

MEMORANDUM OF UNDERSTANDING

Between
The Mackenzie Valley Environmental Impact Review Board
and
The National Energy Board

September 2005

THIS AGREEMENT ENTERED INTO THIS 23rd DAY OF September 2005.

BETWEEN:

THE MACKENZIE VALLEY ENVIRONMENTAL IMPACT REVIEW BOARD

(Hereinafter "MVEIRB")

and

THE NATIONAL ENERGY BOARD

(Hereinafter the "NEB")

(Hereinafter collectively referred to as "the Parties")

PREAMBLE

WHEREAS the Parties wish to establish a cooperative framework within which each Party can exercise its respective jurisdiction over environmental impact assessment;

AND WHEREAS the Parties acknowledge that the *Mackenzie Valley Resource Management Act* establishes a system of environmental impact assessment based on the Gwich'in Comprehensive Land Claim Agreement and the Sahtu Dene and Métis Comprehensive Land Claim Agreement;

AND WHEREAS the Parties agree that the *Canadian Environmental Assessment Act* no longer applies in the Mackenzie Valley except in the limited circumstance outlined in the *Mackenzie Valley Resource Management Act*;

AND WHEREAS the Parties recognize the important requirements in the scope of environmental impact assessment in the Mackenzie Valley resulting from the *Mackenzie Valley Resource Management Act*, in particular as they relate to socio-economic impact assessment;

AND WHEREAS The MVEIRB is established as the main instrument for environmental assessment and environmental impact review in the Mackenzie Valley and has the authority and responsibility to coordinate its environmental impact assessment activities with those of other parties;

AND WHEREAS the NEB has responsibilities under the *Canadian Environmental Assessment Act* and the *National Energy Board Act* and the *Canada Oil and Gas Operations Act* for environmental impact assessment in areas outside the Mackenzie Valley, and may also be jointly responsible for environmental impact reviews of projects under NEB jurisdiction in the Mackenzie Valley;

AND WHEREAS the NEB has responsibilities under the *Mackenzie Valley Resource Management Act* as the Designated Regulatory Authority;

AND WHEREAS the Parties recognize and respect each other's jurisdiction, including their respective responsibilities for environmental impact assessment;

AND WHEREAS the Parties are committed to the exercise of their environmental impact assessment duties and powers in a coordinated and cooperative manner;

AND WHEREAS the Parties believe that the objectives of their respective environmental impact assessment processes are consistent in principle and intent;

AND WHEREAS the Parties have agreed that in keeping with the *Mackenzie Valley Resource Management Act*, cooperative environmental impact assessment processes will be undertaken to minimize duplication of effort, provide for timely review of development proposals and to increase certainty for projects subject to environmental impact assessment in the Mackenzie Valley.

NOW THEREFORE THE PARTIES HAVE AGREED:

1. PURPOSE

1.1 This Agreement is intended:

- (a) to encourage and assist the Parties, when necessary, to cooperatively exercise their respective environmental impact assessment duties and powers;

- (b) to foster coordination and communication in order to enable the Parties to effectively discharge their respective environmental impact assessment responsibilities;
- (c) to create a framework within which the Parties may negotiate specific agreements with respect to the environmental impact review of projects in the Mackenzie Valley; and
- (d) to contribute to the timely and effective environmental impact assessment of projects subject to NEB regulatory jurisdiction in the Mackenzie Valley.

2. SCOPE

- 2.1 This Agreement is intended to establish a general cooperative framework between the Parties.
- 2.2 This Agreement does not create any new legal powers or duties, nor does it alter in any way the powers and duties established by the *Mackenzie Valley Resource Management Act*, the *Canadian Environmental Assessment Act*, the *National Energy Board Act*, the *Canada Oil and Gas Operations Act* or any of the regulations established pursuant to those Acts.
- 2.3 This Agreement is not intended to prevent either Party from entering into such other agreements as may contribute to the effective and efficient discharge of their respective environmental impact assessment duties.
- 2.4 This Agreement may be expanded upon consent of the Parties to include additional parties where the inclusion of new parties is consistent with the purpose of this Agreement.

