



# Community Government Leaders Conference: Preparing for the Pipeline

December 6-8<sup>th</sup>, 2004  
Midnight Sun Recreation Complex  
Inuvik, Northwest Territories



in partnership with the NWT Association of Communities

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## Minister's Message

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The Mackenzie Gas Project proposes to build a multi-billion dollar pipeline to connect new gas fields in the Mackenzie Delta to existing pipelines in the South. This is going to have a significant effect on communities in the Northwest Territories.

Before that pipeline can be built, it will be subject to a comprehensive environmental assessment, one that will address both the physical and the socio-economic effects of the Project. At the *Preparing for the Pipeline Conference*, representatives of more than 20 communities gathered to identify issues, share knowledge, and develop strategies as the review process moves forward.

I was pleased to be able to support and sponsor this Conference, and appreciate the assistance provided by Resources, Wildlife and Economic Development, the NWT Association of Communities, and the Department of Indian Affairs and Northern Development. The hospitality provided by the Town of Inuvik and a number of corporations is also appreciated.

This report outlines how community leaders will measure the key issues facing communities, how they can get ready for the review process, and how communities, governments, and the project proponent can work together to identify and minimize negative effects and maximize opportunities.

It became clear that these leaders believe that while the project proponent or the government might help to identify the potential effect on NWT communities, the communities and their residents who will be living with those impacts are the ones best able to determine the real local impacts. They are the ones who can develop workable strategies and solutions that will both mitigate any negative effects and provide the positive, sustainable benefits that projects like this should bring.

I share their belief, and will work with communities to advance the suggestions they raised at this Conference.

A handwritten signature in black ink, appearing to read 'Michael McLeod'. The signature is stylized with loops and flourishes.

Michael McLeod  
Minister of Municipal and Community Affairs

# Community Government Leaders Conference: Preparing for the Pipeline



## 1. Executive Summary

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“Our people know our communities.”

So said participants in the Community Government Leaders Conference: **Preparing for the Pipeline**, held in Inuvik, NWT from December 6-8, 2004. While the Conference was convened by the Department of Municipal and Community Affairs (MACA) of the Government of the Northwest Territories (GNWT), it was co-chaired and supported by people from outside government in order to ensure that the discussion and results were by and for community governments.

The Conference also received financial and planning support from the Department of Resources, Wildlife and Economic Development (RWED), the Northwest Territories Association of Communities (NWTAC), and the federal Department of Indian Affairs and Northern Development.

Political leaders and key staff from community governments throughout the Mackenzie Valley gathered to discuss the Mackenzie Gas Project (MGP) review process and two key objectives – to make sure communities know and use the regulatory process to ensure their interests are represented; and to begin identification of impacts and benefits on community government programs and services, so that adverse ones can be mitigated and positive ones maximized.

To do this, the Conference had three phases – providing information to community leaders, knowledge sharing among leaders, and the identification of issues and the strategies to address them.

Information was provided by the Project Proponent, the various regulatory bodies undertaking review, and two GNWT Departments with lead roles in supporting communities’ participation in the review. Key concerns raised in the first knowledge sharing session, and in a roundtable discussion of the information presented, included the need for more intervener funding, technical support, specific information on the project proposal at the community level, and the adequacy of the proponents’ plans for mitigation and monitoring. Worries were also raised about the potential for overuse and increased wear and tear on community infrastructure.

Communities with experience dealing with the impacts of resource development provided an outline of their experience and best practices. Common themes from these presentations were the need for comprehensive advance planning, and for open communication between communities, the proponent, and governments.

The Knowledge Sharing Sessions identified firstly, how communities might access and participate in the review process. A number of issues were identified, including the difficulty communities will have in doing this given the inadequacy of existing resources and the difficulty in identifying new funding sources.

Other issues included:

- communities need information to plan;
- communities have the power to regulate activities within community boundaries;
- communities need to make their concerns known;
- communities and other groups need to work together; and
- sharing best practices and information will be important.

Specific impacts were also raised, including impacts on roads, water and sewage systems and licenses, waste disposal, hazardous wastes, and access to granular supplies.

By the middle of the second day, it became clear to Conference participants that each community faces unique challenges and opportunities and that there would be no common opinion on the pipeline emerging from the Conference. Working together and sharing resources and effort will be key to success. It was recommended that everyone should be involved with this sharing, including the Project Proponent, government, aboriginal governments, and community governments.

Communities identified several areas where there might be opportunities for the MGP to work cooperatively with communities for the benefit of all. These included planning, up-grading or relocating transportation infrastructure, infrastructure projects generally, including water and waste, and granular materials. The potential for joint training and human resource management was also noted.

The final session discussed strategies for communities to work together, with other communities, with aboriginal governments, with the proponent, or with federal and territorial governments, and locally or regionally, or on specific issues. Next steps were also discussed. These generally fell into three phases, though the timelines proposed for the review and construction of the MGP mean all three will, to some extent, be happening at the same time.

These three phases are:

- Preparing for the Review Process;
- Participating in the Review Process and Hearings; and
- Preparing for and Dealing with Pipeline Construction Impacts.

Specific action items in each area were laid out and discussed. As well, Conference participants approved three resolutions, with direction to the Co-Chairs to pass them on to Canada, the GNWT, and the Project Proponent, for action.

One resolution called for improved access to intervener funding, and for governments and the proponent to make sure communities had the resources and information to properly assess the EIS and potential impacts. A second called on the GNWT, in partnership with Canada, the proponent and aboriginal governments, to host a similar conference to address social impacts. A final resolution asked MACA to prepare a package of bylaws that communities could adopt to regulate and manage development activities within their communities.



The Conference concluded with roundtable discussion with GNWT Ministers, the Conference Co-Chairs, and the Project Proponent. The Minister of MACA committed to bring the conference ideas to his colleagues in the GNWT, to continue to have MACA staff work closely with communities when requested, and to advance the idea of a conference on social impacts. The Minister of RWED committed to information sharing and working to include communities in reviewing social impacts. He cautioned communities that the GNWT also did not have the resources to effectively plan or make the necessary investments to mitigate and manage impacts, as government revenues from oil and gas development flow largely to Canada.

The Project Proponent committed to continuing to work with individual communities on identifying impacts and opportunities, and agreed to participate in more conferences like this one if invited.

MGP representatives acknowledged that there would be some adverse effects from the Project, and were committed to identifying them and to developing plans to mitigate and minimize them.

Community delegates to the Conference went home with several specific actions to undertake to prepare for each future phase of the process. These included:

- Presenting the Conference resolutions and findings to their Councils;
- Finishing the review of the EIS;
- Making application to intervene, if desired;
- Considering how to participate in the process, and how to work with others;
- Identifying potential impacts and mitigation measures;
- Undertaking a strategic analysis of issues and impacts; and
- Preparing a Community Profile, and using it to support negotiations with the Project Proponent on fee for service agreements and community impact agreements.

It was also suggested by some communities that that the NWTAC might play a coordinating role in assisting communities in the review process.

# Community Government Leaders Conference: **Preparing for the Pipeline**



## **2. Conference Report**

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“Our people know our communities.”

This phrase and others sharing the same sentiment were heard over and over again during public discussions, side meetings, and private conversations among community leaders and their staff attending the **Community Government Leaders Conference: Preparing for the Pipeline**, hosted by the Department of Municipal and Community Affairs from December 6 through 8, 2004, in Inuvik, Northwest Territories.

Delegates to the Conference were of the view that if their communities knew what the MGP proposed to do, when and where things would be happening in their communities, that community governments and residents would be able to assess impacts, to see if the impacts would be good or bad for the community, and whether and how communities could help out. They wanted to be able to develop strategies and make suggestions that would make things better for communities and for the project, and to prepare their communities for what might happen.

**Preparing for the Pipeline** brought Northwest Territories’ community government leaders together to help do just that – to discuss both the current state of affairs and the path ahead for the social and environmental assessment of the Mackenzie Gas Project. The MGP is a proposal to build a multi-billion dollar pipeline to connect gas fields in the delta of the Mackenzie River to existing pipelines at Norman Wells, NWT, and in Alberta.

The application to build this project, filed in late 2004 together with the related Environmental Impact Statement (EIS), have put into motion a complex review and approval process involving an array of regulatory agencies, collectively working as the Joint Review Panel (JRP), and the National Energy Board (NEB). Hearings to review the EIS and the application will be conducted by the JRP and NEB during 2005.

**Preparing for the Pipeline** had two key objectives – to make sure communities understand and use the regulatory process to ensure their interests are represented; and to begin identification of impacts and benefits so that adverse ones can be mitigated and positive ones maximized.

To do this, the Conference had three phases – providing information to community leaders about the pipeline and the regulatory process, knowledge sharing among leaders about past experience, issues already identified and work that has started, and the identification of key issues and the strategies to address them.

## 2.1 Conference Objectives

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During the months leading up to the filing of the application and EIS, many community governments had approached their elected representatives in the Government of the Northwest Territories, the Northwest Territories Association of Communities (NWTAC), and MACA with concerns about both their ability to participate in the up-coming regulatory review for the Project, and how communities could determine and prepare for local impacts. All saw the need to get together as the deadline for seeking intervener status in the review process approached, to discuss common approaches and strategies. The NWTAC and MACA agreed, and together with the Department of Resources, Wildlife and Economic Development (RWED), the GNWT department with overall responsibility for the GNWT response to the Project, began preparations for the Conference.

While the Conference was developed by MACA, NWTAC, and RWED, it was intended to provide the opportunity for exchange of information and ideas by community governments, their leaders, and staff. Consequently, while conference planning and logistics were undertaken by MACA, the conference itself was chaired by two people from outside government – Peter Clarkson, the Mayor of Inuvik, and Danny Yakeleya, a former mayor and business leader from Tulita. The Co-Chairs have had extensive experience working with resource development, the pipeline and oil and gas industry, and with community governments. As well, the Conference participants conducted their own discussions and developed their own recommendations through knowledge sharing exercises and discussions facilitated by non-government consultants and the co-chairs.

The Conference was aimed at leaders of communities that will experience direct impacts from the Mackenzie Gas Project. Leaders and their key staff from all NWT communities in the Mackenzie Valley Pipeline corridor, and from those other communities where logistics, support, and services will be drawn, were invited to Inuvik in early December.

More than 50 Mayors, Chiefs, and Councilors, Senior Administration Officers, Band Managers, and other key staff from more than 20 communities, together with government and Project staff acting as resource persons, gathered at the Midnight Sun Recreation Centre to tackle this ambitious agenda. Complete lists of registrants and presenters are attached as Appendices 4.1 and 4.2; the Conference Agenda is attached as Appendix 4.3.

During the Conference, work on the objectives focused on several areas of concern to community leaders at this stage in the process:

- a. The role of communities in the environmental assessment and regulatory review process;
- b. How communities might work together to ensure that the interests of NWT communities are well represented;
- c. Community impacts and potential benefits; and
- d. Tools and strategies to mitigate adverse impacts and maximize benefits specific to municipal infrastructure and services.

The objectives of the Conference were discussed in the introduction to the Conference, provided by the Honourable Michael McLeod, Minister of Municipal and Community Affairs. As well as setting out the issues that he had heard from many community leaders, and from his colleagues in the Legislative Assembly, Minister McLeod reiterated that it was the government's intent that all communities have the tools and resources necessary to address MGP issues of concern to the communities. The objectives were set out in detail in a Welcoming Note, attached to this Report as Appendix 4.4.



## 2.2 Providing Information

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On the first evening of the Conference, participants were provided with an overview of the Mackenzie Gas Project by Randy Ottenbreit, who represents the project operator, Imperial Oil Ventures Limited. He presented information on the application, what it covers, and how IOVL put it together. He was followed by Bruce Vincent, one of the key people working on the preparation of the Environmental Impact Statement. He addressed how the MGP put the EIS together, and how they considered the community interfaces of the project, such as water and other service needs. The full application and EIS can be obtained from any of the MGP offices throughout the NWT, or on-line from the public documents section of the Joint Review Process (JRP), and from a variety of other on-line sources. The Conference presentation is attached as Appendix 4.7.1.

Next on the agenda were presentations outlining how the regulatory agencies and bodies who will be conducting reviews of the application and the EIS are organized. Brian Chambers of the Northern Gas Project Secretariat outlined what the NGPS will be doing to help co-ordinate the various agencies and reviews, and to act as a clearinghouse for public documents generated by the process. The NGPS presentation is attached as Appendix 4.7.2.

The NGPS was followed by Bob Mahnic of the Joint Review Panel. Mahnic outlined how different pieces of legislation – the Inuvialuit Final Agreement, the Mackenzie Valley Resources Management Act, and the Canadian Environmental Assessment Act – affect different parts of the project. Since the IFA, MVRMA, and CEAA each play a role, and may overlap on some environmental and social impacts, co-ordination is important.

Mahnic told Conference participants that while the JRP was created to reduce the complexity of the review process, its main job is three-fold:

- To listen the environmental and socio-economic concerns and issues related to the Project;
- To determine how the Project could affect the land, environment, and lives of people in the Project area; and
- Based on the impacts identified, to make recommendations regarding their significance and measures to address them.

The JRP will examine natural and human environment impacts, as well as considering cumulative impacts. Mahnic concluded by outlining the various opportunities communities and others would have to intervene in the process, or to make representations to the JRP. These included community hearings, general hearings, and technical conferences. The details of these, and various deadlines and schedules, are covered in the JRP presentation, attached as Appendix 4.7.3. Intervener funding can be applied for to assist in participating in this process.



Information on the National Energy Board process, how it differs from the JRP process, and how the two overlap was also presented. Application forms for intervener status for both the JRP and NEB processes were circulated to participants, and the respective deadlines of December 17, 2004, and December 21, 2004 noted.

Many participants indicated that they had both applied for intervener status and for intervener funding. Later in the Conference, the announcement of intervener funding was circulated, with only one community approved for assistance. This matter was discussed and became the subject of Resolution 1, attached in Appendix 3.4.

On the second morning of the Conference, MACA presented information based on its review of the EIS. MACA's review focused on items of concern to local community governments, especially with respect to infrastructure.

Key areas examined by MACA were potential impacts on:

- water, sewer, and garbage services and infrastructure;
- local roads;
- local government employment;
- fire protection;
- granular resources; and
- recreation facilities.

A large number of potential impacts, both positive and negative, were identified, and further review undertaken to ascertain what detailed information was provided, and what more was required in order to complete an assessment of potential Project impacts. As well, what the EIS already said about these potential impacts, and the Project's plans to monitor, manage, and mitigate them was reviewed. MACA's presentation is attached as Appendix 4.7.5.

RWED then made a presentation describing how the GNWT was marshalling its resources to review and respond to the EIS and the application. Particular attention was paid to how bio-physical impacts will be addressed differently than socio-economic impacts, and how the role of a Socio-Economic Agreement between the Project Proponent and governments might be used to ensure particular items are monitored and mitigated. This presentation is included as Appendix 4.7.6.

A roundtable discussion then took place between delegates and the various presenters to clarify points made or issues raised. Questions were asked about:

- Proposed rules for camp life;
- Hazardous goods transportation and transportation generally;
- Fire and emergency plans;
- Impacts on ambulance and volunteer firefighter services;
- The specific activities and details at several planned sites; and
- Impacts on traditional activities.

The Project Proponent indicated with respect to these areas, that:

- Camps would be alcohol free;
- Plans were in place or being developed for hazardous or dangerous goods transport; and
- Assessments were being made of a variety of transportation issues.

Concerns were also raised with respect to what a Socio-Economic Agreement between the Proponent and the various affected bodies might contain, and how commitments made in an SEA or through the JRP process would be enforced.

The information sessions wrapped up with first hand accounts by people from four communities that have had practical experience with major resource development projects. Background was provided on how the four communities of Inuvik, Tuktoyaktuk, Fort Liard and Norman Wells dealt with the impacts. They told community leaders about their experiences, best practices, and things to be ready for.

**Inuvik:** The Mayor of Inuvik talked about the perils of “boom and bust” – about how their community essentially began as a boomtown, and then experienced busts and booms through the 70s, 80s, 90s, and was thus wary about the future. Peter Clarkson suggested some of the booms and busts were related to government policies, such as the National Energy Program (NEP) in the early 80’s that fostered rapid development (and a subsequent bust in its aftermath) or GNWT downsizing and reduced capital spending in the 90s. Others related to the settlement of land claims, such as the Inuvialuit Final Agreement and the Gwich’in Final Agreement, and the fits and starts of exploration related to the current project proposal. In summary, Mayor Clarkson believed that it had been very hard for their community, and that predicting and planning for development was extremely difficult. In the present case, Inuvik moved the position of Mayor to full time at the last election – in order to have someone to coordinate the response, attend the myriad meetings, and take the lead on pipeline readiness. The community is also discussing the need, and its ability, to secure a full-time employee who would be devoted to planning, infrastructure analysis, and costing.

**Tuktoyaktuk:** The Senior Administrative Officer from Tuktoyaktuk, Debbie Raddi, presented a more historical outlook, outlining some of the more tangible things that happened in her community during the boom of the late 70s – such as the provision of new infrastructure by industry, some of which is still in use. She also talked about other steps the project operators took to address community impacts – such as bringing in a temporary bank – and establishing a daycare and “Tuk Tech” – a training program providing community residents with six months of practical training in a variety of areas such as office skills, heavy equipment operation, and food services. Raddi also addressed several of the negative impacts experienced by the community. She noted that many community facilities had been overused and that controlling access to them had also been an issue – that it was difficult to “lock up” or “police” the use of the dump and sewage lagoons. She noted that today, with significant fines being levied against communities for sewage overflows, such overuse could be devastating both environmentally and financially. She also talked about the social impacts they had experienced, including drug and alcohol abuse, problems related to economic differences between family members, and what happened to all the young people who left school to work on the rigs. Raddi concluded with suggestions for both the Proponent – that they provide liaison staff between camps and communities and that project staff have orientation training prior to coming North – and to communities – that communities should make sure that all agreements from the Proponent to do or provide things should be in writing, and that the focus should be on the youth, especially as to education.



