ltd has provided the Board with its Schedule 3 application and supporting information for its consideration as required by section 16 of the *Northwest Territories Waters Act*.

The Board is in accordance with Paragraph 14(4)(a) of the *Northwest Territories Waters Act* by ensuring that the granting of the Water Licence to Shell Canada Ltd will not adversely affect, in a significant way, any existing Licensee, providing the conditions of Water Licence N7L1-1831 are met. There are no other applicants with precedence.

The Board does not believe that any users nor persons listed in Paragraph 14(4)(b) of the *Northwest Territories Waters Act* will be adversely affected by the use of Waters or

the deposit of waste proposed by the Licensee provided that the Licensee operates in accordance with the terms and conditions of Water Licence N7L1-1831.

The Board is of the view that compliance with Water Licence N7L1-1831 terms and conditions will ensure that the waste will be treated and deposited in a manner that will maintain Water quality in the area and will be consistent with applicable Water quality standards in accordance with Sub-Paragraph 14(4)(c) (i) of the *Northwest Territories Waters Act*.

The Board drafted the terms and conditions of Water Licence N7L1-1831 in accordance with Section 15 of the *Northwest Territories Waters Act*.

In Accordance with Sub-Section 17(1) of the *Northwest Territories Waters Act*, the Board requested that a security deposit in the amount of one hundred and sixty-five thousand dollars (\$165,000.00) be submitted to the Receiver General for Canada.

**Decision to issue Water Licence N7L1-1831:**

The Board has reviewed Unipkat I-22 Project Application and draft Water Licence N7L1-1831 for issuance. Upon consideration of the facts and circumstances, the purpose, scope and intent of the *Northwest Territories Waters Act*, the Board has determined that it can issue Water Licence N7L1-1831.

For the above reasons the Board has determined to issue Water Licence N7L1-1831 in accordance with Sub-Section 14(1) and Sub-Paragraph 14(6)(b)(i) of the *Northwest Territories Waters Act* for the use of water, alteration of Arvoknar Channel and the deposit of wastes.

**SIGNED** this 16 day of March, 2011 on behalf of the Northwest Territories Water Board.



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**Eddie Dillon**

**Chairperson, Northwest Territories Water Board**