MEMORANDUM OF UNDERSTANDING (MOU)

BETWEEN:

THE MACKENZIE VALLEY ENVIRONMENTAL IMPACT REVIEW BOARD (Review Board)

AND

THE CANADA ENERGY REGULATOR (CER)

(HEREINAFTER REFERRED TO COLLECTIVELY AS THE "PARTIES")

WHEREAS, pursuant to the *Mackenzie Valley Resource Management Act*, SC 1998, c 25, ("MVRMA") the Review Board is established as the main instrument to conduct environmental assessments and environmental impact reviews of development in the Mackenzie Valley, and is responsible for coordinating environmental assessments and environmental impact reviews with those of other authorities with adjacent jurisdiction;

AND WHEREAS, pursuant to the Canadian Energy Regulator Act, SC 2019, c 28, s 10; the Canada Oil and Gas Operations Act, RSC 1985, c O-7; and the Canada Petroleum Resources Act, RSC 1985, c 36 (2nd Supp); the CER regulates aspects of the energy industry in Canada, including the construction and operation of interprovincial and international pipelines; pipeline traffic, tolls, and tariffs; the construction and operation of international and designated interprovincial power lines; the export and import of natural gas; the export of oil and electricity; and the exploration and drilling for and the production, conservation, processing, and transportation of oil and gas in specified areas, including federally managed lands in the Mackenzie Valley, such as the Norman Wells Proven Area;

AND WHEREAS subsection 118(1) of the MVRMA prohibits the issuance of a licence, permit, or other authorization required for the carrying out of a development under any federal, territorial, Tłįchǫ, or Délįnę law unless the requirements of Part 5 of the MVRMA have been complied with in relation to the development;

AND WHEREAS the Parties seek to share information and promote effective cooperation in areas of mutual interest and benefit, and, through the sharing of information and cooperative activities, support each other in their respective mandates and coordinate their review processes, where feasible;

AND WHEREAS the Parties share a mutual desire to carry out their review processes in a manner that harmonizes those processes to the extent practicable.

NOW THEREFORE, the Parties agree as follows:

1. Purpose

- 1.1 The purpose of this MOU is to, on a best efforts basis,
 - (a) enhance information sharing and promote dialogue between the Parties with respect to effectively discharging their respective responsibilities;
 - (b) encourage the Parties, as appropriate, to cooperatively exercise their respective duties and powers; and
 - (c) create a framework within which the Parties may negotiate specific agreements regarding the coordination of the Review Board's environmental assessment and environmental impact review processes and the CER's application review processes for proposed developments in the Mackenzie Valley.

2. Cooperation

- 2.1 The Parties will cooperate through ongoing dialogue and timely notice and information exchanges on matters relating to their respective regulatory and assessment practices and processes, and oversight approaches. Cooperation and information sharing activities may include but are not limited to:
 - Sharing experience, technical expertise, and perspectives on issues of mutual interest;
 - Seeking opportunities to enhance public awareness of the Parties' respective mandates and processes; and
 - Exploring opportunities for capacity building among Parties' staff members, including joint training initiatives, staff exchanges, secondments, and attendance at technical conferences.

3. Coordination

- 3.1 The Parties agree to coordinate the Review Board's environmental assessment and environmental impact review processes and the CER's application review processes for proposed developments, where practicable.
- 3.2 Examples of potential coordination activities include the following:
 - Developing and issuing joint guidance to participants regarding the Parties' respective review processes for a particular proposed development;
 - · Adjusting each Party's review process to eliminate timing conflicts; and
 - Exploring opportunities for joint steps between the separate review processes (for example, holding joint oral Indigenous and/or traditional knowledge sessions).

4. Development-Specific Agreements and Plans

- 4.1 The Parties agree to negotiate agreements and/or plans for cooperation and coordination regarding their respective review processes for a specific proposed development, where practicable. Such agreements and plans may include the following:
 - Guiding principles for cooperation and coordination activities;
 - How the Parties will manage the agreement or plan;
 - Specific activities to coordinate the Parties' respective regulatory and environmental assessment or environmental impact review processes;
 - Joint opportunities for public engagement and participation;
 - Joint opportunities for Indigenous consultation and participation;
 - How the Parties can clarify or amend the terms of the agreement or plan;
 - How the Parties will communicate; and
 - The duration or termination of the agreement or plan.

- 4.2 Agreements or plans negotiated between the Parties must be consistent with this MOU and with the Parties' respective legislative requirements.
- 4.3 Agreements and plans should, to the extent possible, attempt to harmonize process steps and avoid conflicts between the Parties' respective processes and result in timely and efficient processes for both Parties.

5. Expected Benefits of Cooperation and Coordination

- 5.1 The Parties expect the following benefits from their cooperation and coordination:
 - Timely exchanges of information on projects and proposed developments of mutual interest within the Mackenzie Valley;
 - Increased understanding by the Review Board of CER-led activities and processes related to CER-regulated energy infrastructure;
 - Increased understanding by the CER of Review Board-led activities and processes related to proposed developments within the Mackenzie Valley; and
 - Improved coordination of the Review Board's environmental assessment and environmental impact review processes and the CER's application review processes for proposed developments.

6. Confidentiality and Use of Information

- 6.1 The Parties acknowledge that, for transparency purposes, each of the Parties typically makes available on its public registry the information it receives in the fulfillment of its mandate, subject to confidentiality requirements.
- 6.2 Each of the Parties agrees to keep confidential all information obtained through its activities under this MOU concerning other entities, except for information that is generally available to the public or is required by law to be made public.
- 6.3 The Parties agree to use the information and advice provided to them by each other pursuant to the MOU consistent with its intended use, and not for other purposes.

7. General

- 7.1 This MOU is not legally binding and does not impose, nor is it intended to impose, any legal commitments on or give rise to any legal rights not otherwise held by the Parties. This MOU is not intended to derogate from or fetter the Parties' respective authorities under the applicable legislation.
- 7.2 Each Party will pay for its own costs related to the activities under this MOU. Activities carried out under this MOU are subject to the availability of each of the Parties' staff members and financial resources.

8. Principal Contacts

8.1 The Parties designate the following individuals as principal contacts. Each of the Parties may change its principal contact at its discretion by providing written notice.

For the Review Board:

Executive Director – Mark Cliffe-Phillips 200 Scotia Centre Box 938, 5102-50th Ave Yellowknife, NT X1A 2N7

For the CER:

Vice President, Energy Adjudication – Paula Futoransky Unit 210, 517 10th Ave SW, Calgary, Alberta, T2R 0A8

9. Termination or Amendment

- 9.1 This agreement will remain in effect until terminated by one of the Parties providing at least 60 days' written notice to the other Party or by written mutual agreement.
- 9.2 This MOU may be amended at any time by written agreement of the Parties, particularly if there are relevant changes to legislation or policy affecting either or both Parties. Such amendments shall be added as written addenda to this MOU.

10. Languages

10.1 This MOU is written in English and French, each text being equally valid.

11. Effective Date and Signatures

- 11.1 This MOU becomes effective as of the date of the last signature of either Party.
- 11.2 This MOU may be signed in one or more counterparts, each of which is deemed to be an original, and, when taken together, constitute a single agreement.

Joanne Deneron Chairperson and Chief Executive Officer Mackenzie Valley Environmental Impact Review Board

Witness
Print Name:

Gitane De Silva Chief Executive Officer Canada Energy Regulator

Witness

Print Name: BRIAN CHARBERS

Signed on this <u>2</u> day of <u>Ebruary</u>, 2023

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