Energy, Mines & Resources



Operational Plan

N O V E M B E R 2 0 0 5



Our Mission:

To manage and support the development of our natural resource wealth in partnership with Yukon people and industry.

Our strategic plan describes who we are, our mandate and our planned activities for 2005 and 2006 and identifies some of our achievements from 2004-05. It sets out how we plan to support the government's priorities to build the Economy, Partnerships and Healthy communities.

Our initiatives contribute to a better quality of life for Yukoners by:

- Responsibly managing Yukon's natural resources and ensuring integrated resource and land use;
- Promoting investment in and responsible development of Yukon's mineral, energy, forestry, agriculture and land resources;
- Providing strategic leadership for natural resource policy and planning;
- Continuing to integrate and implement the transition of the Department of Indian Affairs and Northern Development's (DIAND's) resource management programs pursuant to the Devolution Transfer Agreement (DTA); and
- Supporting and facilitating the implementation of the *Yukon Environmental Socio-economic Assessment Act (YESAA.)*

EMR Vision, Mission & Values Statement

Our Mandate: To responsibly manage and support the sustainable development of Yukon's energy and natural resources. In carrying out our mandate Energy, Mines and Resources (EMR) is guided by our Vision, Mission and Values.

Our Vision: A healthy and sustainable resource sector for a prosperous and competitive Yukon economy.

Our Mission: To manage and support the development of our natural resource wealth in partnership with Yukon people and industry.

Our Values: The following values define the department's management style and set goals and objectives for all staff members.

Professionalism: We are committed to achieving high standards of client service and making responsible decisions.

Integrity: Our actions match our words; we promote a culture of trust, respect, fairness and accountability.

Enterprise: We embrace teamwork, innovation, creativity and problem solving to achieve our goals and those of our clients.

People: We show respect for one another and our clients by communicating openly and honestly and putting people first.

Community Minded: We encourage giving back to our communities and balancing our professional and personal lives.



Energy, Mines and Resources is structured to support and manage Yukon's resource sectors. The department has divisions and branches reporting to the deputy minister, including:

- An Energy and Corporate Policy and Planning Division with Energy, Land-use Planning, Land Claims Implementation units, and Resource Policy and Planning;
- Client Services and Inspections branch with district offices;
- Corporate Services division with EMR's Resource Library, Information Systems and Financial Operations;
- Human Resources and Communications branches;
- a Sustainable Resources Division with Lands, Forestry and Agriculture branches;
 and
- An Oil and Gas and Mineral Resources Division with an Assessment and Abandoned Mines Unit; Oil and Gas Development & Pipeline, Mineral Resources and Oil and Gas Management branches and the Yukon Geological Survey.

Our operational plan focuses on achieving the following goals:

- Strengthening Yukon's resource economy.
- Ensuring Yukon's regulatory regime is clear, competitive and provides certainty.
- Facilitating major mine permitting.
- Involving First Nations in Yukon's resource economy.
- Engaging in planned land development and regional land use planning processes.
- Providing client-focused service.
- Working on energy related initiatives.
- Working closely with other government departments on corporate objectives such as Integrated Resource Management (IRM), Development Assessment Process (DAP) implementation, mine project facilitation and capacity building.



CLAIMS INSPECTION NEAR WOLVERINE LAKE BY CLIENT SERVICES AND INSPECTIONS

Energy, Mines and Resources' priorities, with examples of strategies and initiatives from our Operational Plan

Goal: Strengthen Yukon's resource economy

Progress Areas

- Secured federal funding for work/ activities at Type II abandoned mine sites; advanced the sale of United Keno Hill Mine (UKHM); established objectives for closing the Faro Mine site and established community offices in Ross River and Pelly Crossing.
- Issued two oil and gas drilling licenses to Devon Canada (Kotaneelee and Eagle Plains).
- Held an Introduction to the Petroleum Industry course for regulators including government employees, First Nations and members of the Yukon Socio-Economic Assessment Board.
- Hosted a two-day workshop on Stewardship and Best Management Practices to guide oil and gas development activities.
- Jointly conducted, with Canada Geological Survey, a Seismic survey of the Whitehorse Trough to learn more about the geology and the oil and gas potential.
- Introduced new programs for industry under the Agriculture Policy Framework (APF).