3. PRINCIPLES FOR COOPERATION

- 3.1 In order to achieve the purposes of this Agreement, the Parties agree to adhere to the following principles:
 - (a) Notification - timely notice of any matter relevant to this Agreement and any future agreements will be an essential element of the cooperative framework established between the Parties;
 - (b) Information Sharing - while respecting the requirements of legislation respecting privacy and the rules preventing the disclosure of confidential information, the Parties agree to early, open and complete sharing of information relevant to their environmental impact assessment duties;
 - (c) Consultation - the cooperative framework established by this Agreement will be enhanced by early consultation and discussion of matters of mutual interest;
 - (d) Identification of Cooperative Opportunities- the Parties expect to identify other opportunities for cooperation over the term of this Agreement and will explore such opportunities as they arise.

4. RELATIONSHIP BETWEEN THE BOARDS

4.1 The Boards or some members thereof may meet from time to time at the discretion of the Chairs in order to discuss matters of mutual interest and to further the purposes of this Agreement.

4.2 Where consistent with the purposes of this Agreement, and not inconsistent with their respective legal obligations, the Parties may share perspectives on issues of mutual interest.

4.3 The NEB may, to the extent provided by law, assist the MVEIRB by sharing its experience as a regulatory tribunal and by sharing technical information such as the results of research on condition tracking, and the effectiveness of environmental conditions and by other appropriate mechanisms.

4.4 The MVEIRB may, to the extent provided by law, assist the NEB by sharing its experience with environmental impact assessment in the Mackenzie Valley, its lessons learned from environmental assessments and its expertise with regard to northern communities and the environment.

The Parties will explore opportunities for capacity building among respective staffs with respect to the environmental impact assessment of northern oil and gas operations, including where feasible, such actions as secondments, and attendance at technical conferences.

4.5 The Parties will seek opportunities to cooperate in enhancing the public awareness of the oil and gas regulatory process.

5. PROJECT SPECIFIC AGREEMENTS

5.1 The Parties agree to negotiate project specific agreements for environmental assessments and environmental impact reviews (panels) of projects within NEB jurisdiction, where appropriate.

5.2 Any project specific agreement negotiated between the Parties shall be consistent with the purpose and principles outlined herein.

5.3 Project specific agreements shall, to the extent possible, attempt to minimize duplication and result in timely and efficient environmental impact assessment efforts between the Parties.

6. DISPUTE RESOLUTION

6.1 The Parties agree that the development of a process for non-binding dispute resolution which could be used to resolve any differences arising between the Parties would enhance the cooperative framework established by this Agreement.

6.2 The Parties will make best efforts to negotiate such a process after the coming in to force of this Agreement.

6.3 Once agreement is achieved on a dispute resolution process, this Agreement will be amended to incorporate that process.

7. TERM AND AMENDMENT

7.1 This Agreement will remain in effect until terminated by notice in writing by one of the Parties or by mutual agreement.

7.2 This Agreement may only be amended in writing by mutual consent of the Parties.

8. NOTICES

8.1 Notice under this Agreement may be given in writing:

For the MVEIRB to:

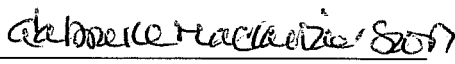
Executive Director
Mackenzie Valley Environmental Impact Review Board
Box 938
Yellowknife, NT X1A 2N7
(867) 766-7055 (ph)
(867) 766-7074 (fax)

For the NEB to:

Secretary
National Energy Board
444 Seventh Ave. SW
Calgary, AB T2P 0X8
(403) 299-2714 (ph)
(403) 299-3372. (fax)

9. SIGNATURES

FOR THE MACKENZIE VALLEY IMPACT REVIEW BOARD:

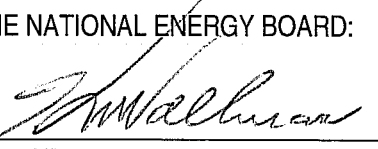


Chair, MVEIRB

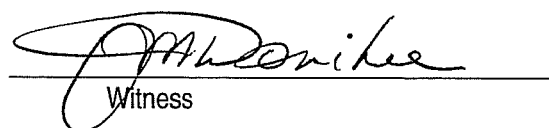


Witness

FOR THE NATIONAL ENERGY BOARD:



Chairman, NEB



Witness