**Fort Liard:** This was followed by the SAO of Fort Liard, John McKee. He described what that community has been going through over the past ten years, as first exploration, then a pipeline, and now production, has occurred in their area. He outlined how the lack of assistance from project operators and attention and resources from government meant that Fort Liard was largely on its own through all this. McKee also told participants that the community had limited abilities to deal with some of the practical impacts – such as having to decide whether the potential liability for traffic accidents as truck traffic through town sky-rocketed outweighed the lack of money for new highway signage, or how its barge landing, in the centre of town, wasn't the right place to marshal all the goods and equipment, but that the Hamlet didn't have the resources to build a new marshalling yard, nor the ability to levy fees or tolls on trucks to pay for one. McKee suggested there are excellent opportunities for communities to work with their local and regional aboriginal development corporations to develop some of this needed infrastructure, and reported that a new truck yard was eventually built in Fort Liard by a local development corporation.

**Norman Wells:** The final presentation from “experienced” communities was to be an outline of the process that Norman Wells has put in place to manage pipeline impacts. However, last minute difficulties prevented delivery to participants. The presentation is attached as Appendix 4.7.7, and it discusses the history of the pipeline built in the 80s, the current situation in Norman Wells, and the Resource Development Impact Group established by the community in 2003.

The RDIG started out under the aegis of the local Chamber of Commerce, but has now moved to be a formal advisory body to the Municipal Council, with members from the Council, the general public, the Chamber, Canada and the GNWT, and the Ernie McDonald Land Corporation. The RDIG has a mandate to provide advice to the community government on all of the impacts that might occur, the preparatory work needed to determine what they might be and what needs to be done, up to and including recommending new or changed bylaws.

The Norman Wells presentation concludes by comparing what was done during its first pipeline phase and what is going on now. It addresses:

- Planning inadequacies then, that have been replaced by pro-active development of a new plan now, but are still hampered in many communities by inadequate resources for plan development;
- High and unpredictable demands for land – both residential and industrial, with some worries about speculation;
- Pressures on infrastructure which couldn't be dealt with by the capital planning process of the day, but which communities are today freer to deal with, even if under resourced;
- Over-taxing of community leaders, volunteers and staff, by project review requirements and the sheer volume of documents and meetings; and
- Information sharing, which is getting better now but still needs improvement.

## 2.3 Knowledge Sharing

The next phase of the Conference was designed to allow participants to work together with a diverse range of other participants in order to share knowledge and develop ideas. The three sessions were called “knowledge exchanges” and each focused on a different question. These were:

- What are the potential challenges and impacts to plan for today, with respect to municipal programs and services and community infrastructure?
- What are the opportunities to work with industry to maintain or develop community infrastructure?
- What should be the common processes for approaching industry: (a) amongst community governments themselves? and (b) between community governments and the GNWT/MACA?

Participants were organized so that people from different regions and with differing responsibilities were distributed throughout the working or discussion groups. Facilitators and rapporteurs were assigned to each table. After an initial period of discussion, participants moved to a series of other tables, before returning to their “home” table to compare notes and finalize their views for the plenary session at the end of each working session. The Summary Reports of each Knowledge Exchange Session are provided in Appendices 3.1, 3.2, and 3.3.



**Session One:** Key concepts and issues needing further discussion that were identified by community participants in the first knowledge exchange session included:

- the need for a community voice in the process;
- the difficulties presented by short timelines;
- the difference between traditional communities and regional centers and how that plays out in each of the other issue areas;
- new demands on the community governance system;
- the difference between present and future demands, and the need to plan accordingly;
- the adequacy and draw on municipal resources in general, and on the financial and human resources available to communities in particular; and
- the need for partnerships among and between all the different levels and industry.

Specific impacts raised by communities also included:

- potential community benefits;
- potential and increased liabilities;
- hazardous waste disposal plans, and the implications for community solid waste sites;
- local inflation generally, and on wages and housing costs in particular;
- transportation;
- safety; and

- impacts on community infrastructure, including:
  - roads;
  - land use;
  - water, sewer, and waste disposal systems; and
  - granular material.

As well, community participants shared concerns about several aspects of the EIS and the review process. These included:

- the need for adequate intervener funding so communities can effectively participate in the process;
- the absence of technical support to understand and act on the implications for their communities;
- the tight deadlines for communities to prepare for hearings;
- the need for more specific information on potential impacts in a number of areas;
- the need for more information on the cumulative impacts of development, including the impacts of exploration and development that were not addressed in the EIS; and
- the need for on-going monitoring of the impacts against a base case and industry commitments.

Following the first knowledge exchange session and the “best practices” presentations from the four communities who shared their direct experiences with the Conference, the Conference Co-Chairs called on Debbie DeLancey, the Deputy Minister of MACA, to present a roll-up of the tools, experiences, and best practices already discussed, and to discuss the possible options for moving forward.

DeLancey reinforced many of the comments already made by NWT communities at the Conference, and added insights drawn from the experience of municipalities in Alaska and Alberta. As to the range of potential impacts, she noted that the already long list should be considered from the perspective of cumulative impacts, and not just look at the impact of the MGP.

The presentation went on to address five key points:

- communities need information to plan;
- communities have the power to regulate activities within community boundaries;
- communities need to make their concerns known;
- communities and other groups need to work together; and
- sharing best practices and information will be important.

With respect to gathering the necessary information, DeLancey pointed to the Tool Kit already prepared by MACA and made available for use by communities. This kit was designed to set out the kinds of information communities would need, and the preparatory work they would need to do to answer the sorts of questions posed by resource development in their area. As well, a Community Profile, outlining what infrastructure a community has now and its capacity, as well as an outline of resource development impacts specific to the community, was thought to be useful tool. This process, as well as community surveys and mobilization projects, were already underway in several communities. MACA offered to have its staff assist communities that want to move forward with Community Profiles.

Also addressed were the various ways communities can regulate activities, such as passing bylaws, setting fees for services, and negotiating service agreements. The presentation concluded with an outline of several options for communities to co-operate with other communities, with First Nation groups, with industry, and to do so either on a single issue or as an on-going process. This presentation is attached as Appendix 4.7.8.

The Conference Co-Chairs introduced the second knowledge sharing session by summarizing their sense of the Conference so far. They suggested that it appeared Conference participants were of the view that:

- a. Communities know their own communities best;
- b. There is no common opinion, answer, or view on the pipeline emerging from the Conference, so each community can and should develop its own positions, issues, and solutions, based on its experience and place, and then be ready to represent them to the process;
- c. Nevertheless, even without common answers, there will be lots of common questions – so communities working together and sharing resources, ideas, information requests, methodologies, and options or solutions will be helpful and a time saver; and
- d. Everyone should be involved with this sharing, including the Project Proponent, government, aboriginal governments, and community governments.

All this was then used in next two knowledge-sharing sessions to develop strategies and resolutions for moving forward.

**Session Two:** The second knowledge sharing session asked participants to identify opportunities to work with industry to both maintain or develop community infrastructure. The Summary Report is attached as Appendix 3.2.

Participants in this session discussed a number of over-arching principles that they believed should inform all such opportunities. These included:



- the community as a whole should benefit;
- industry should expect to pay reasonable fees for the use of community services and infrastructure;
- planning should be comprehensive;
- combined planning will benefit both communities and industry;
- sharing resources – human and financial – will benefit both communities and industry; and
- matching dollar initiatives and small gifts are both unrealistic.

Participants went on to enumerate a long list of potential areas where some communities could work with industry to the benefit of both. These included:

- planning;
- up-grading or relocating transportation facilities, including:
  - roads and ice roads;
  - airstrips;
  - barge landings; and
  - marshaling yards;
- waste management facilities; and
- water and sewer facilities.

A variety of “legacy” projects were also discussed, with participants of the view that real opportunities exist for proper planning and discussion to result in communities receiving useful and sustainable infrastructure and equipment on the completion of project construction, at no cost or even with a potential savings to the Proponent. Potential areas discussed were gravel sources, water supplies, roads, and waste systems.

Recycling, the removal of existing wastes or improving current waste disposal methods, and environmental stewardship were common themes that came up at the discussion tables as well.

The potential for joint training and human resources planning for such key community jobs as water plant operator, volunteer firefighting, emergency services, and hazardous waste disposal was also discussed.

**Session Three:** The last knowledge sharing session, held on the third, final day of the Conference, examined whether and how communities could develop common processes amongst themselves and between them and government.

Discussions took two directions in this session – firstly, some participants wanted to discuss the specifics of co-operating – the “what” and “how” of the process. Others wanted to get into action items on specific issues. These latter items were put over to the final plenary, when a number of resolutions were forthcoming.

Discussion in Session Three lead participants to conclude that the objectives of collaboration need to be adopted by all – that even if there are differences of opinion, we all need to work together on issue identification and participation in the process so that all our views and issues are raised, considered, and dealt with by the Project Proponent. Participants also agreed, however, that collaboration can and should take place at different levels on different issues, that regional and territorial associations each have their own role to play, and that local collaborations between community governments and First Nations will also be very helpful. It was suggested that a regional cooperative effort such as the idea floated for a Deh Cho or South Slave solid waste facility could only advance with the full cooperation of a wide range of players.

Co-operation was also going to be key, given the widely varying levels of resources available to the various players, with little or none being the norm for most municipal governments.

A number of action steps were also discussed during this last session. These are enumerated in the following section. As noted, the Summaries of the three Knowledge Sharing Sessions are attached as Appendices 3.1, 3.2, and 3.3.



## 2.4 Issues and Strategies

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Conference participants moved rapidly from the last Knowledge Sharing Session to discuss making some of the action items into resolutions for the Conference Co-Chairs to advance to government and the Project Proponent, and for participants to take back to their communities. The full text of the resolutions is attached as Appendix 3.4.

The first resolution addressed the question of intervener funding and the inadequacy of existing community resources. Communities stated over and over again that in an environment where they were hard pressed to meet existing needs, adding new ones was a virtual impossibility. If reviewing the application over-burdens existing resources, determining and assessing impacts will also be problematic, and community participation in the process will be compromised.

The fact that only one NWT community had been approved for intervener funding was discussed, and universally decried by Conference Participants. Resolution One called on MACA to work with communities to ensure resources are there for impact assessment and development of mitigation measures, on Canada to provide funding for participation in the review process, and on the Project Proponent to ensure impacts are mitigated without additional cost to communities.

Participants agreed that comprehensive plans and agreements need to be developed, to ensure that Project impacts are mitigated and that costs are not borne by the communities.

Resolution Two dealt with the potential social impacts of the Project, in particular on housing costs and availability, as well as training and capacity building.

With respect to social impacts, participants called on the Social Program Departments of the GNWT to convene a meeting similar to this one. They wanted that conference to involve all community governments, and include aboriginal governments and relevant government departments such as Health, Justice, and Housing. The resolution also asked that Canada and the MGP support such a conference, in order that the MGP provides a positive, healthy legacy for NWT residents.



During discussion the question of how communities could regulate and manage development activities within their communities came up again and again. Participants believed that many communities do not have the resources to develop the necessary bylaws to do this, given the already heavy workload just dealing with the review process. Resolution Three called on MACA to produce a package of draft bylaws to deal with the potential impacts of resource development.

A further resolution was advanced at the Plenary Session. It called on Conference Participants to re-affirm their support of the Project, so long as community issues are addressed. After some discussion, this item was voted on, with a number in favour, but twice as many abstaining (none voted against the motion). This large number of abstentions resulted from the fact that many communities had not yet made a decision as to supporting the Project or not, with many wanting to further review the EIS and meet with the Proponent to discuss local impacts. This resolution therefore did not advance from the Conference with the first three.

Finally, participants talked about the need to have some follow-up on these resolutions, so that they do move forward. Participants agreed that the best way to do this was to take the resolutions back to their communities and put them forward for Council approval. It was recommended that Councils also discuss how best to represent their interests to the review process, locally, regionally, through the NWTAC, or working with MACA or others on specific issues. It was also suggested by some communities that the NWTAC might play a coordinating role in assisting communities in the review process.

The Conference wrapped up with a panel discussion and summary comments from the Conference Co-Chairs, Peter Clarkson and Danny Yakeleya, GNWT Ministers Michael McLeod and Brendan Bell, and Randy Ottenbreit from MGP.

Each Panelist identified the issues and strategies they had heard emerging from the Conference. Several commitments to follow-up action were made.

Minister McLeod identified the key needs as improved and continuing communication, and to work co-operatively. He agreed that funding is a serious issue, and that the amount provided for intervening in the process is not adequate. He said that while MACA had a few conversations with MGP on granular materials, he wanted to take direction from this group on what MACA's continuing role, if any, would be with respect to representing community interests during the review process. While MACA had already developed the Tool Kit and was assisting a few communities with Community Profiles, he believed that communities were correct to say both that they know what is best for their communities and that they have primary responsibility for representing their own interests to the process. Minister McLeod said there should be a role for NWTAC to coordinate and assist communities, and that he would make sure that available MACA resources would be provided if requested.

The Minister assured participants that MACA would continue to work to assist with information sharing, to provide technical support where requested, and to assist with infrastructure assessments. He also said he would take the idea of another conference, on social impacts to the relevant GNWT Departments for consideration and action.

Minister Bell welcomed the recommendations and input of the Conference, saying that Minister McLeod had agreed to bring them forward to the GNWT for action, including to the Cabinet/Assembly committee overseeing the GNWT's involvement with the Project. He said he would consider how best to work with Health and Social Services and the NWT Housing Corporation on a future conference of this sort, so that community governments could be involved in addressing social impact in the same sort of way.

Minister Bell went on to say that communities should be congratulated for getting on with this, especially when deadlines are so short and resources are so limited. He pointed out that in a province, the province could look forward to getting the royalties and taxes from industrial development, and could therefore invest in its future. But, since the GNWT doesn't see this revenue, it can't make the necessary investments. He called on the federal government to step up to the plate and play a role, rather than relying on industry and communities to do it alone.

Randy Ottenbreit re-iterated the Project Proponent's continuing commitment to working with individual communities, and agreed that conferences such as this contribute to the sharing of information, best practices, and coordination. He said that MGP would participate in further meetings of this sort when invited. Ottenbreit told Conference Participants that MGP knows there may be adverse effects from the project, and that MGP was committed to both identifying them and developing plans to minimize and address them. He said that this Conference had focused on infrastructure, and that MGP was ready to talk about how to proceed and to negotiate agreements with communities. They are also ready to talk to Ministers McLeod and Bell about reaching such an agreement with the GNWT.

Co-Chair Danny Yakeleya provided an overview of some of the concrete steps Conference Participants had agreed they should undertake right away. He talked about the need to get the applications to intervene in by the deadlines, and for participants to immediately talk to their Councils about how the community wants to Participate – on its own, in collaboration with other communities or governments, locally or regionally or territorially, as an intervener or less formally, and what resources they can bring to bear. For those without resources, they should immediately request intervener funding, seek partnerships with those who have been funded, and approach their political representatives for additional funding and support.

Yakeleya noted that the Conference discussions had helped Participants move their thinking forward from general subjects – like “roads” or “impacts” – to more specific details. People were now talking about things such as operations and maintenance costs for roads, signage, liabilities and bylaws, and about baseline data, monitoring, mitigation, and management of impacts. He thanked participants for working through the questions together, and asked them to go out and produce the answers their community will need to take to the review process and into negotiations with the Proponent.

Mayor Clarkson noted that many Conference Participants came before breakfast, and stayed later still, having side meetings and conversations and generally working hard and together. He suggested communities invite the MGP into their communities for meetings and discussion, since they need to know what communities want and are saying.



## 2.5 Next Steps

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Discussions and thinking at the Conference seemed to group “next steps” into those for communities and those for government. Next steps for communities were further grouped into three phases, each requiring a different set of strategies and actions to address. It is important to note that while they have different timetables, work on all needs to start now.

The three phases are:

- Preparing for the Review Process;
- Participating in the Review Process and Hearings; and
- Preparing for and Dealing with Pipeline Construction Impacts.

### Next Steps for Communities

**Phase One – Preparing for the Review Process:** As noted in the Introduction to this Report, communities need to know what is being proposed, what the potential impacts are in their area and jurisdiction, and what the Proponent plans to do about them. During the Review Process, there will be a variety of opportunities to bring this information to the Panel, and to the Project Proponent, ranging from technical and formal submissions through to oral presentations.

To prepare for the Review Process, communities will need to:

- Review the EIS;
- Undertake a strategic analysis of issues and impacts identified;
- Consider how best to participate in the process;
- Apply to intervene, if desired;
- Seek intervener funding, if appropriate;
- Make necessary information requests to the Proponent;
- Respond to information requests from other Interveners;
- Use Toolkit as a planning tool;
- Begin and maintain Community Profile; and
- Work with others:
  - Region;
  - Aboriginal governments; and
  - NWTAC.

**Phase Two - Participating in the Review Process and Hearings:** Work should already be underway in this area, since the Review Process has already started. This will become more urgent once hearings are scheduled. This is expected to happen during the Spring or Summer of 2005.

In this phase, Communities will need to:

- Prepare and submit interventions if intervener status granted;
- Prepare the appropriate presentation for the hearings;
- Monitor other presentations made;
- Make the presentation and attend the hearings;
- Consider answers provided by the Proponent;
- Review JRP report; and
- Review NEB report.

**Phase Three - Preparing for and Dealing with Pipeline Construction Impacts:** Finally, if the MGP is approved, communities will need to deal with the impacts as the project moves forward.

As this will include many impacts that will emerge before, during, and after, the construction phase, it will be necessary for some communities to start dealing with this phase now, especially in those communities where sub-contractors and those who are speculating on the outcome of the hearings are already beginning to do work, construct buildings, or acquire land.

In this phase, communities will need to:

- Negotiate and manage social-economic agreements;
- Negotiate and manage service contracts;
- Plan for and build new infrastructure;
- Implement bylaws and new control mechanisms as required; and
- Monitor mitigation measures to ensure public safety.

Effectively managing all these tasks should assist communities in: assessing potential impacts; determining if they are good or bad for the community; reviewing and monitoring the Proponent's mitigation measures; and providing potential long-term benefits to a community.

The Government of the Northwest Territories also has some steps it needs to take, both in the very near term and over the next few months, to assist communities, to move forward the Conference resolutions, and to advance the strategies discussed.