- Timber salvage assessments were carried out on fire areas in Watson Lake, Dawson City and the Braeburn area. Timber salvage potential was identified in both the Watson Lake and Dawson City areas.
- Completed environmental assessment (EA) for the second and third years of the Southeast Yukon Interim Wood Supply Development Plan.
- Developed an Interim Wood Supply
 Development Plan in partnership
 with the Kaska Forest Resource
 Stewardship Council (KFRSC). The
 KFRSC recommended a three-year
 plan totalling 290,000m³ of identified
 harvest opportunity.
- Developed an information campaign targeting mushroom pickers and buyers to encourage no-trace camping, proper waste disposal techniques, campfire safety, and environmentally safe harvesting practices.
- Supported Organic Growers and the Yukon Agriculture Association to set up the new Fireweed Farmers' Market in Whitehorse.

- Make wood available and salvage burned and beetle killed timber.
- Implement, in partnership with Champagne-Aishihik First Nations, the approved Forest Management plan for the area.
- Continue work to support development of forest management plans, as per Chapter 17 of the First Nation Final Agreements, with emphasis on the Teslin Forest Management plan.
- Facilitate new mine projects.
- Establish Faro Mine closure planning office in Whitehorse; finalize and evaluate closure alternatives and develop closure plan for Faro mine site.
- Advance closure planning at BYG.
- Finalize sale of UKHM mine site and its return to private ownership.
- Provide employment and business opportunities for Yukoners through contracts and contribution agreements for care and maintenance activities and closure planning related work.
- Work with the Agriculture Industry to assess the feasibility of establishing a mobile slaughter facility in southern Yukon.
- Issue oil and gas dispositions.
- Develop Best Management Practices to help guide oil and gas activity.
- Prepare for the Alaska Highway (AHP) and the Mackenzie Valley (MVP) pipelines by:
 - Developing and implementing a pipeline strategy for both projects;
 - Preparing for Yukon's intervention in the National Energy Board hearing process on the Mackenzie Valley Gas project to ensure access for Yukon natural gas;
 - Continuing to meet with the federal regulatory group, Yukon First Nations, producers and other stakeholders; and
 - Working with producers to develop business, job and training opportunities in anticipation of the AHP project moving into the field engineering and environmental studies phases.



THE YUKON GRAIN FARM OPERATED BY STEVE AND BONNIE MACKENZIE-GRIEVE

Goal: Strengthen Yukon's resource economy

2006 Strategies, continued

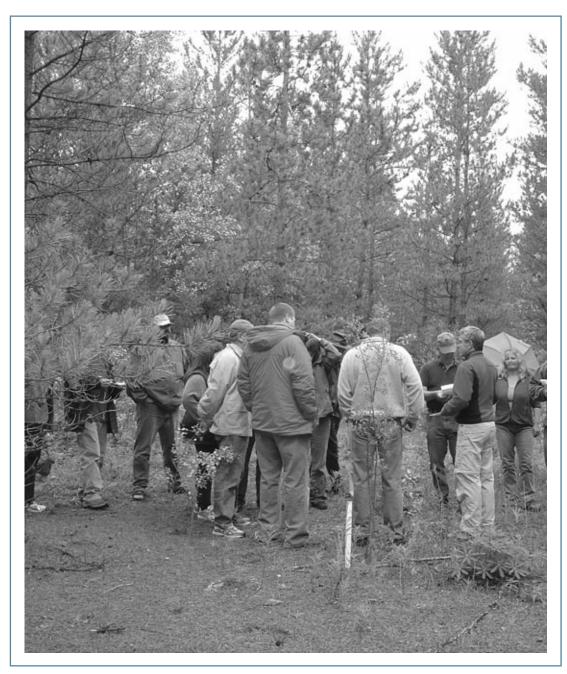
- In conjunction with the Executive Council Office (ECO), monitor Beaufort Sea discussions and initiatives to ensure Yukon interests are protected.
- Implement Oil and Gas Sub-Agreement with the Government of Northwest Territories (GNWT) to: support Yukon's access to the MVP; and provide reciprocal access to employment and business opportunities stemming from oil and gas exploration and development in the north.
- Develop a web site for all resource management departments and industry.
- Enhance the geoscience data base.
- Expand our resource information inventories such as the Yukon Geological Survey's digital database. Complete an online mapping system and provide geographic data on the internet.
- Continue to enhance information on our external web site.
- Improve capacity/ability to use and distribute digital information.

