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August 7, 2024

File: MV2024X0019

Mark Cliffe-Phillips
Mackenzie Valley Review Board
200 Scotia Centre
Box 938, 5102-50th Avenue
Yellowknife NT X1A 2N7

Sent by email

Dear Mark Cliffe-Phillips:

Re: Parsons Inc. – Notice of Preliminary Screening Determination – Application for Land Use Permit – Geotechnical Drilling – Hay River, NT

The Mackenzie Valley Land and Water Board (Board) met on August 1, 2024, and considered the Application from Parsons Inc. (Parsons) for Land Use Permit (Permit) MV2024X0019 for the Hay River Terminal ESA Drilling Project (Project) in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA).

The Board conducted a preliminary screening based on the public record for the proceeding. Based on the evidence provided, the Board is satisfied the screening has been completed according to section 125 of the MVRMA and has decided **not to refer** the Project to environmental assessment. The Board's Preliminary Screening Determination and Reasons for Decision, as required by section 121 of the MVRMA, is attached.

If the Board does not receive notice of referral to environmental assessment, it can proceed with issuance of Permit MV2024X0019 on August 18, 2024.

The Board and staff look forward to continued communications throughout the pause period. Please contact Kathy Racher via [email](#) or at (867) 766-7457 with any questions or concerns regarding this letter.

Yours sincerely,

A handwritten signature in blue ink that reads "Tanya MacIntosh". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Tanya MacIntosh
Chair, Mackenzie Valley Land and Water Board

BCC'd to: Dehcho Distribution List
Josh Myers – Parsons Inc.

Attached: Preliminary Screening Determination and Reasons for Decision



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Preliminary Screening Determination and Reason for Decision

Land Use Permit Application	
File Number	MV2024X0019
Company	Parsons Inc.
Project	Hay River Terminal - ESA Drilling
Location	Dehcho Region
Activity	Miscellaneous - Geotechnical Drilling
Date of Decision	August 1, 2024

1.0 Decision

In accordance with subsection 124(1) of the *Mackenzie Valley Resource Management Act* (MVRMA), the Mackenzie Valley Land and Water Board (MLWB or Board) met on August 1, 2024, to make a preliminary screening determination on the new Application from Parsons Inc. (Licensee or Applicant) for Land Use Permit MV2024X0019 (Permit)¹ for a Geotechnical Drilling Program (Project).²

The Board has decided not to refer the proposed Project to the Mackenzie Valley Environmental Impact Review Board (the Review Board) for Environmental Assessment because, based on the evidence, it is the Board's opinion that the proposed Project is not likely to have a significant adverse impact on air, water, and/or renewable resources, and will not be a cause of public concern, as set out in paragraph 125(2)(a) of the MVRMA.

¹ See MLWB Online Registry www.mvlwb.com for [Parsons - Hay River Terminal ESA - Permit - Application Form and Information - Jun12 24](#).

² "development" is defined in Part 5 of the MVRMA as:

"any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law."

The Board’s determination, including reasons for its decision, are detailed in sections [3.0](#) and [4.0](#).

2.0 List of Defined Terms and Acronyms

Applicant	Parsons Inc.
Application	The complete application package submitted by the Applicant for Water Land Use Permit MV2024X0019.
Board	Mackenzie Valley Land and Water Board
GNWT	Government of the Northwest Territories
GNWT-ECC	Government of the Northwest Territories – Environment and Climate Change
MVLWB	Mackenzie Valley Land and Water Board
MVRMA	<i>Mackenzie Valley Resource Management Act</i>
Minister	Minister of the Government of the Northwest Territories – Environment and Climate Change
ORS	Online Review System (www.new.onlinereviewssystem.ca)
Party	As per the MVLWB Rules of Procedures , an applicant, a person, or an organization participating in the regulatory proceeding for the Application.
Project	Environmental site assessment drilling program, which is the proposed development (as defined in Part 5 of the MVRMA).
Review Board	Mackenzie Valley Environmental Impact Review Board
Standard Permit Conditions	MVLWB Standard Land Use Permit Conditions Template

3.0 Background and Scope of Screening

On June 12, 2024, Parsons Inc. submitted an application for the completion of a geotechnical drilling program, aimed at assessing soil and groundwater conditions beneath and adjacent to the Imperial Oil terminal, located in Hay River in the Northwest Territories.