### **Next Steps for MACA**

The Department of Municipal and Community Affairs will:

- Advocate with the federal government for improved access to intervener funding for the assessment of the EIS and for preparing for and participating in Phase III of the review;
- Work in partnership with the NWTAC to find ways to support communities' participation in the review process;
- Respond to community requests for assistance in the development of community profiles and in using the community Toolkit as a basis for planning;
- Develop a kit of potential bylaws that communities can review and use when desired;
- Provide support, on request, to communities interested in negotiating benefit agreements; and
- Based on conference outcomes, represent community interests in socio-economic discussions between GNWT and MGP.

The Department will also advance the suggestions and strategies raised by the Conference to other GNWT Departments, and to the Cabinet / Accountability and Oversight Committee Joint Pipeline Planning Committee. Key among these is the need for increased resources being made available so that communities can assess the EIS, participate in the review, and be ready to address impacts.

The *Preparing for the Pipeline Conference* provided an excellent opportunity for community government leaders to learn about the process, share their knowledge and experience, to identify the impacts that might be expected, and to develop strategies for dealing with both the process and the impacts.

At the end of the three days, Conference participants from community governments and the GNWT all left Inuvik, both enthusiastic about the results and ready to carry the strategies forward.



## Community Government Leaders Conference: **Preparing for the Pipeline**

### **Conference Report Appendices**

# Community Government Leaders Conference: Preparing for the Pipeline



## 3. Conference Report Appendices

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### 3.1 Question 1: With respect to municipal programs and services and community infrastructure, what are the potential challenges and impacts to plan for today?

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#### Key Concepts:

- **Involvement/The community voice in the project**
  - Can we, as communities, learn to say NO?
  - Can we make sure to integrate the learnings and resources from all communities to avoid reinventing the wheel?
  - Is there really uniform support for the project across different levels? Some tables argued that community leaders were, in their opinion, more aligned with industry than with the desires of community members. Is there room for dissent, or a legitimate mechanism for voicing it?
  - Community government needs to be the *first* to be informed about developments — not the last on the list.
  - Do locals hold the best knowledge? *We think so — listen to us.*
  - The southern attitude seems to be “Do it our way.” We need to change this way of approaching things: all ideas need to be seen as valid.
  - Why should the communities subsidize this project?
- **Traditional, small communities versus regional centres**
  - There will be an impact on traditional ways of life.
  - Impacts on caribou migration need to be looked at.
  - Will the respect of elders be maintained when the pipeline emphasizes physical and technical skills?
  - Will there be training to help outsiders understand local cultural practices and values?
  - How do we ensure that we are factoring the needs of small communities as well as the regional centres — as they have greater needs for minimal impacts, are more dependent on traditional ways and resources, and generally have less bargaining power.
  - We need to embrace the knowledge that has been held in the communities and the land for generations — for therein lays the solutions.
- **Governance**
  - Intergovernmental liaison: need to work with other levels that have control or financing available e.g. aboriginal groups, DIAND, other GNWT departments.
  - How do we ensure the involvement of aboriginal governments?
  - Different groups in community require better coordination.
  - At the municipal level demands for new committees to be struck.
  - Need to cut down on boards and meetings, per diem and meeting honorariums cost the community.
  - Need to develop multi function committees.
  - The objective of municipal involvement should be to see the quality of life for community residents maintained or increased.

- **Partnership between all levels and industry**
  - How do we ensure the involvement of aboriginal governments?
  - Different groups in community require better coordination.
  - At the municipal level demands for new committees to be struck.
  - Need to cut down on boards and meetings, per diem and meeting honorariums cost the community.
  - Need to develop multi function committees.
  - The objective of municipal involvement should be to see the quality of life for community residents maintained or increased.
  - Planning – need a strategy for each community by MGP as to what municipal services will be needed, used.
  
- **Financial Resources**
  - How do we bridge the need between existing resources and the resources needed to address the problems and opportunities the gas line will bring?
  - Where do we get the funding to operate new resources?
  - Municipal taxes may increase.
  - How to handle finances - boom then bust.
  - Expectations to provide infrastructure on back of existing rate payers.
  - Where do we get the funding to operate new resources?
  - Municipal taxes may increase.
  - How do we plan to put aside dollars for long-term costs?
  - New GNWT policy often fails to provide the necessary resources to implement them.
  - How can we be flexible with capital dollars to take advantage of opportunities as they arise?
  - How can we best estimate the requirements from ancillary businesses?
  - Capital planning needs to align around communities needs.
  
- **Municipal Resources – General**
  - How do we fund the replacement of existing municipal community systems whose life expectancy was reduced do to the MGP? Tax based communities have options - others have none.
  
- **Present versus future demands and planning**
  - There is a need to consider transition management.
  - How can we accommodate current resource requirements, when all the planning seems to focus on the future?
  - How can we address the complexity and scope of planning tasks when the planning demands on staff are too large for the existing structures to accommodate?
  - There is a need to consider transition management.
  - How do we address the reality that current social problems are preventing local people from being ready to train for work?
  - How will we address the need to educate people about the possibilities for work? How will we address the need to educate people about what needs to be done to GET the work?
  - Can we really anticipate the equipment being used or the costs?
  - Can we manage sustainable approaches: retrofitting, renovating, repairing, renewing?
  - Will there be long-term, legacy projects?



- **Project Timelines**
  - The MGP timelines are tight and need to include the increased need for increased electrical and fire inspections.
  - Financial resources / time frame too fast for communities to prepare / inadequate planning dollars / don't want to revisit past mistakes.
  - Communities already behind – community planning and infrastructure costs are rapidly increasing.
  - Like proactive approach Inuvik taking re camps: some level of control, more benefit.
  
- **Community Benefits**
  - Recreation: Industry should leave some facilities for communities when camps leave – a legacy.
  - Gas access by communities along pipeline route.
  - Infrastructure legacies, e.g. water treatment plants.
  - Possible legacies e.g. fibre optics put in place?
  - Who is reaping the benefits? Everyone more than locals?
  - Recreation: Industry should leave some facilities for communities when camps leave – a legacy.
  - How do we balance out increases in costs versus increases in employment?
  - Private sector will benefit through hotel, restaurants, and opportunities for the arts and crafts sector to market their products.
  
- **Community Liabilities**
  - There will be a need for rest areas and service areas.
  - There may be shortages of gas and supplies for locals.
  - Migration – both good and bad – bootleggers, etc.
  - Housing costs – lose homes in the bust.
  - How to handle finances - boom then bust. Family budgeting, planning ahead.
  - Programs, e.g. social (alcohol and drug, healing centers).
  - Time for meetings, costs to travel.
  - Costs of insurance due to increased liability.
  - Increased tax burden for ratepayers.
  - Lack of phone lines and internet in communities.
  - Broken promises of developers – when they leave, sell property, conditions lost.
  - Other services – hospitals, education already at capacity – how are they going to deal with? Others – power, waste disposal.
  - Local employers face increased costs in order to offer people pay and benefits to recruit and maintain staff.
  - Already seeing issues to provide adequate maintenance of infrastructure – how to deal with increased use (wear and tear) and providing qualified staff to perform maintenance function.
  - Dust control – increased volume of trucks, already a problem.
  - There are competitive industries – working together here because they have to. Concern with what will happen after this project is constructed. Could face large increase in impacts – huge competition.
  - How do we finance wear and tear?
  - What will the liabilities (safety, accident) borne by the communities be?
  - Who will bear the costs of insurance, protection against accidents?
  - Who negotiates the legacy issues? Who funds the costs of long-term upgrades and maintenance concerns?

- Who negotiates reclamation and recovery concerns? Are the best people to do so locals, or is it more important to have common practices?
  - Difficult to find members for boards and agencies and other organizations (volunteer fire departments)
- **Transport**
    - Municipal Roads: A rebuild will be required to manage the size of equipment that will be used on the MGP.
    - Highways: There will be excessive use due to the limited construction season.
    - There will be a need for dust control.
    - There will be an increased need for policing and bylaw enforcement.
    - There will be an impact on Airports / Landing Strips / Helipads.
    - Road access – some communities have no roads.
    - Town roads – volume impacts.
    - Impacts of accidents, e.g. road through town, impact on policing.
    - Barging – NTCL 24 barges needed – more tugs, plus upgrades – what do we do when done? Will they end up in Yellowknife as houseboats?
    - Airport volumes impacts?
    - Improvements to highways and ferry landings etc – who to pay for improvements and maintenance.
    - Will the community members' travel be impacted by the use by outsiders?
- **Staffing and Training**
    - How do we address the problem of young people leaving school to take labour type employment and at the end of the construction period these youth will be more than 20 years old and without employment and education?
    - How do we address the potential problem of a 'brain drain' of people (for example trades people) from the community?
    - Skills erosion (don't hire trained community staff!)
    - Who will bear the costs of recruiting, retraining, retaining and recognition?
    - Will there be proactive strategies and contracts for staffing?
    - Capacity to deal with increases in administration issues.
- **Land Use**
    - Land use planning needs to include:
      - Industrial lots
      - Commercial lots
      - Residential lots
    - Land use planning may require expansion of community boundaries. Current lands may be: Commissioners land; settled / selected land; private land; Federal land.
- **Water/Sewage/Waste**
    - There will be potential impacts on water.
    - How do we address the reduced life expectancy of landfill sites?
    - Landfill sites may need to be expanded.
    - There is no local capacity to manage / control the increased solid waste.
    - Hard to regulate and police materials being disposed of at dumps.
    - Volume – low water levels.
    - Contractors – municipal provisions – compensation.
      - e.g. Deline just made 5-year contract without considering this need
    - Are camps self-sufficient?
    - There are pre-existing issues around water supply and infrastructure where are the dollars to deal with existing problems – let alone deal with additional use.

- **Granular Materials**
  - Gravel needs – community use as well.
  - How do we address the depletion of local granular resources?
  - Eskers are prime shelters and protection for wildlife and have an impact on the ecology integrity.
  - Ownership – claims settled, claims not settled, various jurisdictions – complex.
  
- **Safety**
  - Community Fire Departments are based on volunteers.
  - Community Ambulance Services (where it exists) for the most part uses volunteers.
  - The transportation of hazardous waste through communities is a concern that needs to be addressed. This includes the need to address spills and storage of hazardous waste.
  - Hazardous materials – emergency response needs.
  - Impacts of spills on land use for future generations.
  - Government – are they going to ramp up support in areas like inspection services
  - Policing impacts – Hay Rive and Inuvik – traffic issues – how to pay for more by-law and police.
  - Health risks – new people and potential diseases to communities.
  
- **Local Inflation**
  - There will be pressure on local housing markets.
  - Already impacts on rental housing prices and availability – middle income.
  - The cost of living will increase (boom and bust?).
  
- **Camps – self-contained – impacts may be not as great**
  - Who faces the largest impact? “just like a big city next to a small community”
  - Fear of reporting
  - Impact on traditional lifestyle – hunting areas.
  - Not talking enough with locals re impacts and mitigation.
  - Why is latest and greatest technology not being used at camps? Shifting responsibility or problem to community. Industry could pay to provide adequate management to comply with standards.



## 3.2 Question 2: What are the opportunities to work with industry to maintain or develop community infrastructure?

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### OVERARCHING PRINCIPLES

- Establishing concrete legacy for communities so that the whole community can benefit (aboriginal and municipal).
- Benefits should be long term. Ideas included tapping into energy (transferring from diesel to natural gas), fibre-optics running through pipeline that would provide communities with access to Internet.
- Combine plans and resources with industry. There may be room for cost sharing on infrastructure development, operation and maintenance and sharing of human resources.
- Communities may require technical work that would require the use of engineers – MGP has a large technical staff that could perform work for communities.
- Develop creative plans for future of camps (such as heritage center, culture camps, family centers). Design and construct camps with consideration of future use.
- Planning should be comprehensive. We need to ensure by-laws are in place before beginning, ensure capacity to maintain projects before beginning and have socio-economic agreements in place first.
- The community should have access to and be consulted regarding proponent's infrastructure.
- Small industry gestures (gifts) are received well in communities but should not be the only thing communities strive for.
- No matching dollar initiatives — they may sound appropriate but are likely to be unrealistic.
- Establish partnerships for distribution of services: industry does hard services and government does soft services (3 Ps).
- Work collaboratively, with "One Voice."

### OPPORTUNITIES

#### Training and Employment

*Opportunity:* To provide training and employment for the local community members

- Identify and deliver training needs
- Coordinate H.R. planning
- Ensure that there are opportunities for community members to get training, with specific attention to training in skills with long term value for the community
- There may be opportunities for additional training of emergency services staff/volunteers

#### Comprehensive Planning

*Opportunity:* There is an opportunity for all communities and different governments to undertake a comprehensive approach to the planning for the MGP and the challenges faced by the impacted communities.

## **Roads**

*Opportunity:* To build and maintain roads which can be used by the community

- Develop road along the Mackenzie River, up to Tuktoyuktuk
- Ice roads; earlier starts; extended season; cost sharing to maintain
- Road Upgrades
- Road Accesses
- Shared use of road infrastructure for communities that do not have granular source

## **Cost Sharing – Infrastructure**

*Opportunity:* To share in the cost of building and maintaining infrastructure.

- Shared waste management facilities
- Shared communications
- Shared recreational facilities
- Shared water facilities
- Shared sewer facilities
- Maintenance of access roads for water service use
- Water Reservoir
- Sewer facilities
- Upgraded runways
- Upgraded streets

## **User Fees**

*Opportunity:* To charge a user fee to industry for use of municipal resources.

- There may be opportunities to charge a user fee to industry for the landfill, water source and sewer lagoon

## **Ice road development and maintenance**

### **Recycling**

*Opportunity:* To establish recycling sites that do not overtax existing community sites and that might be used by the communities at the end of the project

- Development of community waste sites, either at the time with industry, or as legacy sites

### **Support Services/Small Business Opportunities**

*Opportunity:* To involve local communities and community members as service providers to local facilities

- Determine community interests, skills and capacities to provide services to proponent (e.g. water trucks, food services, etc)
- Smaller camps supported near communities / supervisory housing in town
- Supply contracts
- Supply equipment
- Backhauls (via barge) to clean up old sites along river way to reduce burden to landfills

### **Legacy Projects**

*Opportunity:* To create facilities and programs which have lasting value for the communities (beyond the life of the project)

- Trailers which will return to the community after construction period
- Humanitarian legacy projects — skates for kids, something for elders, recreation
- Identify possible “left over” infrastructure and assess affordability of community handling costs of operation
- Donated computers, future endeavors could include offering a computer class
- New or increased water treatment facilities
- New or increased sewage treatment facilities

- Incinerators for use by the community

### **Community Access to Energy**

*Opportunity:* To connect the communities to the direct product of the pipeline — natural gas accessible to homes, businesses and community facilities

- Construct feeder trunk to communities

### **Recreational Facilities**

*Opportunity:* To create recreational facilities, used by the proponent during construction, which have value for the community afterwards

### **Regional Planning / Cooperation**

*Opportunity:* There will be opportunities for communities and regions to work together to ensure a consistent approach is undertaken to items like bylaws.

*Opportunity:* There is an opportunity to consider joint municipal / regional approaches to providing services to the MGP.

- Landfill
- Bylaw Development
- Community / industry protocol for negotiating, monitoring individual needs. (MVGP / contractors / governments / communities)

### **Joint Lobbying**

*Opportunity:* There may be opportunities for business and communities to lobby to other levels of governments.

### **Recycling Big Ticket Items Left From Camps**

*Opportunity:* There will likely be opportunities for municipalities to ‘inherit’ significant equipment items not needed by industry after the construction period.

- Generators
- Heavy equipment

### **Record Community Beliefs and Values**

#### **Equipment**

*Opportunity:* There may be opportunities to approach industry to purchase/donate needed equipment.

- Recreational equipment
- Emergency services equipment

#### **Granular Site**

*Opportunity:* There is an opportunity to work with industry to identify and develop a plan for the use of granular reserves.

- Shared Operation to maintain roads, industrial and housing development
- Identification of granular reserves

### **Shared Stewardship of “Gods Country”**

### **3.3 Question 3: What should be the common processes for approaching industry:**

- a. Amongst community governments themselves, and**
  - b. Between community governments and GNWT/MACA?**
- 

#### **Issues**

- Need to prioritize the objectives of collaboration and adopt these commonly
- Need to clarify and streamline the community collaboration and communication process
- Both Regional and Territorial association and collaboration is key
  - Partner up with other communities in a district to consider similar approach and issues.
  - There may be differences between on-line and off-line communities, however. It may be worthwhile to have two sets of support and communication groups to reflect this.
  - Need to recognize that there are differences between tax-based and supported communities.
  - Need to recognize that “facility communities” are different from communities with camps close by.
  - Because it may be hard and costly to meet as a large group, it might be worthwhile to consider partnering with “sister communities” or as regional groups.
  - Capitalize on existing expertise — communities *and* NWTAC are experienced.
  - Recognize that not all bodies and interveners are members of NWTAC.

#### **Financial**

- Need to understand the funding structures and possibilities.
- Need to have common budget structures for comparative purposes.
- Need to establish a base-level of appropriate support.

#### **Action Steps**

- Establish a protocol for dealing with —
  - Aboriginal governments
  - Territorial agencies
  - Industry
- Start the negotiation process sooner rather than later (immediately in 2005?).
- Need to include bands and chiefs as soon as possible.
- Need to eventually include other issues in these discussions, not just infrastructure, but wellness, social services, etc.
- Need to have similar conferences on other themes.
- Have monthly meetings to share ideas and report on progress steps.
- Approach MACA to determine funding possibilities.
- Approach NWTAC to determine funding possibilities.
- Join with other communities to look into existing knowledge base (e.g. academic studies, Berger report, DIZ studies).
- Nominate dedicated community contacts for the project to streamline processes.
- Identify community resource database and share this with others — community profile.
- Create “avenues of communication” to facilitate MACA’s mandate and role.
- Consider the value of having a research body (or even a student) interested in working on community issues.
- Get MACA to clarify their role as a central communication body they can coordinate with other bodies like DIAND, NEB and the proponent.
- Establish a template of by-laws and other municipal structures to ensure consistency and comparability in negotiations and operations.
- Need to ensure accountability to these action steps — saying so is NOT good enough.