Goal: Ensure the Yukon's regulatory regime is clear, competitive & provides certainty

Progress Areas

- Developed and implemented an integrated approach to major mines permitting.
- Initiated work to streamline the oil and gas disposition process.
- In partnership with the Yukon
 Chamber of Mines, established a
 Mineral Rights Task Force to find ways
 to improve administrative processes
 when issuing mineral rights.
- In collaboration with the federal department of Fisheries and Oceans (DFO) and the Council of Yukon First Nations (CYFN) developed a new framework to regulate placer mining.
- Initiated the work to develop an integrated resource management approach across Yukon government.
- Led the work, in partnership with CYFN, to revise the Mining Land Use Regulations to make them compatible with the new YESAA legislation.

- Complete legislative drafting and tabling of new forestry legislation.
- Complete, approve and implement the revised Mining Land Use Regulations to adhere to YESAA timelines.
- Implement integrated land application review processes including drafting and implementing a Big Game Outfitting Land Application policy and drafting for approval placer occupancy and commercial wilderness land application policies.
- Carry out intensive stream and water quality sampling in support of the development of the proposed 19 new watershed authorities in the new Yukon Placer Regime.
- Conduct an estimated 2,500 field inspections.
- Continue to monitor water quality in relation to the placer mining industry by taking and analyzing, in the lab, approximately 800 water samples.
- Complete the Client Services and Inspections Branch Enforcement policy.
- Develop resource management policies to:
 - Manage the effects of climate change, such as the Spruce Beetle infestation and permafrost degradation affecting Type II mine sites;
 - Implement a revised Agriculture Policy;
 - Draft, for approval, a Mine Reclamation and Closure Policy for new mines;
 - Implement a Yukon government Climate Change Strategy and sign a Memorandum of Understanding on Climate Change with Canada;



GUNNAR NILSSON AND MICKEY LAMMERS RESEARCH FOREST LODGEPOLE PINE PROVENANCE TRIAL

Goal: Ensure the Yukon's regulatory regime is clear, competitive & provides certainty

2006 Strategies continued

- Implement an integrated approach to major mine permitting;
- Streamline the oil and gas disposition process;
- Identify ways to address gaps in policy and administrative practices, such as linkages between water and quartz mining licenses;
- Evaluate options for implementing map selection (minerals);
- Support Yukon Mineral Advisory Board (YMAB) activities;
- Continue to work with First Nations and DFO to establish a Secretariat and implement the new placer regime; and
- Harmonize quarry and land use regulations by adopting one regulation and fee structure for all commercial operators.

Continue to develop Yukon's oil & gas administrative regime by:

- Identifying amendments to the Yukon Oil and Gas Act;
- Developing the regulatory regime for pipelines;
- Developing emergency preparedness and response procedures;
- Developing and implementing Yukon's Oil and Gas Information (YOGI) management system;
- · Streamlining oil and gas rights disposition process; and
- Conducting a fifth rights disposition.

Goal: Facilitate major mine permitting

Progress Areas

- Established a Deputy Ministers' Oversight Committee, chaired by EMR, to oversee permitting of major mine projects. Projects currently within this process include Wolverine, Carmacks Copper, Minto, Division Mountain and Red Mountain.
- Developed and implemented a major mine permitting process.

- Help ensure timely and effective permitting and regulatory follow up is provided to major mine projects.
- Under the IRM initiative, assign project co-ordinators to assist major mine project proponents through government processes.
- Continue to provide business and employment opportunities for Yukon businesses and communities.