### 3.4 Resolutions

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#### **Resolution 1: NWT community funding to assess the impacts of the MGP from community government leaders conference participants.**

Whereas the communities of the NWT are responsible for the development and maintenance of municipal infrastructure and services (roads, water/sewer, waste disposal, land development, recreation, fire and emergency services); and

Whereas the MGP will have an impact on community infrastructure; and

Whereas communities should not be burdened with the cost to assess the impact on community infrastructure and services; and

Whereas the communities of the NWT have not received adequate funding to assess MGP impacts on community infrastructure and services; and

Whereas the communities of the NWT have not received funding to participate in the environmental and regulatory review processes.

Be it resolved that:

1. The communities of the NWT request that Municipal and Community Affairs work with all communities to ensure funding is available to assess MGP impacts and ensure community infrastructure and services are not negatively impacted;
2. The federal government ensure that there is adequate funding for NWT communities to assess the MGP impacts on community infrastructure and services and participate fully in the MGP regulatory review process; and
3. The MGP work with all communities and MACA to ensure that impacts on infrastructure and services are mitigated and not at an additional cost to the communities.

#### **Resolution 2: Social Impacts, Housing and Training of NWT Community Residents**

Whereas the Community Governments in the NWT are concerned about social impacts in the communities as a result of the MGP; and

Whereas the Community Governments are concerned about the shortage of affordable housing in the communities because of the MGP; and

Whereas the Community Governments recognize the need for increased training and capacity building for community residents in association with the MGP.

Be it resolved that:

1. The GNWT HSS convene a conference to address increased social impacts, housing and training needs associated with the MGP;
2. The Community Governments of the NWT request that the Federal Government and MGP support and participate in such a conference;



3. The Community Governments of the NWT request the full participation of all Aboriginal Governments in the NWT in such a conference; and
4. That we all work together to ensure a positive, healthy legacy of the MGP for all residents of the NWT.

### **Resolution 3: Production of Draft By-Laws**

Whereas many communities do not have the resources to do the research and analysis required to produce a comprehensive package of by-laws to deal with potential impacts of resource development.

Be it resolved that:

1. Municipal and Community Affairs develop and provide for consideration by all communities a package of draft by-laws to regulate activities within community boundaries that may have an impact on municipal services and infrastructure.



# Community Government Leaders Conference: Preparing for the Pipeline



## 4. Conference Background Materials

### 4.1 List of Registrants

#### Community Delegates

Diana Ehman, Hay River  
Vern Tordoff, Hay River  
Darcy Moses, Wrigley  
Kelly Pennycook, Wrigley  
Eugene Pascal, Aklavik  
Billy Archie, Aklavik  
Michael Neyelle, Deline  
Andrew John Kenny, Deline  
Debbie Raddi, Tuktoyaktuk  
Ethel-Jean Gruben, Tuktoyaktuk  
James Pokiak, Tuktoyaktuk  
Jonas Sanguéz, Jean Marie River  
Fred Norwegian, Jean Marie River  
Jerry Veltman, Inuvik  
Winnie Cadieux, Enterprise  
Anne Leskiew, Enterprise  
Alexi Blancho, Colville Lake  
John Gully, Colville Lake  
Ivan Landry, Providence  
Maggie Levavasseur, Providence  
Alec Simpson, Norman Wells  
AnnMarie Tout, Norman Wells

Joanne Deneron, Ft. Liard  
John McKee, Ft. Liard  
Roy Fabian, Hay River Reserve  
Robert Lamalice, Hay River Reserve  
Paul T'Seleie, Ft. Good Hope  
Lucy Jackson, Ft. Good Hope  
Doug Bryshun, Trout Lake  
Dennis Deneron, Trout Lake  
John Norbert, Tsiigehtchic  
Phillip Blake, Tsiigehtchic  
Bernice Swanson, Ft. Simpson  
Tom Wilson, Ft. Simpson  
Edward McCauley, Tulita  
Louise Reindeer, Tulita  
George Betsaka, Nahanni Butte  
James Tonka, Nahanni Butte  
Gordon VanTighem, Yellowknife  
Blake Lyons, NWTAC  
Max Hall, Yellowknife  
Yvette Gonzales, NWTAC  
Phillip Blake, McPherson

#### Government/Industry

Bill Braden, MLA Great Slave  
Robert Hawkins, MLA Yellowknife Centre  
Calvin Pokiak, MLA Nunakput  
Norman Yakeleya, MLA Sahtu  
David Krutko, GNWT, Minister of NWT  
Housing Corporation  
Murray Cutten, RWED  
Eleanor Young, MACA  
Jack Poitras, MACA  
Liza McPherson, MACA  
John Picek, MACA  
Barry Harley, MACA

Dan Schofield, MACA  
Sabrina Broadhead, MACA  
Brian Austin, MACA  
Terry Testart, MACA  
Masood Hassan, RWED  
Bobby Van Bridger, FMBS  
Helen Sullivan, Executive  
Chuck Middleton, MGP  
Bruce Vincent, MGP  
Arnold Martinson, MGP  
Steve Coldwell, MGP

## 4.2 List of Presenters

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Sheila Bassi-Kellett	MACA – Corporate Affairs
Brendan Bell	RWED – Minister
Gord Dawe	NEB
Debbie DeLancey	MACA – Deputy Minister
Bob Mahnic	JRP – Technical Staff
Michael McLeod	MACA – Minister
Randy Ottenbreit	MGP
Juanita Robinson	RWED – Industrial Initiatives
Brian Chambers	NGPS

Note: Other government and industry people attended as observers

## 4.3 Conference Agenda

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**December 6-8<sup>th</sup>, 2004**

**Inuvik – Midnight Sun Recreation Complex**

### Conference Objectives

The conference is aimed at leaders of communities that will experience direct impacts from the Mackenzie Gas Project. Specific areas of focus are:

1. The role of communities in the environmental assessment and regulatory review process and how communities might work together to ensure that the interests of NWT communities are well represented.
2. Community impacts and potential benefits; tools and strategies to mitigate adverse impacts and maximize benefits specific to municipal infrastructure and services.

**Monday December 6<sup>th</sup>, 2004**

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*(Flight arrivals in Inuvik – Canadian North 1:03pm; First Air 2:13pm)*

- |                 |  |
|-----------------|--|
| 4:00pm – 4:15pm | <ul style="list-style-type: none"><li>• Opening Prayer</li><li>• Welcome by Co-Chairs: Mayor Peter Clarkson &amp; Danny Yakeleya</li><li>• Opening Comments by: Honourable Michael McLeod, Minister of Municipal and Community Affairs</li></ul> |
|-----------------|--|

4:15pm – 6:00pm      **Mackenzie Gas Project**

Presentation by proponents/contractors on the pipeline, focusing on the role for communities and community governments - i.e., EIS areas of relevance, funding, consultations, regulatory, etc.

*Questions and Discussion*

6:00pm – 7:00pm      **Catered Dinner – buffet style**

7:00pm – 9:00pm

**Environmental Assessment and Regulatory Review Process –**  
NGPS and JRP representatives

An update on the process, how it is expected to unfold over the next two years, incorporating a discussion on how communities might effectively participate, including access to intervenor funding and other practical tips.

*Questions and Discussion*

**National Energy Board Hearings**

The National Energy Board will hold hearings in the larger communities the week following that in which the JRP hearings are held to ensure that as many people are able to participate as possible. This process is very formal and often adversarial – a description of the process and an update will be provided.

*Questions and Discussion*

**Tuesday December 7<sup>th</sup>, 2004**

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8:30am – 9:00am

**Coffee, muffins, fruit**

9:00am – 9:45am

**EIS Review Process –**

- Discussion of community-specific impacts identified in EIS by issue/topic
- Discussion of impacts on communities along the route
- Practical information – key milestones for community participation

*Questions and Discussion*

9:45am – 11:45am

**Knowledge Sharing Discussions**

Round-Table discussion of Q1:

*“What are the potential challenges and impacts to plan for today?”*

*With respect to:*

- *Municipal Programs and Services; and*
- *Community Infrastructure.”*

- Intro to Café-style Discussion Approach 9:45
- 1<sup>st</sup> table discussions 9:55
- Break 10:30
  
- Exchange of table participants 10:45
- Return to original tables 11:00
- Report-out to large group 11:15

11:45 am – 1:15pm

**Case Studies (during a working lunch):**

20 minute presentations by communities that have experience with the impacts of resource development:

- Inuvik
- Fort Liard
- Tuktoyaktuk
- Norman Wells

*Questions and Discussion*

12:00pm – 1:00pm

**Catered lunch – buffet style**

1:00pm – 1:45pm

**Break**

**Options, Tools, and Best Practices**

Now that an overview of the review process has been provided, an “issues list” has been developed based upon the review of the EIS and the resulting discussion, how do communities move forward? Both MACA and RWED will provide a review of Options, Tools and Best Practices – examples of types of GNWT agreements from the past to prepare for / address resource development impacts – e.g., bylaws, fees, agreements with Industry, restrictions on infrastructure usage, etc. This review will build upon conference discussions to this point as well as draw upon existing information.

2:45pm – 4:45pm

**Knowledge Sharing Discussions**

Round-Table discussion of Q2:

*“What are the opportunities to work with industry, to maintain or develop community infrastructure?”*

- Intro to Question 2:45
- 1<sup>st</sup> table discussions 2:50
- Break 3:20
- Exchange of table participants 3:35
- Return to original tables 3:50
- Report-out to large group 4:15

4:45pm – 5:15pm

**Summary/Closing remarks for the day**

5:15pm – 7:00pm

**Reception – Inuvik Curling Club Lounge,**  
Midnight Sun Recreation Complex  
Cash Bar and Snacks

**Wednesday December 8<sup>th</sup>, 2004**

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8:30am – 9:00am Coffee, muffins, fruit

9:00am – 11:00am **Knowledge Sharing Discussions**

Round-Table discussion of Q3:

*“What should be the Common Processes for partnering with Industry:*

- *Amongst Community Governments themselves, and*
- *Between Community Governments and GNWT/MACA.”*

- Intro to the Question 9:00
- 1<sup>st</sup> table discussions 9:10
- Exchange of table participants 9:45
- Break 10:00
- Return to original tables 10:15
- Report-out to large group 10:30

11:00am – 11:45am **Panel Discussion : Action Recommendations**

Panel Discussion amongst Co-Chairs, Ministers and Mackenzie Gas Project representatives, based on what they have heard in the conference.

Questions and Comments from Large Group

- 11:45am
- Closing Comments from the Honourable Michael McLeod and the Honourable Brendan Bell
  - Closing Prayer/Adjournment

12:00 noon **Box Lunches Available**

*(Flights depart Inuvik – Canadian North 1:48pm; First Air 2:45pm)*

#### 4.4 Welcome Note – Conference Objectives

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##### **Welcome to the Community Government Leaders Conference: Preparing for the Pipeline Inuvik, NT December 6, 7 and 8<sup>th</sup>, 2004**

Municipal and Community Affairs, in partnership with Resources Wildlife and Economic Development, is pleased to welcome you to the **'Preparing for the Pipeline'** conference.

This conference will focus on the interests of community governments and the resource development impacts and benefits that are specific to municipal programs and services and community infrastructure.. This will be an opportunity for community government leaders and representatives to (a) hear directly from industry, regulatory agencies and government on current initiatives and (b) share best practices, learn from one another and prepare for the proposed Mackenzie Gas Project.

Desired Outcomes from conference discussions include:

1. Identify the potential challenges and impacts for community infrastructure and services, including those that are shared among communities and those that are specific to one or more communities.
2. Identify the opportunities to work with industry to maintain and/or develop community infrastructure.
3. Identify the common processes for approaching industry on infrastructure issues among community governments and between community governments and GNWT/MACA.
4. Establish a communications network to track the issues identified, and share updates, advice and progress.
5. Clearly define communities' expectations regarding the GNWT role in dealing with indemnified issues and providing on-going support.

## 4.5 Community Impacts of Resource Development

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### Summary

There is an impending wave of large-scale resource development projects in the Mackenzie Valley and the impact these projects will have on NWT communities will be significant. All communities of the NWT will be affected. The recently released *Developmental Impacts; GNWT Programs and Services* states, "...over 90% of the population will be directly or indirectly affected by non-renewable resource development." Larger communities feel the stresses of increased activity and insufficient housing capacity. Smaller NWT communities face the prospect of losing their traditional economy and their energetic youth to the wage economy. The existing community infrastructure in the NWT also faces immense pressure from development.

### Three Key Themes

Concern regarding the capacity of communities in the face of development has tended to focus on three key issues:

- 1) The inability of community infrastructure to handle increased usage and demand resulting from activities associated with exploration and development.
  - Road deterioration; over-utilized water, sewage and waste disposal sites; increased demand for land development; additional stress on mobile and operational equipment to meet additional use on infrastructure; general maintenance pressures.
- 2) The cumulative impacts on the quality of life in NWT communities that result from resource development. For example if there is a lack of proper maintenance due to a shortage of staff, over a long enough time period there will be a cumulative impact resulting in a shortened life span of the facility.
  - Shortage of housing and land development leads to residential overcrowding which corresponds with an increase in crime, substance abuse, domestic violence; reduced access to recreational facilities due to an increase of users has also been shown to have a direct correlation with an increase in crime, substance abuse, domestic violence; quality of community government services may adversely be affected by qualified staff leaving to seek opportunities with private companies.
- 3) A further negative impact on communities comes from lack of human resources.
  - Salaries and benefits provided to staff of small municipal governments cannot compete with those provided by large resource extraction companies resulting in the best and brightest members of the community taking jobs outside the community. This results in a reduction of human resource capacity available to meet the local government program and service needs.



<b>Community Impact</b>	<b>Issue</b>
<b>Water Supply</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning and monitoring of impacts on communities</li> <li>• Increased contact with communities</li> <li>• Increased monitoring of infrastructure</li> <li>• Increased support for water licensing and environmental monitoring.</li> </ul>
<b>Sewage</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning and monitoring of impacts on communities</li> <li>• Increased contact with communities</li> <li>• Increased monitoring of infrastructure.</li> </ul>
<b>Solid Waste Sites</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning and monitoring of impacts on communities</li> <li>• Increased contact with communities</li> <li>• Increased monitoring of infrastructure.</li> </ul>
<b>Land Development</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning, assessment and land administration issues (leases, land titles, etc).</li> </ul>
<b>Roads</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning, capital resources.</li> </ul>
<b>Granular Materials</b>	<ul style="list-style-type: none"> <li>• Increased requirement for planning, capital resources (especially if additional gravel sources have to be identified for communities).</li> </ul>
<b>Fire Response</b>	<ul style="list-style-type: none"> <li>• Increased requirement for the Office of the Fire Marshall to ensure that communities have adequate resources and support to purchase and maintain equipment, especially to undertake training in order to be able to respond to industrial fires. Additional development results in potential increase in need for Plan Reviews of buildings.</li> </ul>
<b>Emergency Response</b>	<ul style="list-style-type: none"> <li>• Increased requirement for EMO to support community governments in ensuring that Emergency Response Plans address potential industrial emergencies, both directly and indirectly related to resource development.</li> </ul>
<b>Hazardous Materials Response</b>	<ul style="list-style-type: none"> <li>• EMO to explore options and support local governments in preparing to respond.</li> </ul>
<b>Community Service Personnel</b>	<ul style="list-style-type: none"> <li>• High turnover of community government staff and challenges in recruiting and retaining staff.</li> </ul>
<b>Community Staffing</b>	<ul style="list-style-type: none"> <li>• Increased demands for community staff to respond to the requests of industry – as a result, staff require more sophisticated skill sets.</li> </ul>
<b>Secondary Industry Demand</b>	<ul style="list-style-type: none"> <li>• Increased demand to assist communities in dealing with pressures for land development, municipal services, and permitting, licensing and regulating.</li> </ul>
<b>Population Growth/ Social Impacts</b>	<ul style="list-style-type: none"> <li>• Increasing pressure for MACA to provide recreational facilities, programming for youth/ wellness projects.</li> </ul>
<b>Local Inflation</b>	<ul style="list-style-type: none"> <li>• High demand for limited services in a community can impact access, cost of capital projects, etc.</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Increased requirement for community leaders/councils to have the skills to deal with more sophisticated issues.</li> </ul>
<b>Municipal Facilities</b>	<ul style="list-style-type: none"> <li>• Increased focus required on maintenance – training, assistance with maintenance management systems.</li> </ul>
<b>Municipal Contracting</b>	<ul style="list-style-type: none"> <li>• Increased requirement for community administration to develop or purchase the skills to negotiate increasingly complex contracts. Also greater requirement from communities for legal advice/ services.</li> </ul>
<b>Mobile Equipment</b>	<ul style="list-style-type: none"> <li>• Increased demand for equipment as additional use will mean equipment is not meeting its lifecycle. This means more demand on the limited capital resources.</li> </ul>

## 4.6 Who's Who in the Oil and Gas Industry?

### Industry

#### **MGP – Mackenzie Gas Project**

Overview developed from website: [www.mackenziegasproject.com](http://www.mackenziegasproject.com)

The Mackenzie Gas Project is comprised of four major Canadian oil and gas companies and a group representing the aboriginal peoples of Canada's Northwest Territories;

1. Imperial Oil Resources Venture Ltd – whole owner and operator of the Taglu natural gas field
2. ConocoPhillips Canada North Ltd – 75% interest in the Parsons Lake natural gas field and whole operator for field
3. Shell Canada Ltd – whole interest holder and operator of the Niglintgak natural gas field
4. ExxonMobil Canada Properties – 25% interest in the Parsons Lake natural gas field
5. Aboriginal Pipeline Group (APG) - represents the interests of the aboriginal peoples of the Northwest Territories in the proposed Mackenzie Valley Pipeline. It has the opportunity to acquire up to a one-third interest in the main Mackenzie Valley Pipeline.



The four oil and gas companies or "The Producer Group" hold interests in three large natural gas fields discovered in the Mackenzie Delta. In addition to being co-owners of the main Mackenzie Valley Pipeline with the APG, they will also be joint owners of a network of pipelines that will gather the natural gas from those fields, a gas processing facility near Inuvik that will separate natural gas liquids from the natural gas, and a liquids pipeline from the facility near Inuvik to Norman Wells.

The MGP holds a number of offices throughout the NWT and one in Calgary.

#### Contact Information:

Norman Wells Regional Office  
Mackenzie Gas Project  
#1 Town Square  
Norman Wells, NT X0E 0V0  
Telephone: (867) 587-3130  
Fax: (867) 587-4109

Fort Simpson Regional Office  
Mackenzie Gas Project  
9925 - 102 Avenue  
Fort Simpson, NT X0E 0N0  
Telephone: (867) 695- 2624  
Fax: (867) 695-2651

Inuvik Regional Office  
Mackenzie Gas Project  
151 Mackenzie Road  
Inuvik, NT X0E 0T0  
Telephone: (867) 678-6104  
Fax: (867) 678-6107

Calgary Office  
Mackenzie Gas Project  
Consultation and Community Affairs  
P.O. Box 2480, Station M  
Calgary, Alberta, Canada T2P 3M9

### **Canadian Association of Petroleum Producers**

Overview developed from website: [www.capp.ca](http://www.capp.ca)

CAPP's mission is to enhance the economic well-being and sustainability of the Canadian upstream petroleum industry in a socially, environmentally and technically responsible manner. Working closely with our members, governments, communities and stakeholders, CAPP analyzes key oil and gas issues and represents member interests nationally in 12 of Canada's 13 provinces and territories.

The Northwest Territories has abundant petroleum resources. However, the challenge of moving these resources to markets has hampered development. With modern technology and higher prices for oil and natural gas, the entrepreneurial spirit of the North is attracting a growing number of petroleum producers. Some of the issues and initiatives affecting the NWT include; waste management, regulatory effectiveness, compensation benefit agreements and plans, training and safety.

Contact Information:

Calgary Office  
Suite 2100, 350 7th Avenue S.W.  
Calgary, Alberta T2P 3N9  
Telephone: (403)-267-1100  
Fax: (403)-261-4622

### **Petroleum Industry Training Services**

Overview developed from website: [www.pits.ca](http://www.pits.ca)

**PITS is the training arm of the Canadian petroleum industry.** Recognized internationally for consistently high quality training, PITS offers a wide variety of courses, self-study programs, publications, consulting, customized training and other services related to petroleum technology, safety, environment and career development.

PITS' mandate, as established by the Canadian petroleum industry, is to identify training needs, develop and offer training, provide advice and guidance and help establish standards.

PITS is owned, directed and partially funded by six petroleum associations. We are a non-profit organization governed by a Board of Directors comprised of senior government and industry representatives. Industry experts develop and deliver PITS' world class training on-site or in PITS' own training facilities, which are located in Calgary, Nisku, and Genesee, Alberta and Halifax, Nova Scotia.

Contact Information:

Calgary Office  
Petroleum Industry Training Service  
Calgary Training Centre  
1538 - 25 Ave. N.E.  
Calgary, Alberta T2E 8Y3  
Phone: 1 (403) 250-9606  
Fax: 1 (403) 250-1289

## **Government Departments**

### **PRO (DIAND) – Pipeline Readiness Office**

The Pipeline Readiness Office (PRO) supports Aboriginal groups, northerners, regulators, industry and other government organizations in preparing for a Mackenzie natural gas pipeline. It is responsible for developing the region's strategies in relation to pipeline preparedness and leading the region through pipeline planning, environmental, regulatory review, and some aspects of operation and monitoring.

PRO has four areas of responsibility:

- Capacity - supporting Aboriginal communities and other northerners to improve their organizational ability to participate in all aspects of the project.
- Partnership - coordinating and establishing effective working relationships with other government departments, First Nations, industry and Boards for the project.
- Environment - coordinating departmental input into regulatory review and environmental assessment by Boards and Panels.
- Research - supporting science and research in relation to pipeline review, construction and operation.

Contact Information:

Manager, PRO – DIAND, NWT Region

PO Box 1500

Yellowknife, NT X1A 2R3

Telephone: (867) 669-2855

Fax: (867) 669-2406

### **RWED – GNWT Resources, Wildlife, Economic and Development**

In 2000, the Government of the Northwest Territories (GNWT) established the Mackenzie Valley Development Planning (MVDP) division within the Department of Resources, Wildlife and Economic Development (RWED) to take the lead role in planning and coordinating the GNWT response to development. This division has 2.5 employees and was intended as the contact for industry, to keep the GNWT informed on development activities, and to identify areas or programs that the GNWT needed to consider in response to development.

In April 2004, the Financial Management Board (FMB) considered a proposal for the establishment of the Mackenzie Valley Pipeline Office (MVPO) within RWED. The pipeline office will consist of eight people, including a director, pipeline specialists and coordinators for interdepartmental planning and communication. It is expected to open by April 1, 2005 in Hay River.

The mandate of the MVPO is to:

- a. coordinate and facilitate government-wide planning and results reporting on all GNWT activities related to the development of a Mackenzie Valley Pipeline Project;
- b. provide support and advice in order to facilitate high-level strategic planning of the Deputy Minister's Pipeline Steering Committee and the Joint Cabinet / Accountability and Oversight Committee (AOC) Pipeline Planning Committee;
- c. act as a key contact at a senior government level for industry, the federal government, NWT communities and Aboriginal governments;
- d. manage external and internal information and communication with respect to the GNWT strategic responses to the development of the Mackenzie Valley Pipeline; and,
- e. coordinate the negotiation of nine separate impacts and benefits agreements (the Protocol Agreement sub-agreements) with the Mackenzie Valley Producers Group and lead the development of these mandates.

The MVPO will not duplicate GNWT departmental programs and services, or policy and planning functions, but will be the critical link for effective planning. In addition to other GNWT departments and the inter-departmental committees, the MVPO will be the critical link to the Producers Group, the Aboriginal Pipeline Group (APG) and many other outside organizations and agencies.

Contact Information:

**Director of Planning and Coordination**  
Mackenzie Valley Pipeline Office  
Telephone: (867) 873-7315  
Fax: (867) 873-0572

**Senior Advisor**  
Mackenzie Valley Pipeline Office  
Telephone: (867) 920-8954  
Fax: (867) 873-057

## **Regulatory Agencies**

### **NGPS – Northern Gas Project Secretariat**

The review of the Mackenzie Gas Project involves two separate, but coordinated, processes – the environmental assessment and the regulatory review. This coordination is guided by the *Cooperation Plan*, released in June, 2002, which provides a framework among the responsible environmental and regulatory agencies to process a project application in a thorough and efficient manner, yet avoid duplication wherever possible.

The Northern Gas Project Secretariat was established in 2003 to assist during the review, to communicate the steps of the process to the public, to coordinate the logistics of the public hearings and to maintain the public registry of documents filed with the various review panels.

The Secretariat's job is to provide information to the public about how they can participate during the environmental and regulatory review of the proposed Mackenzie Gas Project. It does this, in part, by visiting communities that could be affected by the proposed Mackenzie Gas Project to provide information, explain the review process and how people can be part of it. It will also coordinate public hearings in various communities over the next two years.

Contact Information:

**Yellowknife Office**  
Suite 208, Scotia Centre  
5102 – 50<sup>th</sup> Avenue  
Yellowknife, NT X1A 3S8  
Toll free number: 1-866-372-8600

**Inuvik Office**  
Suite 302, Professional Building  
125 Mackenzie Road  
Inuvik, NT X0E 0T0

### **JRP – Joint Review Panel**

The Joint Review Panel for the Mackenzie Gas Project is a seven-member, independent body that will evaluate the potential impacts of the project on the environment and lives of the people in the project area.

The Panel was appointed on August 18, 2004 by the Minister of the Environment, in agreement with the Canadian Environmental Assessment Agency and the Chairs of both the Mackenzie Valley Environmental Impact Review Board and the Inuvialuit Game Council, the parties with legislated environmental assessment responsibilities along the proposed project route. The Panel will work to fulfill the environmental impact assessment responsibilities of the land claims agreements, as well as federal legislation.

The Joint Review Panel will use as the foundation of its work the Environmental Impact Statement, which was submitted to the Panel by industry on October 7, 2004, and is available to the public through the Northern Gas Project Secretariat offices and website. After the Environmental Impact Statement was received, the Panel began to conduct a conformity check to ensure that the Statement contains the necessary information to proceed with a technical analysis phase. The technical analysis will include written Information Requests to obtain clarification, explanation or additional technical analyses of the Environmental Impact Statement.

The review will focus on the environmental and socio-economic effects associated with the Proponent's proposal. The Joint Review Panel will take into consideration a number of factors, as outlined in the Joint Review Panel Agreement, in assessing the impacts of the proposed project.

The combined knowledge and experience of the Panel members will ensure a rigorous review of all issues of concern to northern communities and Canadians. The Panel consists of:

- Mr. Robert Hornal, Chair
- Ms. Gina Dolphus
- Mr. Barry Greenland
- Mr. Percy Hardisty
- Mr. Rowland Harrison
- Mr. Tyson Pertschy
- Mr. Peter Usher

Contact Information:

**Joint Review Panel Manager**  
Suite 302, 125 Mackenzie Road  
P.O. Box 2412  
Inuvik NT X0E 0T0  
Phone: (867) 678-8604  
Fax: (867) 777-3105

### **MVEIRB - Mackenzie Valley Environmental Impact Review Board**

Overview developed from website: [www.mveirb.nt.ca](http://www.mveirb.nt.ca)

The federal government implemented the *Mackenzie Valley Resource Management Act* with the intention of providing northerners decision-making participation and responsibility in environmental and natural-resource matters.

The legislation establishes co-management boards for the Sahtu and Gwich'in settlement areas with responsibilities for land use planning and for issuing land use permits and water use licenses.

In the rest of the Mackenzie Valley, an umbrella board, the Mackenzie Valley Land and Water Board, was established in April 2000. This body issues land use permits and water licenses in those areas of the Mackenzie Valley where comprehensive claims have not been settled.

The MVRMA also establishes a Valley-wide public board to undertake environmental assessments and panel reviews. This is the Mackenzie Valley Environmental Impact Review Board. The *Canadian Environmental Assessment Act* no longer applies in the Mackenzie Valley except under very specific situations.

Contact Information:

**Mackenzie Valley Environmental Impact Review Board**  
PO Box 938  
Yellowknife, NT X1A 2N7  
Office on 2<sup>nd</sup> fl, Scotia Centre, 5102 – 50<sup>th</sup> Ave  
Telephone: (867) 766-7050 Fax: (867) 766-7074

### **NEB - National Energy Board**

The National Energy Board is a federal agency that regulates the transportation of energy in Canada, including oil and natural gas.

The National Energy Board received applications October 7, 2004 from industry for approval to construct and operate a natural gas pipeline and related facilities through the Mackenzie Valley to an interconnect point just south of the border with Alberta. The National Energy Board is one of three regulatory bodies with a mandatory public hearing process – the other two are the Northwest Territories Water Board and the Mackenzie Valley Land and Water Board.

In the North, the National Energy Board regulates the exploration and production of oil and natural gas and development of pipeline facilities. The National Energy Board has responsibility throughout the lifecycle of the project, from proposal development, to application to reclamation. As well as the evidence its own three-member panel will collect, the National Energy Board will rely on the report of the Joint Review Panel for environmental assessment of the project. The National Energy Board will make a decision in keeping with the Canadian Public Interest; that is, the public interest of all Canadians with reference to a balance of economic, environmental and social interests.

On November 24, the National Energy Board announced it will hold a public hearing on the Mackenzie Gas Project. It issued a Hearing Order and will release details of its hearing schedule at a later date.

Contact Information:

**National Energy Board**

444-7<sup>th</sup> Avenue SW

Calgary, AB T2P 0X8

Telephone: (403) 292-4800

Fax: (403) 292-5503

## 4.7 Presentations

### 4.7.1 Mackenzie Gas Project (MGP)

**Mackenzie Gas Project**

**Community Government Leaders Conference - Preparing for the Pipeline Inuvik**

December 6-8, 2004

**2000 - 2004 Highlights**

- Achieved 1.9 million work hours with no recordable injuries
- Negotiated agreements for aboriginal (APG) participation in Mackenzie Valley gas pipeline
  - 2001 MOU, 2003 participation and funding agreements, 2004 commercial agreements
- Obtained more than 200 regulatory approvals to gather data
- Spent \$230 million on engineering, environmental, regulatory, consultation and other project activities
  - 25-30% of expenditures have been to northern residents and businesses - including joint ventures

Chart 2

**2000 - 2004 Highlights (cont'd)**

- Communications and consultations have contributed to project plan refinements
  - over 1,000 meetings, presentations and visits
  - issued brochures, newsletters and videos
  - over 100,000 visits to project website
- Filed applications for main regulatory approvals

Chart 3

**Development Concept Overview**

Component	Investment (Billions, 2003\$)
Three anchor fields	1.6
Gas gathering system	1.6
Mackenzie Valley pipeline (1.2 BCFD)	2.8
<b>Total</b>	<b>7.0</b>

- Canadian onshore gas
- APG interest in pipeline will be based on non-anchor field gas
- Open access pipeline
- Utilizes spare capacity in existing pipelines

NOTE: Nova Gas Transmission Ltd. (NGLT) will apply separately to the Alberta EUS to extend the existing Alberta pipeline system to the NGLT interconnect facility.

Chart 4

**Mackenzie Valley Pipeline Flexibility**

The diagram shows the pipeline route from Inuvik to Norman Wells to Southern Terminus. It illustrates the capacity of different pipeline sections under three scenarios:

- Reduced Case (0.8 Gcfd):** Shows a 10" NGL line and a 30" gas line.
- Filling Basis (1.2 Gcfd):** Shows a 10" NGL line and a 30" gas line.
- Expanded Case (1.9 Gcfd):** Shows a 10" NGL line and a 30" gas line.

Legend: Inuvik Area Facility, Pumping station, Compressor station, NGL pipeline, Enbridge pipeline, Transmission pipeline.

Chart 5

**Regulatory Applications**

The flowchart details the regulatory process for the Mackenzie Gas Project, categorized into Development Plan Applications and Facilities Construction Applications.

**Development Plan Applications:**

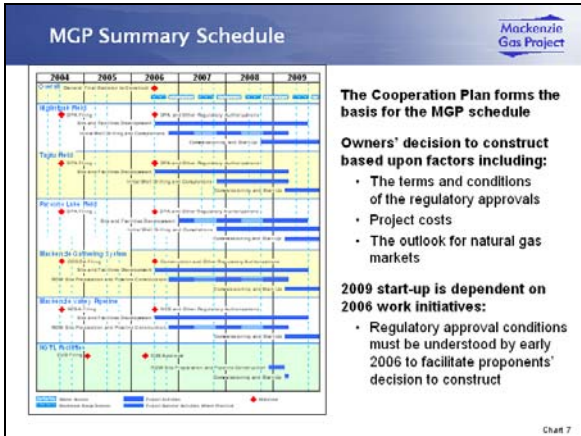
- Part 1: Development Plan Part 1 (Project Description) - EIS Summary - Public Consultation
- Part 2: Development Plan Part 2 (Supporting Information) - EIS Summary - Public Consultation
- Part 3: Development Plan Part 3 (Supporting Information) - EIS Summary - Public Consultation

**Facilities Construction Applications:**

- Volume 1: Gathering System - EIS Summary - Public Consultation
- Volume 2: Engineering Design - EIS Summary - Public Consultation
- Volume 3: Construction and Operations - EIS Summary - Public Consultation
- Volume 4: Gathering System and NGL Pipeline Facility - EIS Summary - Public Consultation
- Volume 5: Gas Pipeline Facility - EIS Summary - Public Consultation
- Volume 6: Environmental Impact Assessment - EIS Summary - Public Consultation
- Volume 7: Environmental Management - EIS Summary - Public Consultation
- Volume 8: Environmental Management - EIS Summary - Public Consultation

Chart 6





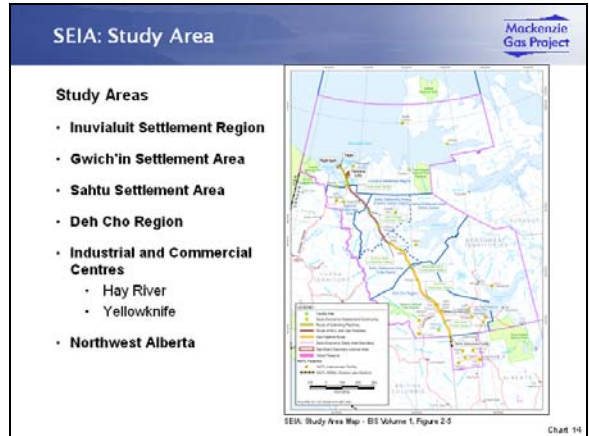
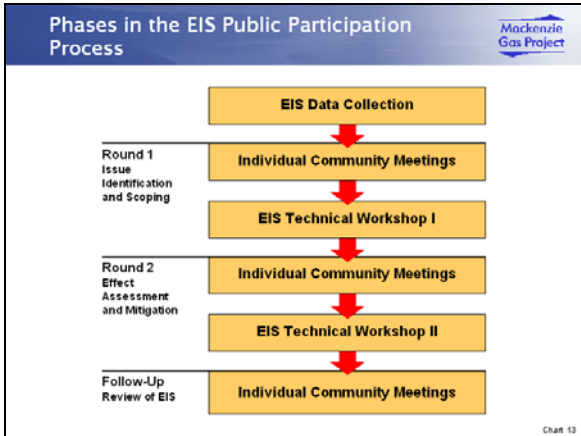
## Introduction to the ENVIRONMENTAL IMPACT STATEMENT

- ### Historical Context
- **2000 – Feasibility Study recommended a coordinated regulatory approach**
  - **2001 – Environmental Gap Analysis Completed**
    - EIS consultation initiated
  - **2002 - 2003 – Extensive Field Baseline Studies**
  - **2004 – EIS filed**
    - EIS filed October 2004
    - Consultation continues from 2001 - 2004
- Chart 9

- ### EIS Structure
- EIS in three parts**
- Environmental (Biophysical) Assessment
  - Socio-Economic Assessment
  - Environmental Management Plans
- EIS includes:**
- Volume 1: Overview and Impact Summary
  - Volume 2: Project Description
  - Volume 3: Biophysical Baseline
  - Volume 4: Socio-Economic Baseline
  - Volume 5: Biophysical Impact Assessment
  - Volume 6: Socio-Economic Impact Assessment
  - Volume 7: Environmental Management
  - Volume 8: Environmental Alignment Sheets
- Chart 10