Goal: Work with First Nations to involve them in Yukon's resource economy

Progress Areas

- Established a partnership with Kaska, Selkirk First Nation and Canada and set up First Nation community offices in Ross River and Pelly Crossing for participation in closure planning work for the Faro mine site.
- Provided opportunities for Little Salmon Carmacks First Nation participation in closure planning work at BYG Mt. Nansen.
- Negotiated a contribution agreement with the Champagne and Aishihik
 First Nations for a pilot project designed to recruit and place unemployed Yukon workers in the oil and gas industry.
- Provided financial support to the Aboriginal Pipeline Coalition (APC).
- Successfully negotiated with mining companies training and economic opportunities for Kaska members.
- Established a Successor Resource
 Legislation working group that includes
 Council of Yukon First Nations,
 Kwanlin Dun and Kaska to develop
 Yukon's new forest legislation.

- Ensured obligations and responsibility under Chapter 11 of the UFA planning were met.
- Worked with First Nation governments and local Renewable Resource Councils (RRC) to begin development of forest management and harvest plans.
- Worked with the Teslin Tlingit Council (TTC) and the Renewable Resource Council to develop the Teslin Forest Management Plan.
- Yukon government and Champagne and Aishihik First Nations (CAFN) approved the Champagne and Aishihik Forest Management Plan.
- Established working groups to implement the CAFN Strategic Forest Management Plan. Implementation work began and included fuel abatement, timber harvesting, and an approach to the spruce bark beetle infestation.

Goal: Work with First Nations to involve them in Yukon's resource economy

- Increase First Nation participation in oil and gas, forestry and mineral development by supporting training and First Nation capacity development.
- Support efforts of First Nations along the proposed pipeline route to undertake a high level analysis of environmental, socio-economic and revenue sharing issues.
- Continue to support the Alaska Highway Aboriginal Pipeline Coalition (APC), or a similar organization, in efforts to leverage federal funding.
- Continue to work with CYFN, Kwanlin Dun and Kaska on developing new forest legislation through the recently established Successor Resource Legislation working group.
- Organize tours of mine/exploration sites that relate to current/proposed activities.
- Continue to support First Nation involvement in closure planning for abandoned mines. This work includes closure planning at BYG and Faro and at UKHM in conjunction with the new owner.
- Continue to provide business and employment opportunities for First Nation members in relation to care and maintenance activities at these mine sites.

Goal: Engage in planned land development & support & guide regional land use planning processes

Progress Areas

- Held lottery for lots in Whitehorse.
- Held July lottery for two agricultural lots in Whitehorse periphery.
- Planned for lottery of 14 agricultural lots in Haines Junction.
- Supported the establishment of the Peel Watershed Planning Commission.

- Continue to work with Community Services to increase access to agricultural, residential and commercial lands in Haines Junction, Teslin and Whitehorse.
- With Community Services, develop and release Rural Residential lots in the Whitehorse periphery in 2005/2006. (i.e., Hotsprings Road, Mayo Road, Grizzly Valley, Ibex Valley and Hamlet of Mount Lorne.)
- Continue to establish and enhance departmental land policies to reduce reliance on spot land applications.
- Help ensure that recommendations from the planning commissions are clear, balanced and the product of public, industry and other stakeholder input.
- Help prepare and forward for Yukon government review and approval the North Yukon Regional Land Use Plan.
- Conduct regional mineral and hydro carbon potential assessments and provide data to regional land use planning and Special Management areas (SMA) initiatives.
- Lead the development of Yukon government corporate perspectives and policies in regional land use planning.



HOME CONSTRUCTED IN THE WHITEHORSE AREA

Goal: Continue to work on providing client-focused service

Progress Areas

- Held workshops for EMR staff on Writing for the Professional and Customer Service.
- Provided training EMR staff to prepare for YESAA implementation.
- Developed an EMR orientation program to ensure new staff has the information required to provide excellent client service.
- Implemented an EMR employee recognition program to recognize team initiatives and projects.