- ### Environmental Assessment Principles
- **Assessment is focused on issues of greatest concern**
  - **Assessment uses both traditional knowledge and scientific studies to:**
    - Identify issues
    - Assess potential effects
    - Develop measures for impact management
  - **Open and transparent process with communities**
- Chart 11

- ### Public Participation Process - Community-Based Approach
- **Basic to the EIS and integral to the overall assessment approach**
  - **Public participation activities intended to respond to local and regional information needs and concerns**
  - **Facilitated development and verification of the SEIA baseline and in conducting the assessment**
  - **Two rounds of EIS public participation activities have been completed**
    - a follow-up round is planned to review the EIS submission
- Chart 12



- ### Parties Involved
- A total of 23 communities in 5 regions consulted
- All communities in the project area
  - Other communities that may have socio-economic effects
- |  |   |
|--|---|
| <b>First Nation Councils</b>           | <b>Métis Locals and Corporations</b>  |
| <b>Co-management Boards</b>            | <b>Non-Governmental Organizations (environmental and community service)</b> |
| <b>Community corporations</b>          | <b>Renewable Resource Councils</b>  |
| <b>Elders' committees</b>              | <b>Youth committees</b>   |
| <b>Hamlets and towns</b>               | <b>Schools</b>  |
| <b>Charter communities</b>             | <b>Territorial agencies</b>   |
| <b>Hunters and Trappers Committees</b> |   |
| <b>Land corporations</b>               |   |
- Chart 15

### Community Participation

Region	Community Contacts (in-person meetings and telephone contacts)
ISR and GSA (Beaufort/Delta Region)	303
Sahtu	139
Deh Cho	159
Northwestern Alberta	8

Chart 16

### Local Governments Participation

Type of Consultation	Total Participants*	Local Government Representatives
EIS Workshops	432	136
Focused Discussions*	39	100

\* Total number of meetings with local government organizations

Chart 17

- ### Results of Participation Activities: Communicated, Documented and Verifiable
- Meeting notes made and recorded in a database
  - All concerns registered were forwarded to engineering designers and management
  - EIS scientists and engineers participated in community and workshop teams, supporting two-way communication
  - Workshop proceedings prepared and distributed to attendees
  - Concerns, issues and suggested mitigations documented in-depth in EIS Volume 1
- Chart 18

Mackenzie Gas Project

# SOCIO-ECONOMIC IMPACT ASSESSMENT

Mackenzie Gas Project

## SEIA: Introduction

The SEIA predicts there will be:

- Low to high magnitude adverse effects but short-term
- Positive effects on NWT employment and personal income during construction and operations
- Positive effects on the economies of the communities and the regions affected by the project, the NWT, and Canada

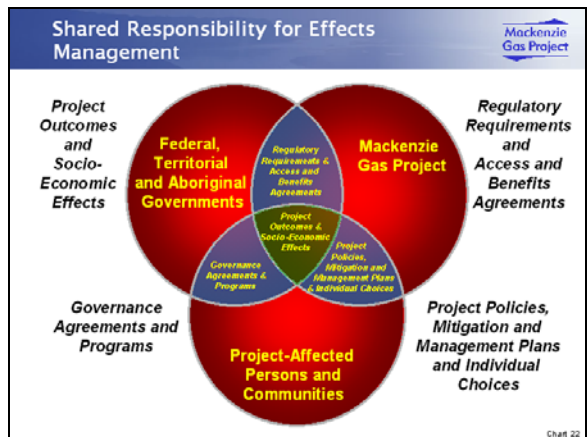
Chart 20

Mackenzie Gas Project

## SEIA: Assessment Activities

- Documented pre-project baseline conditions using quantitative and qualitative social and economic data
- Validated and updated existing data and sources with input from external parties
- Developed key questions, determined effects pathways and assessed effects attributes
- Conducted economic modelling using standard models
- Forecasted the project-specific effects
- Obtained community input to issues scoping, assessment and mitigation planning
- Assessed the cumulative effects in combination with other large-scale developments

Chart 21



Mackenzie Gas Project

## The Economy: Procurement, Employment and Income

**Baseline:**

- Labour supply and businesses in the NWT currently have significant capacity limitations relative to project demands

**Key Findings:**

- Project construction will generate a large demand for qualified labour and suppliers of goods and services from the NWT and elsewhere in Canada

Chart 23

Mackenzie Gas Project

## The Economy: Procurement, Employment and Income

**Key Findings – Construction:**

- Investment (constant 2003 Canadian \$):
  - \$6.2 billion construction (mid 2006 to mid 2010)
  - \$900 million of spending in NWT
- Construction Labour Demands (annual average):

Total Demand		Filled from NWT	
Direct	5,000	Direct	800
Indirect	15,000	Indirect	500
Induced	<u>8,500</u>	Induced	<u>200</u>
<b>Total</b>	<b>28,500</b>	<b>Total</b>	<b>1,500</b>

- Labour Income (2006 – 2010):
  - \$4.7 billion in total
  - \$300 million to NWT residents

Chart 24

### The Economy: Procurement, Employment and Income

**Key Findings – Operations (2010 - 2030):**

- Labour Demands (annual average):

Total Demand		Filled from NWT	
Direct	190	Direct	185
Indirect	630	Indirect	225
Induced	360	Induced	90
<b>Total</b>	<b>1,180</b>	<b>Total</b>	<b>500</b>

\*Includes future investment activities at Taglu and Parsons Lake

- Labour Income (annual average):
  - \$59 million in total
  - \$28 million to NWT residents

Chart 26

### The Economy: Procurement, Employment and Income

**Management Measures:**

- Management measures include plans to maximize the use of northern capacity:
  - Procurement Plan to enhance participation by northern businesses
  - Education and training for employment to enable more northerners to qualify for project jobs
  - Employment policies and programs to enhance employment of northerners
- Measures are required to reduce impacts on workforce in essential services and existing businesses
- All plans require cooperative effort among the project, the business community and educators

Chart 26

### The Economy: National Economic Effects

**Key Findings:**

- The project will provide large tax revenues to various governments:

	Construction (2006 – 2010)	Operations (Annual Average 2010 - 2030)
NWT	\$55 million	\$122 million
Alberta	\$378 million	\$3 million
Canada	\$1,900 million	\$286 million

- Gross tax revenues of the federal, Alberta and NWT governments will increase substantially
- The current formula financing grant to the GNWT would reduce GNWT tax revenues to an estimated:
  - \$10 million during construction
  - \$22 million/year during operations

Chart 27

### The Economy: Demography

**Key Findings:**

- The project will attract some migrants to regional centres during construction
- Estimation of magnitude of 'speculative' component is difficult

**Management Measures:**

- Project hiring policies will discourage southern job-seekers from coming north
- Hiring offices for northerners in their home communities will discourage migration to regional centres

Chart 28

### The Economy: Demography (cont'd)

Estimated Population Effects		
Community	Construction*	Operations
Inuvik	450	200**
Norman Wells	100	40
Fort Simpson	140	10
Hay River	125	-
Yellowknife	-	165***
<b>Total</b>	<b>800</b>	<b>420</b>

\*About 50% could be single adults  
 \*\*From 2009-2015, transitional field development effect estimated at 280  
 \*\*\*Combined Yellowknife and Hay River

Chart 29

### The Economy: Governance


**Key Findings and Observations:**

- Northern financial options are limited but will change because of devolution, self government and project activities
- Funds are required to prepare for the project
- The project will produce substantial tax revenue in the Operations Phase

**Management Measures:**

- Shared responsibility and timely funding is needed to manage project-related effects:
  - Funding agreements among governments prior to construction

Chart 30

**Infrastructure and Community Services: Transportation Infrastructure and Use** 

**Key Findings:**

- High project demands on all transportation modes during construction
- Existing community demands must be met

**Management Measures:**

- Timely, coordinated and collaborative planning, financing, agreements by GNWT, service providers, affected communities and the project including:
  - Joint planning and coordination among the project proponents, local communities and GNWT (MACA and Transportallon)
- Agreements for the project's use of roads that consider road maintenance and upgrading where required
- Consulting with barge and air service providers to provide enough lead time to ensure capacity to meet community and project needs

Chart 31

**Infrastructure and Community Services: Housing** 


**Key Findings:**

- In-migration concentrated in regional centres
- Over-crowding and low vacancy rates
- Affect will be greatest on people with fixed incomes

**Management Measures:**

- Measures to reduce migration
- Project's self-contained camps will accommodate direct workforce and associated officials (regulators, etc.)
- Government could provide:
  - Increased land for development
  - Incentives to increase housing supply
- Private sector will upgrade & expand rental accommodation & housing supply

Chart 32

**Infrastructure and Community Services: Energy and Utilities** 


**Key Findings:**

- Community infrastructure, energy supply and utilities will not be adversely affected by the project

**Management Measures:**

- Camps will be isolated and self-contained in terms of energy and utilities and all waste handling
- For camps located near communities, project might negotiate agreements for use of community infrastructure, energy and utilities

Chart 33

**Non-Traditional Land and Resource Use** 

**Key Findings:**

- Little or no project effects on non-traditional land and resource use are predicted

**Management Measures:**

- Effects will be managed by:
  - Obtaining land and access permits
  - Using access management techniques
  - Providing compensation for granular resources
  - Prohibiting hunting and fishing by workers while on site
  - Salvaging timber

Chart 34

**Non-Traditional Land and Resource Use** 


**Development of Gravel Sources (near communities)**

- MGP will require only 1 - 2% of granular materials available at proposed primary borrow sites
- The overall effect will be reduced because of positive economic effects, such as:
  - development of new sources
  - potential use of local contractors for project granular operations

**Land Development**

- Based on available community plans, there should be adequate land supply & no known zoning conflicts from project components on municipal lands

Chart 35

**Individual, Family and Community Wellness** 


**Refers to:**

- Community well-being and social services
- Health conditions, and health care services
- Protection and policing services
- Education attainment and services

**Key Findings:**

- Project effects will be additive to existing social problem conditions

Chart 36

**Public Safety and Protection Services** 


**Key Findings:**

- The project will increase the police workload during construction:
  - Increased alcohol abuse and related family and community problems
  - Project camp and transportation activities

**Management Measures:**

- Effects can be managed by:
  - Effective camp policies and security
  - Coordination between camps and RCMP
  - Increase in police staffing in selected locations

Chart 37

**Individual, Family and Community Wellness: Community Health and Social Services** 


**Key Findings:**

- Project activities will increase the income of many NWT residents
- Individual choices about spending of increased income will enhance or reduce the quality of life of the income earners, their families and their communities
- The demand for health & social services in many communities will increase

**Management Measures:**

- Mitigation measures support good choices and address the consequences of poor choices
- Implementation of the management measures must be shared by the project, the GNWT, and local communities

Chart 38

**SEIA Monitoring Plan** 

**Objectives:**

- To verify accuracy and completeness of identified effects
- To determine effectiveness of mitigation
- To enable adaptive management as necessary


**Activities:**

- Focus on project construction phase
- Use participative process involving regional working committees (project and management agencies)
- Use selected effects indicator data with direct causal linkages to project activities, and for which there is baseline data available

Chart 39




**INFRASTRUCTURE DESIGN PLANNING**

**Community Interfaces** 


- Effect that project infrastructure, transportation, accommodation and construction activities may have on communities
- Items which are considered close to communities
- Items which should not have a direct effect on communities are not listed
- Additional project requirements are required at locations away from communities

Chart 41

**Health, Security, Emergency Services** 

- A health and security risk assessment will be undertaken as part of the camp, pipeline and facilities design.
- Camps will have dedicated medical staff and associated facilities.
- The project will have an overall security program from pre-aircraft boarding checks through dedicated camp and job site security.
- Project emergency services/plan will be developed and implemented
- Emergency response equipment and personnel will be available in camps

Chart 42

**Project Waste Sources** 

**Domestic waste from camp operations**

- Food waste, paper and packaging

**Domestic wastewater from camp operations**

- Black and grey water from toilets, showers, kitchens

**Construction waste from pipeline & facilities**

- Lubricating oil, pipe ends, plastic, scrap metal, tires, wood, metal banding, rope separators etc.

Chart 03

**Project Waste Management Plans** 


**Development of plan included**

- Preparation of strategy and plan that covers all project components
- On-going consultation with MACA, RWED, INAC, communities
- Documentation of existing community waste infrastructure

**Components of plan**


- Storage of both hazardous and non-hazardous at campsite and construction site locations
- Incineration of non-hazardous waste and store ash
- Track and transport waste to approved third-party landfills/facilities
- Treated waste water allows for surface release or to be used for winter road maintenance
- Also evaluating waste water disposal at Inuvik, Norman Wells and Hay River

Chart 04

**Potable Water and Power Requirements** 

- **Required for infrastructure and construction activities**
  - Inuvik Area Facility & Campbell Lake camps (360 m<sup>3</sup>/d)
  - Fort Good Hope camp (300 m<sup>3</sup>/d)
  - Norman Wells camp (300 m<sup>3</sup>/d)
  - Fort Simpson – McGill Station camp (215 m<sup>3</sup>/d)
  - Hay River camp (70 m<sup>3</sup>/d)
- Evaluating the possibility of tying into potable water system at Inuvik, Norman Wells and Hay River
- Other potable water required for site/camp locations will be sourced from approved locations
- Evaluating the possibility of tying into electrical power system in Hay River
- Other power requirements will be supplied by onsite diesel electric generators

Chart 05

**Camp and Existing Accommodation Facilities** 

**Campbell Lake Area**

- Inuvik Area Facility construction – 250 persons – 2007/09
- Pipeline construction – 1350 persons – 2008
- Summer Season logistics crew – 75 persons – 2006
- Swimming Point – 950 persons – 2009


**Fort Good Hope Area**

- Pipeline construction – 1350 persons – Q3 2007 - Q1 2009

**Norman Wells Area**

- Pipeline construction – 1350 persons – Q3 2007 - Q1 2009
- Compressor Station - 120 persons – Q3 2007 - Q3 2009

Chart 06

**Camp and Existing Accommodation Facilities** 

**Tulita Area**

- Summer Season logistics/site preparation crew – 40 persons – 2007

**Ft. Simpson**

- Logistics - 40 persons


**Hay River**

- Logistics, modular assembly, material / equipment lay down area - 300 persons starting in 2006

**Additional Construction Camps**

- Located along pipeline route, material storage areas and facility locations

Chart 07

**Barge Landing Sites** 

**Locations**

- Inuvik NTCL site (existing) – 2006/10
- Fort Good Hope (new)
- Norman Wells (2 existing)
- Tulita (12 Mile Point new)
- Ft. Simpson (Cooper Barge)
- Liard Ferry crossing (new)
- Hay River (existing)
- Other barge landing sites located along the Mackenzie River as required

Chart 08

### Borrow Source Locations

**Borrow source material required for anchor fields, camp sites, material lay down areas, access roads, airstrips and facilities**

**Location of borrow sources**

- Inuvik Area Sites - 3 sites within 20 - 35 km
- Ft. Good Hope - 3 sites within 5 - 15 km
- Norman Wells - 1 site within 6 km
- Tulita - 1 site within 20 km
- Wrigley - 1 site within 10 km
- Fort Simpson - 1 site within 20 km
- Other locations along the pipeline route

Chart 49

### Roads - Access, Winter, All-weather

- Inuvik - Navy Road/Marine By-Pass
- Winter road from Inuvik to Swimming Point, Bar-C, Lucas Point - Parsons Lake, Camp Farewell, Nigliingak and Taglu
- Winter road from Wrigley to Norman Wells to Fort Good Hope
- Local access within Norman Wells
- Mackenzie Highway from Hay River to Ft. Simpson to Wrigley
- Trout Lake winter road to pipeline ROW
- Access roads off of winter roads and all weather roads to the pipeline ROW and facility locations
- Dempster Highway

Chart 50

### Air Transportation and Fuel Hub

- Hub locations - Inuvik, Norman Wells, Ft. Simpson and Hay River
- Crew movements from hub location to field location
- Equipment - fixed wing and helicopter
- Fuel delivered to hub locations and distributed to field locations

Chart 51

### Community Interfaces - Summary

Community	Waste disposal	Source of potable water	Source of electricity	Camps in area	Edge landing sites used	Use of community roads	Use of airports	Borrow sites nearby
Inuvik	Possible	Possible		Yes	Existing	Yes	Yes	Yes
Fort Good Hope				Yes	New		Yes	Yes
Norman Wells	Possible	Possible		Yes	Two existing	Yes	Yes	Yes
Tulita				Yes	New		Yes	Yes
Wrigley								Yes
Fort Simpson				Yes	Cooper Barge		Yes	Yes
Hay River	Possible	Possible	Possible	Yes	NTCL	Yes	Yes	

Chart 52

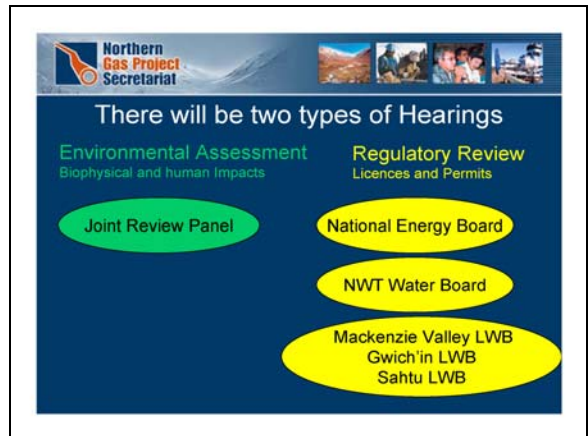
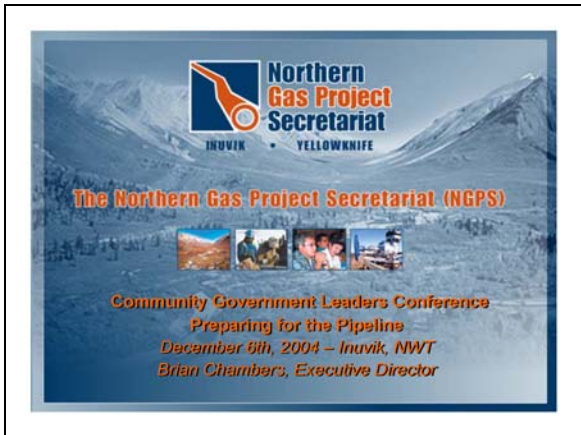
### Community Interfaces

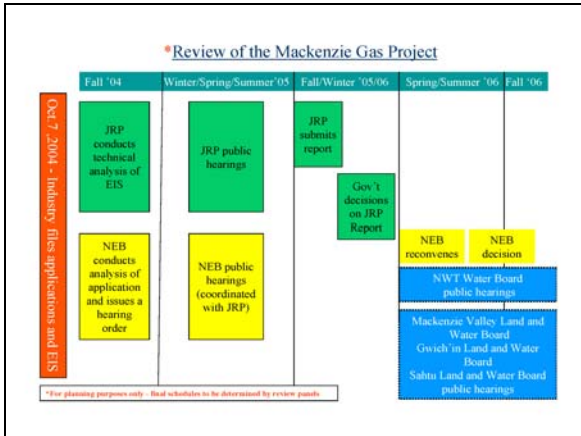
- Discussions with communities and GNWT departments began in 2002
- GNWT departments
  - MACA
  - RWED
  - Transportation
- Communities
  - Inuvik
  - Norman Wells
  - Fort Simpson
  - Hay River

Chart 53



## 4.7.2 Northern Gas Project Secretariat (NGPS)





**Northern Gas Project Secretariat**

## Summary of NGPS Roles


- **Communication** with the public
- Provision of **one-window access** for public involvement
- **Information Management** related to the MGP, including provision of a **common public registry**
- **Coordination and logistical support** for public hearing processes

**Northern Gas Project Secretariat**  
INUVIK • YELLOWKNIFE

**The Northern Gas Project Secretariat (NGPS)**

Suite 302, Professional Building, Inuvik  
 Suite 208, Scotia Centre, Yellowknife  
 Tel: 673-8600 (Inuvik); 766-8600 (YK)  
 (toll free) 1-866-372-8600  
[www.ngps.nt.ca](http://www.ngps.nt.ca)

## 4.7.3 Joint Review Panel (JRP)



Community Government Leaders Conference:  
Preparing for the Pipeline

Presented by:  
Bob Mahnic  
Joint Review Panel Secretariat

6 December 2004  
Inuvik, NT

### Presentation Overview

- Who is the Joint Review Panel?
- Why is there a Joint Review Panel?
- What is the Panel's job?
- Where are we now in the review?
- What will the Joint Review Panel look at?
- How does the public get involved and when?
- Who can the public contact?


### Who is the Joint Review Panel?



Barry Greenland   Robert Hornal   Gina Dolphus

Peter Usher   Tyson Pertschy   Percy Hardisty   Rowland Harrison

### Why is there a Joint Review Panel?



Inuvialuit Final Agreement

Mackenzie Valley Resource Management Act

Canadian Environmental Assessment Act

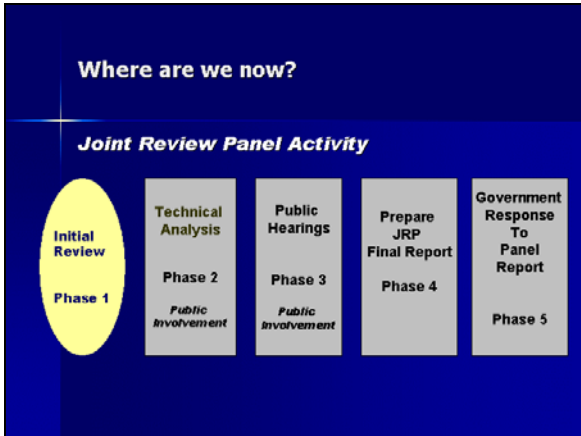
Joint Review Panel Agreement

### What is the Panel's job?

- listen to environmental and socio-economic concerns and issues related to the proposed Mackenzie Gas Project
- to determine how the proposed Project could affect the land, environment and lives of people in the project area
- based on the impacts identified, make recommendations regarding their significance and measures to address them

### How will the Panel do its job?

- by reviewing the proponent's Environmental Impact Statement and other documents
- by conducting a technical analysis and coordinating technical conferences
- by presenting information requests to the Proponent
- by listening to the concerns of the public at community and general hearings
- by writing a final report, including it's conclusions and recommendations



### What will the Joint Review Panel look at?

All phases of the proposed project  
- construction, operation, closure, abandonment

**Natural Environment Impacts**

- The impacts of the proposed project on the environment  
- water, air, soil (permafrost), wildlife (caribou, moose, fish)... conservation and special management areas
- The impacts of the environment on the proposed project  
- climate change, soil erosion, water levels, etc.

### What will the Joint Review Panel look at?


**Human Environment Impacts**

- traditional and other resource uses
- community well-being
- human health
- employment, training and business activity
- sustainable development
- community services and infrastructure

### What will the Joint Review Panel look at?

**Cumulative Impacts**

- changes to the environment caused by the proposed project activities in combination with other past, present and future human actions



### When and How does the public get involved?

The Joint Review Panel will make a series of announcements through-out the EIR

Announcement #1 – included the creation of a Distribution List specifically for information on the Joint Review Panel process

Announcement #2 – the Notice to Intervene was released November 25. Deadline to respond is December 17

### When and How does the public get involved?

Future Announcements will include information on:

- Information Requests (application form, deadlines)
- Technical Conferences (issues, times, locations)
- Hearings (types, times, locations)

### What will be in the Final Report?

- A description of the public review process
- A summary of the comments and recommendations received from the public
- Conclusions and recommendations regarding the nature and significance of impacts on the natural and human environments
- May also include mitigation measures and follow-up program

### For more information, please contact:

Paula Pacholek

Joint Review Panel Manager  
Suite 302, Professional Building  
Box 2412 Inuvik, NT  
X0E 0T0



Phone: (867) 678-8604

Fax: (867) 777-3105

Email: [pacholekp@jointreviewpanel.ca](mailto:pacholekp@jointreviewpanel.ca)

[www.ngps.nt.ca](http://www.ngps.nt.ca)

CLICK ON >



## 4.7.4 National Energy Board (NEB)

National Energy Board / Office national de l'énergie

### The National Energy Board Hearing Process

December 2004 Information Sessions

Gordon Daw  
Project Manager

Canada

National Energy Board / Office national de l'énergie

### Purpose of this Presentation

- To provide information to help you decide how to participate in the upcoming National Energy Board hearings

**Your views are very important to the NEB in its consideration of the Mackenzie Gas Project**

Canada

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### Overview of Presentation

- What is the National Energy Board?
- What is the NEB's role in the Mackenzie Gas Project?
- What are the phases in the hearing process?
- How can you participate?
- How do you get more information?

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### What is the National Energy Board?

- Independent tribunal, established in 1959
- Reports to Parliament through the Minister of Natural Resources Canada
- 9 Board Members and 300 staff
- Regulates international and inter-provincial/territorial pipelines and power lines
- Regulates activities in frontier regions
- Holds public hearings for large projects

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National Energy Board / Office national de l'énergie

### Mackenzie Gas Project Applications to the NEB

The map shows the Mackenzie Gas Project route through the Northwest Territories. Key locations marked include Inuvik, Fort Good Hope, Norman Wells, Tullita, Wrigley, and Fort Simpson. A red line indicates the Mackenzie Basin area.

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### The NEB Panel

Gaetan Caron, Kenneth Vollman, Presiding Member, David Hamilton

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## What will the NEB consider?

- Design, Construction, and Operation of the Project
- Safety and Security
- Routing and Land Matters
- Access for Shippers
- Tolls and Tariffs
- Natural Gas Supply, Transportation, Markets
- Economic Feasibility
- Public Consultation
- Report of the JRP

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## Cooperation with the Joint Review Panel

- As set out in the June 2002 Cooperation Plan
- The NEB will consider the Report of the Joint Review Panel for environmental and socio-economic matters
- The NEB will not make its decision until after the JRP report is finalized

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## Public Hearing Process

Phase 1 Initial Review

Phase 2 Technical Review

Phase 3 Public Hearings

Phase 4 JRP Report

Phase 5 Gov't Response

Phase 6 NEB Reconvenes

Phase 7 NEB Decision

We are here

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## Where are we now?

Phase 1 Initial Review

Notice of Public Hearing

Get copy of Hearing Order

Apply to Intervene in NEB process by 21 December 2004

Decide how to participate

Phase 2 Technical Review

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## Options for Participation

- Intervenor (full participant) – Apply by 21 December 2004
  - Receive documents
  - Ask written questions
  - Provide written evidence
  - Ask questions at the public hearing
  - Answer questions about your evidence
  - Other participants can ask you questions
  - Provide a summary of your position
  - Required to distribute copies of your documents

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## Options for Participation

- Letter of comment – File by 29 March 2005
- Oral statement – Notify NEB by 29 March 2005

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## What's Next? (Phase 2)


21 December 2004	Apply to become an Intervenor Proposed changes to List of Issues
7 February 2005 28 February 2005	Information Requests to Applicant Responses to Information Requests
29 March 2005	Letters of Comment/Register for Oral Statement Written Evidence of Intervenor
8 April 2005 20 April 2005	Information Requests to Intervenor Responses to Information Requests
27 April 2005	Applicants' Reply Evidence
Phase 3 Public Hearing	Coordinated with JRP hearings Locations and dates to be determined

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## Information Sessions & Technical Conferences

- Information Sessions - what to expect at the public hearing
- Technical Conferences – some complex technical matters may be dealt with outside the hearing room
- Check NGPS or NEB websites, newspapers, radio



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## If the Project Is Approved (After Phase 7)

- Certificate issued for the gas pipeline
- Certificate conditions to address:
  - Recommendations of the Joint Review Panel
  - Commitments by the Applicants
  - Concerns of NEB Panel
- Separate approvals granted for:
  - Gathering system and NGL pipeline
  - Each of the three natural gas fields

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## If the Project is Built



The NEB conducts inspections and audits during construction and throughout the operating life of the project

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## For More Information

- Visit NEB and NGPS websites:  
[www.neb-one.gc.ca](http://www.neb-one.gc.ca) [www.ngps.nt.ca](http://www.ngps.nt.ca)
- Call the NEB's toll-free number 1-800-899-1265  
Ask for: Mona Butler Jane Morales Ross Hicks
- Visit the NGPS offices in Yellowknife or Inuvik
- Visit the NEB library in Calgary
- Announcements in the paper and on the radio

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## Thank You – Any Questions?



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## 4.7.5 MACA – Environmental Impact Statement

**“Preparing for the Pipeline”  
Conference**

Presentation on the Mackenzie Gas Project  
**Environmental Impact Statement**

By the Department of Municipal and Community Affairs

*Focusing on areas of Particular interest  
to Community Governments*




**Purpose of the  
Environmental Impact Statement (EIS)**

- The EIS was developed over the past three years by the Mackenzie Gas Project incorporating input from communities likely to be affected by the proposed pipeline
- It follows direction set by the relevant regulatory agencies that are responsible for assessing and regulating resource development projects in the NWT



**The EIS includes:**

- An overview of the project for the purpose of an environmental assessment
- A description of the bio-physical and socio-economic baseline conditions
- An assessment of potential impacts organized according to key questions and developed with community input
- A description of mitigation measures to mitigate adverse bio-physical and socio-economic impacts
- A summary of environmental management plans designed to reduce or manage adverse bio-physical impacts, while enhancing impacts to the communities of the NWT




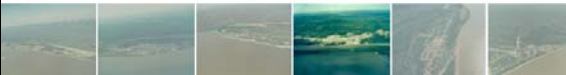
**Timing of the Project**

- Pending regulatory approval, design and construction are scheduled to begin in 2006 and last for three years
- Operations will begin in 2009 and will last as long as gas production makes economic sense
- Decommissioning and abandonment will begin after that in accordance with regulatory requirements



**Pipeline Route**

- Through the Mackenzie Valley, adjacent to Inuvik, Fort Good Hope, Norman Wells, Tulita, Wrigley, Fort Simpson
- During construction, there will be camps are planned adjacent to Inuvik, Fort Good Hope, Norman Wells, Fort Simpson and Hay River

**Issues addressed in the EIS**

- Bio-physical impacts of the project
  - on the natural environment - land, water (including ground water and water quality), air, soil, trees & plants
  - on wildlife and fish
- Socio-economic impacts of the project on communities and residents that will be affected by the project



**Socio Economic Issues Identified**


The Socio-economic impact assessment focus on the wellness of communities in key areas such as:

- Communities and people
- Economic activity,
- Labour force/employment
- Income sources & amounts
- Cost of living
- Transportation and infrastructure
- Utilities, energy and communications (including water, sewage & garbage)
- Housing and recreation
- Governance
- Family and community wellness
- Health conditions
- Health care facilities and services
- Education and training
- Traditional culture
- Non-traditional land and resource use (including gravel)
- Heritage resources



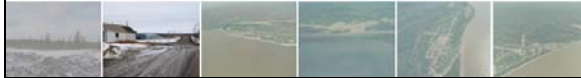
**Water, Sewer and Garbage**

- MGP advises there has been no analysis of the suitability of the community infrastructure for project use.
- However, they have stated that “where camps are located near communities, the project and the community, with the possible involvement of the GNWT, could enter into an arrangement where the project is permitted to use community infrastructure ... if both parties stand to benefit and if the capacity of the infrastructure to meet current and future community needs is not compromised (EIS Vol 6, S. 4, P. 4-27 to p. 4-30).
- MGP proposes to access potable water from Inuvik, Fort Good Hope, Norman Wells, Fort Simpson and Hay River for camps that are in/adjacent to communities (EIS Vol 2, S.6, p.6-25).



**Local Roads**

- MGP predicts increased barging activity, airport use and winter road use in a number of communities along the route (EIS Vol 2, S. 6.8; Vol. 6, S. 4).
- As a result, industry could be using municipal roads in a number of communities to transport materials and staff from barge landing sites, airports etc to pipeline camps and facilities.
- This places an added strain on communities to maintain roads and increase safety precautions




**Local Government Employment**

- MGP has stated that some qualified people may choose to “leave existing employment to pursue higher paying or more fulfilling work on the project”(Vol. 6, S. 3, p.3-13).
- Because a number of MGP positions are closely related to community government positions (e.g., foreman, office support staff, heavy equipment operator, etc.), community governments may lose existing staff to the project.
- MGP has identified training opportunities for the operations phase, but not for the construction phase.




**Fire Protection**

- No specific mention is made of the project using community fire protection services (EIS Vol. 7, S.5).
- However, where camps and facilities are adjacent to communities, in the event of a fire, a community fire department may respond thus raising liability and capacity issues.



**Granular Materials**

- MGP estimates that 5 million cubic metres of gravel will be required for construction of the project from existing/new “borrow sites” (EIS Vol. 2, S. 7).
- Several borrow sites identified are located close to communities – Inuvik, Norman Wells, Tulita, Wrigley, Trout Lake and Jean Marie River.



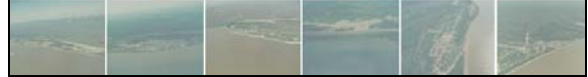
## Recreation Facilities

- MGP has stated that camps will be self sufficient and will include recreation facilities for employees.
- MGP has acknowledged that there may be pressures on recreation facilities in some larger centers during construction – for e.g., local recreation facilities will be challenged if Fort Simpson experiences any sizeable increases in short term residents. (EIS Vol.1, p.33)
- Also, where required and in agreement with communities, the project might rent existing facilities (EIS Vol. 6, s. 4, P.4-52).



## In Conclusion

- There are a number of areas in the Environmental Impact Statement that directly affect communities, municipal infrastructure and programs and services.
- Municipal and Community Affairs' staff can assist communities in identifying relevant sections as you review the document.
- Its important to plan and prepare for the possible impacts on your specific community.



## 4.7.6 RWED – Environmental Impact Statement

### Environmental Assessment and Regulatory Review Process

Socio-economic Agreement

### Project Approval

REGULATORY FRAMEWORK

The diagram shows two vertical bars representing the JRP (orange) and NEB (green) processes. They are positioned within a dashed-line box labeled 'REGULATORY FRAMEWORK'.

### How Can We be Certain of Impacts?

REGULATORY FRAMEWORK

The diagram shows the JRP (orange) and NEB (green) processes leading to three outcomes: SEA, Licenses/Permits, and Certificate. Arrows indicate the flow from the processes to these outcomes.

### Follow-up Programs

- A follow-up program looks at whether:
  - predictions come true
  - mitigation works

### Key Process Steps

REGULATORY FRAMEWORK

The diagram compares the steps of the JRP (orange) and NEB (green) processes. JRP steps include TOR, EIS, Information Requests, Hearings, and Written Submissions. NEB steps include Public Hearings and Formal Hearing. An arrow points from the JRP 'Written Submissions' step to the NEB 'Formal Hearing' step.

### What Does the TOR Ask For?

JRP

- TOR
- EIS
- Information Requests
- Hearings
- Written Submissions

- Roles and capacity of community governments
- Predicted impact on community infrastructure, services, and capacity

## Environmental Impact Statement

JRP

TOR

EIS

Information Requests

Hearings

Written Submissions

- Predicted impacts: Volume 6A
  - Utilities – none (section 4.2)
  - Housing – some (section 4.3)
  - Recreation facilities – none (section 4.5)
  - In-migration (section 3.3)
- Has not looked at whether community infrastructure is suitable for project use

## Information Requests

JRP

TOR

EIS

Information Requests

Hearings

Written Submissions

- Do you have enough information to see how the Project will affect your community?
- Can you see how impacts were calculated?
- Are mitigation measures clear?

## Hearings & Written Submissions

JRP

TOR

EIS

Information Requests

Hearings

Written Submissions

- What impacts are described in EIS?
- Do they seem reasonable?
- Do they seem certain?
- Are mitigation measures adequate?
- How certain are you they will work?
- Can you absorb and manage any remaining impact?

## Mitigation Measures

JRP

TOR

EIS

Information Requests

Hearings

Written Submissions

- Are there win-win options?
  - are there assets no longer needed?
  - can we learn from the Project?
  - mutual needs
- Will they work?
- Are they economically feasible?