- Foster a work environment where problem solving, creativity, teamwork, risk management and personal effort are valued.
- Provide regular outreach to our stakeholders, First Nations, industry and the
 public to increase their understanding and support of EMR programs, initiatives
 and services.
- Hold open houses/public information sessions in communities for oil and gas, pipeline, minerals and Type II mine sites.
- Conduct focus group testing to help evaluate our web site.
- Review and update EMR's Vision, Mission and Values.
- Provide training for Land-use offices at the Northern Latitude Conference.
- Begin succession planning and adopt the new job evaluation system.
- Participate in industry conferences and trade shows to promote Yukon's resource potential and Yukon's service sector.
- Survey lands clients to identify ways to improve service delivery and develop client service standards for the Lands branch.

Goal: Work on energy related initiatives

Progress Areas

- Extended the Rate Stabilization Fund to 2007.
- Worked on reaching an agreement with the federal government in support of the Kyoto Protocol.
- Developed a work plan to facilitate the move of the Energy Solutions Centre to EMR.
- Established a working group to plan for hosting the 2006 Energy and Mines Ministers' Conference in Whitehorse.

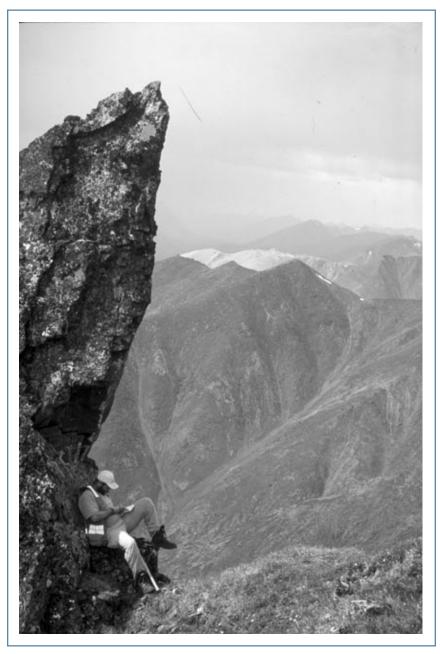
- Work with Yukon Development Corporation to establish the Energy Solutions Centre (ESC) as a unit within EMR.
- Review ESC's energy programs and public information.
- Develop options on governance and financial matters related to Yukon Development Corporation (YDC) and the Yukon Energy Corporation (YEC). This work will include developing a dividend policy.
- Complete and implement Yukon government's Climate Change Strategy.
- Begin work to draft a comprehensive Yukon Energy Strategy.

Goal: Work closely with other government departments on corporate objectives

Progress Areas

- Led the work to draft and approve an Integrated Resource Management (IRM) process for the Yukon government. This work included holding workshops and consultations throughout the Yukon government.
- Established an EMR working group to prepare for the implementation of the
- Yukon Environmental Socio Economic Assessment Act (YESAA) and worked closely with ECO on preparation.
- Met with industry stakeholders to discussion the transition and implementation of YESAA.

- Develop EMR's detailed plan for implementing *YESAA*, including visits to community offices.
- Develop and update information for EMR clients to relflect YESAA changes.
- Complete and implement an integrated approach to land and resource management as part of the IRM Strategy.
- As part of IRM, deliver client service workshops, review permitting regime, develop a GIS System to allow sharing of resource information across government departments.
- Implement mine project facilitation and capacity building.



GEOLOGIST AT THE IRONMAN COPPER-GOLD PROPERTY OF COPPER RIDGE EXPLORATION NORTH OF MAYO

Energy, Mines & Resources • Whitehorse Locations

Elijah Smith Building, 300 Main Street

- Deputy Minister's Office, room 240 (667-3855)
- ADM, Energy and Corporate Policy, room 235 (667-3187)
- ADM, Sustainable Resources, room 315 (667-3827)
- Agriculture Branch, room 320 (667-5838)
- Lands Branch, room 320 (667-5232)
- Client Services and Inspections Office, room 320 (667-3137)
 - Area Manager South, room 320 (667-8175)
 - Area Manager North, room 320 (667-3212)
- Communications, room 235 (667-3123)
- Corporate Policy and Land Claims Implementation (667-3187)
- Corporate Services, room 345 (667-3130)
- Human Resources, room 230 (667-3007)
- Yukon Geological Survey, room 102 (667-3201)
- Whitehorse Mining Lands Office, room 102 (667-3190)
- EMR Library, room 335 (667-3111)