## Mitigation Measures

JRP

TOR

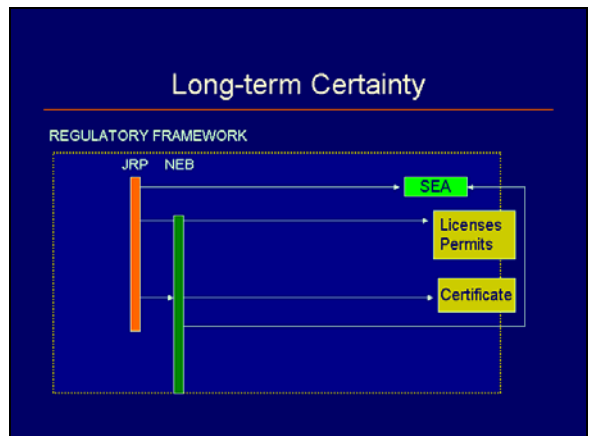
EIS

Information Requests

Hearings

Written Submissions

- Can they be monitored?
- If they don't work,
  - what will be done instead?
  - when will it be done?



## **4.7.7 Norman Wells: Experience**

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### **PREPARING FOR THE PIPELINE - COMMUNITY LEADERS' CONFERENCE December 6-8, 2004**

#### **NORMAN WELLS OVERVIEW**

Good afternoon. MLAS, fellow community leaders and conference participants, I'd like to share with you the past, present and desired future for the community of Norman Wells with respect to resource development. The Town is committed to implementing the learnings from the last project, today, to better manage and maximize available opportunities from a future project.

A significant portion of my presentation will utilize a post-project report prepared by MACA shortly after the expansion and pipeline project of the mid-eighties. Unfortunately, many of the issues identified through the last project remain unresolved as we move towards a new project. Fortunately, we - as community leaders - have an opportunity through this conference, to work together to ensure our concerns are heard and that these deficiencies will not be repeated in our communities during the next pipeline project.

Before I get to the report, I'd like to offer a very brief historical overview of resource development and its impact to Norman Wells.

#### **THE PAST**

The first documented oil discovery in Norman Wells was that of Sir Alexander Mackenzie's observation of traces of oil in 1789.

The field was staked in the early 1900's and beginning in 1920, the oilfield at Norman Wells became the most northern producing oil field in North America.

By 1937 Imperial Oil was established in oil exploration and in 1939, a refinery to produce aviation fuel was built

The CANOL project saw the construction of a pipeline between Norman Wells and Whitehorse to supply fuel for the American war effort between 1942 and 1944

In the early to mid-eighties, more than 200 wells were drilled, bringing the total to 362. In addition, six artificial islands, a Central Processing facility, gathering systems and a pipeline from Norman Wells to Zama, Alberta were built.

#### **THE PRESENT**

The oil field at Norman Wells continues to produce an average volume of 22,000 bbls/day which is transported through the pipeline.

The direct taxation benefit to Norman Wells from IORL's operation is slightly over 1M/annually; taxes received from the pipeline are slightly over \$200,000.

Approximately 60 people are directly employed by IORL and another 10 are employed at Enbridge Pipelines (NW) Inc.

The community has benefited from resource development through direct taxation opportunities, direct employment opportunities, business opportunities (oil field support businesses) and a significant contribution to the population base of Norman Wells and the spin-offs to business associated with high income earners living within the community.

The production process at IORL provides the community with a natural gas supply and NWTPC purchases power from IORL to sell to the Norman Wells consumer.

With the potential of new pipeline, exploration and seismic activity has increased considerably within the Sahtu Region during the past couple of years. Work undertaken by the MGP combined with the increased exploration/seismic activity has both positively and negatively impacted the community. Positive impacts to the community include the creation of new employment opportunities, increased business/revenue to contractors, aviation companies, the service and hospitality industry and the retail sector. Adverse impacts have included a significantly increased use of municipal roads (accessing the winter road) with accompanying safety concerns and issues, higher demand for services within the community (retail, service industry and hospitality industry) which has resulted in a decline and/or increased costs with respect to the availability of goods and services available to residents.

The proposed pipeline has generated a sense of optimism for continued growth and prosperity to the community. Notwithstanding the "industrial project of the 1980's", the current year marks an unprecedented level of development (valued at \$10M -\$12M in 2004) and land acquisition within Norman Wells.

Where do we go from here? As the municipality and residents live with the impacts of increased development and prepare for further growth, it is critical that we apply our experiences from the last project to ensure the next project is carefully managed to maximize benefits to the community and minimize adverse impacts.

To this end, the Council for the Town of Norman Wells, established by resolution in December 2003, the "Resource Development Impact Group" or "RDIG". RDIG was initially established as a sub-committee of the Norman Wells & District Chamber of Commerce in April 2003 and, following municipal elections in October 2003, asked that the Council adopt "ownership" of the group. The group is mandated to make recommendations to Council which address impacts to the community as a result of resource development ... more specifically, RDIG may recommend by-law or policy changes which address resource development related opportunities/impacts to the municipality, including those to municipal infrastructure, health and social services, economic development, recreation, town planning and land use and environmental implications. The committee may also refer issues to Council for recommendations on mitigating measures to address impacts and recommendations to maximize opportunities. RDIG's membership includes 2 representatives from Town Council, 2 representatives from the public, and one representative from each of: the Chamber of Commerce, RWED, INAC, the Ernie McDonald Land Corporation and INAC. To date, RDIG has undertaken a review of a variety of the post-project reports relative to the last project, has conducted a Housing Needs Survey to gauge future housing requirements and conducted a community survey over almost 200 residents to gauge their opinions and concerns with respect to resource development. RDIG contributed significantly to the Town's submission to the hearing by the MVEIRB earlier this year to determine the requirement for a Joint Panel Review and was then instrumental in providing comments for consideration by the Town on the Draft Terms of Reference for the EIS and for the Joint Panel Review Process.

Having provided you with the context in which Norman Wells operates, I'd like to reference the post-Norman Wells project report prepared by MACA. The report identified significant inadequacies in communication, planning and processes throughout the project. I'd like to share some of the report's findings with you and place them in the context of development today and in preparation for a new pipeline project:

Then: Inadequate planning and preparation for project impacts. Existing planning was outdated. This had substantial implications on availability of land, land use conflicts etc.

Today: Anticipate the completion of a new Community Plan and Zoning By-Law within the next one-two months. Significant attention has been given to ensuring that future development clearly delineates industrial areas from other areas within the community to ensure an aesthetically pleasing, long-term controlled vision for the community and residents.

Then: Insufficient priority was given by the GNWT to community planning, not only in Norman Wells but in all communities directly affected. The work could not be accelerated within existing resources without dependence on extraordinary impact funding.

Today: Despite an increased focus internally by the GNWT to plan for a pipeline project, the need for funding for additional municipal resources has not yet been recognized.

Then: Substantial demand for residential land over and above the inventory available. No one gauged or anticipated the degree of additional housing requirements originating from ancillary industries and businesses establishing in the community. The GNWT'S own staff housing requirements were not identified early enough either.

Today: Earlier this year, RDIG (on behalf of the Town) completed a housing needs survey which very clearly indicated the community will need an increased number of multi-unit accommodations into the future. The Town relayed this information to the Minister Responsible for the Housing Corporation requesting this information be taken under consideration during future planning efforts. The Town recently identified and authorized the surveying of seventeen mobile home lots and, as part of the Community Plan/Zoning By-Law, are identifying further areas for potential residential development.

Then: Substantial demand for limited supply of commercially designated lands with a local attitude that each business established requires its own lot as opposed to multi-use developments.

Today: Limited supply of commercially designated lands. However, developers have identified the benefits of multi-use developments.

Then: Many businesses during the project attempted to secure large numbers of lots to simply fill and lease them back to smaller users. This amounted to land speculation using Commissioner's Lands, placed a greater demand on the limited supply of lots and may have resulted in widespread clearing of land for no immediate purpose.

Today: Land lease applications for Commissioner's Land in the industrial area are at a record high. Although Council has insisted upon a description of intended use by the applicant prior to providing a letter of support for the land, the Council has no control over the land use until such time as a development permit application is received. It would not be unreasonable to assume that some of the land acquisitions in 2004 are for speculative reasons.

Then: Substantial pressure was placed quite quickly on existing infrastructure and the capital planning process failed to respond due to its complexity. The GNWT's own capital planning procedures may be too cumbersome to respond quickly to impact conditions.

Today: Earlier this year, the Town examined our current infrastructure capabilities, our capacity for increased usage and any upgrades required to meet potential new demand. We are confident that we are in a "proactive" position in terms of infrastructure and look towards the GNWT to support any identified upgrades.



Then: I quote "Both Council and Hamlet Administrative capabilities were strained by the expansion and pipeline projects, given the volume and variety of constructions, meetings, negotiations and review of development proposals, over and above usual day-to-day affairs" ... With initiation of these projects, Council - comprised essentially of volunteers with outside employment obligations, was heavily burdened with a variety of issues in the community ... Similar expertise and staffing requirements at the local level may be expected under similar conditions in future."

Today: Ditto. Increased development, discussions with the proponents, infrastructure and community planning and the sheer volume of documentary review required in preparation for hearings and interventions relative to the pipeline project are straining both Council and Administration. Attempts to secure funding to provide additional administrative resources have been largely unsuccessful. Given the commitment by both the Federal and Territorial Governments to increase funding and resources for internal preparations for a pipeline project, the Town is extremely disappointed with and consistently frustrated by a lack of recognition that the demands on a municipality in preparation for a project are significant. As a community that will be directly impacted by pipeline development, we believe the Town is in the best position to identify our requirements for pipeline "preparation". It is critical that the needs of impacted communities - as defined by the communities - are acknowledged and that funding/resources be allocated directly to municipalities to ensure these requirements are adequately addressed

Then: Significant attention was given in MACA's report to the lack of disclosure of project details by industry and the ensuing problems (infrastructure planning, land use planning, etc.). "Indeed, the Hamlet felt that industry, and not Council, was the real master of the community; that one could not interfere with the momentum of the expansion project". A direct quote from the report reads "It is incumbent on the GNWT to secure the details of such large projects very early in the process, to best represent Territorial as well as local concerns. Coordination of Territorial players early in the process was weak, if not totally lacking, with individual agencies not having a clear direction as to what questions to ask or what actions to take. Also, initial emphasis was placed by the GNWT on the broad socio-economic implications of the project while construction details were left to relatively late in the process. A prompt, coordinated holistic approach by the GNWT at the outset might have prevented an array of problems, particularly those affecting local communities, from occurring."

Today: I am pleased to report that our experiences to date with the proponents of the Mackenzie Gas Project are not the experiences of our Town and industry predecessors. We have met with representatives of the Mackenzie Gas Project on several occasions to discuss infrastructure and camp siting requirements. Although we have not always agreed with their assessment of potential infrastructure impacts to our community, we have found that the disclosure of project requirements --- as far as they are known --- have been thorough. Further, the Town's requests for further information or clarification have been addressed promptly and today, the Town and the MGP, are working towards finalizing the requirements of the project and the how those requirements will be met by the Town. It is our hope that the MGP will remain responsive and cooperative to the Town's needs as we move forward and that our documented requests for post-project legacies and/or pre-project initiatives are met with support by the MGP.

Unfortunately, the disclosure by the GNWT with respect to project details and negotiations is less satisfactory. We are becoming increasingly frustrated with the lack of consultation by and communication from the GNWT with respect to the MGP. In mid-November, the Town met with the MGP and, during discussions regarding post-project camp use, were advised that this issue has been identified by the GNWT for potential inclusion within the Socio-Economic Agreement. We find it highly disturbing to learn of the GNWT's intent from the MGP --especially relative to project infrastructure that will be located within the municipality. Although we certainly recognize the right and responsibility of the GNWT to prepare a Socio-Economic Agreement, we believe the GNWT cannot adequately negotiate an agreement in the "best interests" of its residents without, at the very least, engaging in discussions with those residents to determine their priorities. We


believe the lack of consultation is not only frustrating to our community but may cause considerable confusion for the proponent as they strive to negotiate with a multitude of governments who don't appear to be communicating with each other. Criticism has often been levied at the regulatory agencies for a lack of clarity in the regulatory processes in the NWT. I would respectfully suggest that the current lack of communication among government departments and different levels of governments may be yet one more obstacle that project proponents must face in the north. It is often difficult to believe that the North is indeed open for business given the apparently fragmented approach to working with project proponents.

In summary, the community of Norman Wells is primarily driven by and centered around resource development. Our residents have experienced both the positive and negative impacts associated with project development. Our community continues to reflect the consequences of opportunities for employment and economic growth as well as the remnants of adverse impacts from the last project. We are determined that the mistakes of the past shall not be the mistakes of the future in our community. We are confident that the Town of Norman Wells has taken a proactive approach to issue identification, to our capacity and capability issues and that we know what we want and what we need from a future project. Our community welcomes continued development only if we have the ability to control the impacts and maximize the opportunities. It is our sincerest desire that the appropriate governmental agencies will extend their cooperation to us and provide us with timely and appropriate assistance (AS WE DEFINE IT). It is imperative that the GNWT demonstrate an immediate willingness to engage in consultation with all impacted communities to determine "project related priorities" and that the GNWT commits to applying learning from the past in order to protect the futures of our communities.

## 4.7.8 MACA – Options, Tools and Best Practices

### Options, Tools and Best Practices


Presentation to Community Government Leaders  
Preparing for the Pipeline Conference  
December 2004



### Introduction


Conference Objective #2 - plan for:

- Community impacts and potential benefits
- Tools and strategies to mitigate adverse impacts and maximize benefits



### Purpose of presentation

- Broad overview of steps that communities and GNWT can take to meet this objective
- Based on best practices research and discussions with communities
- We do not have all the answers!



### Past experiences:

- Beau-Del oil and gas activity
- Norman Wells Pipeline
- Fort Liard gas development
- Alberta
- Alaska



### Range of impacts on municipal programs, services and Infrastructure


- Roads
- Water and wastewater
- Solid waste
- Gravel
- Developed land
- Fire and emergency services
- Management and administrative burden

Not just MGP but related activity



### Communities and GNWT need to plan

- Some issues are community-specific
- Some issues need broader coordination
- GNWT can support communities in some areas



## What can be done?

- Communities need information to plan:
- Review project proposals for potential impacts
  - Compile information – e.g. Norman Wells community survey, Fort Liard mobilization project
  - Prepare a community profile



## What can be done?

- Community profile – a planning tool which includes:
- An outline of the community's current infrastructure
  - An assessment of the infrastructure's capacity
  - An outline of resource development impacts specific to the community
  - An assessment of the challenges and opportunities to be addressed
  - A living document



MACA staff are available to assist

## What can be done?

- Communities can regulate activity within municipal boundaries
- Enact bylaws to regulate development – e.g. limit the use of tire chains on community roads
  - Govern land use within the community under Planning Act authority
  - Control access to municipal services such as landfills and sewage lagoons – e.g. Fort Liard fenced in solid waste site



## What can be done?

- Communities can set fees for municipal services:
- Establish rates for access to municipal services, such as water and sewage treatment or solid waste
  - Set rates for commercial and/or industrial use to recover costs
  - Requires analysis to ensure best deal for community – ensuring compliance with water license, overall cost-benefit for community



## What can be done?

- Communities can make their concerns known:
- Participate in conferences and regional meetings to address specific views and concerns
  - Establish committees of council to review and discuss resource development issues
  - Participate in hearings and reviews such as Joint Panel Review and NEB hearings
  - Make community concerns known to government and industry early in the process



## What can be done?

- Communities and government can negotiate agreements with industry
- Community governments can negotiate agreements with resource companies for use of community services and facilities
  - Community governments may be able to partner with industry to achieve long range goals – e.g. training programs, or development of new infrastructure
  - GNWT is in early stages of socio-economic agreement discussions with MGP



## What can be done?

Communities and government can negotiate agreements with industry (continued)

- Northern Alberta – five First Nations and tar sands developers negotiated a three-year agreement to develop community capacity, and identify and address community and regional issues in areas of environment, well-being, economy, and infrastructure



## What can be done?

Communities and government can collaborate with other groups

- Establish and participate in issue management – collaborative planning processes with other parties, including industry and government
- Regional Issues Working Groups in Northern Alberta – communities, industry and regulators



## What can be done?

Communities and government can collaborate with other groups (continued)

- Mackenzie Delta SHARE
- Norman Wells Resource Development Impacts group
- DIZ group concept

Collaboration can be focused on a single issue, or as an on-going process



## What can be done?

Communities and government can share best practices

- This conference provides an opportunity for communities to learn from each other
- Highlights of ideas heard today



## GNWT role

- Technical support
- Coordinate information sharing
- Infrastructure assessment
- Liaise with industry on issues and concerns common to all or several communities
- ??????



## Conclusion

Best practices identified to date should not limit our thinking!



# Community Government Leaders Conference: **Preparing for the Pipeline**



## **5. Glossary of Terms Used**

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APG	Aboriginal Pipeline Group
CEAA	Canadian Environmental Assessment Act
DIAND	Department of Indian Affairs and Northern Development, Canada
DIZ	Development Impact Zone
EIS	Environmental Impact Statement
GNWT	Government of the Northwest Territories
INAC	Indian and Northern Affairs Canada
IOL	Imperial Oil Limited
IORVL	Imperial Oil Resources Ventures Limited
JCC	Joint Coordinating Committee
JRP	Joint Review Panel
LGANT	Local Government Administrators of the Northwest Territories
MACA	Department of Municipal and Community Affairs, GNWT
MGP	Mackenzie Gas Project
MVPO	Mackenzie Valley Pipeline Office, RWED, GNWT
MVEIRB	Mackenzie Valley Environmental Impact Review Board
MVLWB	Mackenzie Valley Land and Water Board
MVRMA	Mackenzie Valley Resource Management Act
NEB	National Energy Board
NEP	National Energy Program
NGPS	Northern Gas Project Secretariat
NTCL	Northern Transportation Company Limited
NWT	Northwest Territories
NWTAC	Northwest Territories Association of Communities
PRO	Pipeline Readiness Office, DIAND, Canada
RDIG	Resource Development Impact Group, Municipality of Norman Wells
RDTT	Resource Development Task Team, MACA, GNWT
RWED	Department of Resources, Wildlife, and Economic Development, GNWT
SEA	Socio-Economic Agreement
SEI	Socio-Economic Impact

# Community Government Leaders Conference: **Preparing for the Pipeline**



## **6. Further Information**

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For further information, please contact:

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