Shoppers Plaza, 211 Main Street, 4th Floor

- ADM Oil and Gas and Mineral Resources (667-3011)
- Minerals Management Branch (667-8256)
- Energy and Resource Policy (667-5461)

918 Alaska Highway

- Forest Management (456-3802)
- Forest Operations (456-3852)
- Forest Planning and Development (456-3999)
- Client Services and Inspections, Whitehorse Office (456-3887)

Shoppers Plaza, 211 Main Street, 3rd Floor

- Oil and Gas Management Branch (667-3427)
- Oil and Gas Business Development and Pipeline Unit (393-7042)
- Financial Operations (667-3637)

2099 Second Avenue

• Yukon Geological Survey (667-8508)

419 Range Road

Assessment and Abandoned Mines Branch (393-7429)

Branch Offices in the Communities

Carmacks

 Client Services and Inspections, Sub-district Office, River Drive and Nansen Road (863-5271)

Dawson

- Mining Lands Office, 1242 Front Street (993-5343)
- Mining Inspection Office, 1242 Front Street (993-7300)
- Client Services and Inspections, 1242 Front Street (993-5468)

Haines Junction

Client Services and Inspections, km 246 Haines Road (634-2256)

Mayo

- Mining Lands Office, 6th Avenue and Centre Street (996-2256)
- Client Services and Inspections, Laurier Street and 6th Avenue (996-2343)
- Mining Inspections Office, 6th Avenue and Centre Street (996-2568)

Ross River

 Client Services and Inspections, Sub-district Office, across from Ross River Service Centre (969-2243)

Teslin

 Client Services and Inspections, Sub-district Office, km 1246 Alaska Highway (390-2531)

Watson Lake

- Mining Lands Office, km 1007 Alaska Highway (536-7366)
- Client Services and Inspections, km 1007 Alaska Highway (536-7335)

For more information, please phone 667-3130, fax 667-8601 or go to www.emr.gov.yk.ca • Toll free (in Yukon) 1-800-661-0408 ext. 3130

^{*}area code is 867 for all numbers

EMR AWARDS

The EMR Employee Recognition Program was developed and implemented in 2004/05. The EMR and Deputy Minister's Awards were given out in April 2005.



EMR AWARD: The EMR award is given out once a year, and recognizes individuals or teams that exhibit four of the five EMR values.

Minister Lang and DM Robertson present EMR Awards to the members of the **DEVON EAGLE PLAINS DRILLING TEAM:** Ron Sumanik, Marg White, Sharon Legoffe, John Masterson, Anne-Marie McColman and Rick Smith. Missing from the photo: Richard Corbet



THE EMR WELLNESS COMMITTEE Kathy Pritchard, Pat Hayden, Judi Wood, and Viviane Tessier. Missing from the photo: PJ Hombert-Jones and Judy Shannon



YUKON PLACER AUTHORIZATION TEAM Mark Nowosad, Don Toews and Robert Thomson. Missing from the photo: Karen Pelletier



FARO MINE CLOSURE PLANNING TEAM: Careen Kormos and Frank Patch. Missing from the photo: Marg Crombie and Hugh Copland





DM'S AWARD: The Deputy Minister's award is given out once a year to individuals and teams who exhibit all five of the values of EMR in their work.

CANADIAN COUNCIL OF FOREST MINISTERS PLANNING TEAM:

Deputy Minister presents DM Award to: Susan Skaalid, Carl Burgess, Sara Bergquist and Tara O'Donovan. Missing from photo: Lyle Dinn, Shirley Hill, Kirk Price, Bill Schmidt, Myles Thorp and Don White

INTERIM PIPELINE STRATEGY DEVELOPMENT TEAM: Deputy Minister presents DM Award to: Perry Diamond, Ron Sumanik, Pat Hayden and Rick Smith. Missing from photo: Brian Love





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PHOTO CREDITS
FRONT COVER BOTTOM RIGHT – DEREK CROWE PHOTO
PAGE 16 – CANADIAN CENTRE FOR ENERGY INFORMATION PHOTO
ALL OTHER PHOTOS GOVERNMENT OF YUKON