On site activities include drilling to advance boreholes in the soil, installation of monitoring wells, and soil and groundwater sampling.

Apart of the Application was an Engagement Record and Engagement Plan that noted this Application was discussed with Parties including the following:³

Denínu Kúé First Nation	Town of Hay River
Dene Nation	Northwest Territory Metis Nation
Dehcho First Nation	Ts’ueh Nda First Nation (West Point)
Hay River Métis Government Council	Tthebatthi Dēnésuḷiné (Smith's Landing First Nation)
Katlodeeche First Nation	

³ See MLWB Online Registry [Parsons - Hay River Terminal ESA - Permit - Engagement Plan and Record - Jun12 24](#).

As part of the public review, Board staff requested comments and recommendations to assist with the Board’s preliminary screening determination. To assist the Board in making its decision on the Permit, Board staff also circulated a draft Permit for review with the Application to allow all Parties the opportunity to comment on the specific wording of the draft conditions.

In accordance with paragraph 125(2)(a) of the [MVRMA](#), the Board must conduct a preliminary screening of the proposed Project to determine and report to the Review Board whether, in its opinion, the proposed Project is likely to have a significant adverse impact on air, water, and/or renewable resources, or might be a cause of public concern. The details of the Board’s analysis are set out in section [4.0](#) below.

3.1 Scope of Screening

The project plan includes the completion of an Environmental Site Assessment to delineate contaminants of concern in potentially impacted media, using sample to provide recommendation for next steps.

Equipment is required for multiple sampling location within the property. Onsite activities include drilling activities to advance boreholes in the soils, installation of groundwater monitoring wells and soil and groundwater sampling.

The areas that will be looked at are on private lands within the municipality of Hay River.

Activities on site are scheduled to take place during September 2024. Equipment used on site is expected to include a mobile B54X drill or equivalent and a hydrovac. Drilling and/or excavation activities are expected to have minimal impact on sediment, and erosion and mitigations will be in place. All drill cuttings and excess soil will be collected immediately, placed into a bag, and disposed of at a licensed waste disposal facility.

3.2 Public Record and Regulatory Proceeding

To assist the Board in its preliminary screening determination for the Project, the Board distributed the Application and a draft Permit for public review on June 20, 2024, inviting reviewers to provide comments and recommendations on the Applications and the preliminary screening (e.g., on impacts and mitigation measures) using the Online Review System (ORS). Comments were due by July 11, 2024, with responses from the Applicant due by July 18, 2024, however, none were received. The Board received comments and recommendations from:⁴

- Katlodeeche First Nations;
- GNWT-ECC – Regulatory Analyst;
- GNWT-ECC – Inspector;
- Fisheries and Oceans Canada (DFO); and
- Environment and Climate Change Canada.

⁴ See MVLWB Online Registry for GNWT-ECC Hay River Terminal ESA Drilling – [Review Summary Table – July 18 24](#).

Since there were no requests to extend the reviewer comment deadline, the Board is satisfied that a reasonable period of notice was given to affected communities and First Nations, as required by subsection 63(2) of the [MVRMA](#).

Pursuant to section 27, paragraphs (a) and (b) of the [Dehcho First Nations \(DCFN\) Interim Measures Agreement](#),⁵ the Board has determined that written notice was given to the DCFN, and that a reasonable period of time was allowed for DCFN to make representations with respect to the Application.

4.0 Potential Impacts and Proposed Mitigations

Table 1 below summarizes:

- the potential impacts of the proposed Project;
- the concerns that were identified during the regulatory proceeding and how the Applicant addressed those concerns;
- the proposed and potential mitigations for the potential impacts; and
- the Board’s analysis of the potential impacts and proposed mitigations.

⁵ See MVLWB Land Claims, IMAs, and Land Use Plans webpage to access the [Dehcho First Nations Interim Measures Agreement](#).

Table 1: Potential Impacts and Proposed Mitigations for the Proposed Project

Potential Impact	Activity	Proposed Mitigations <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	Board Analysis and Determination
Soil contamination Changes in water quality	Use of petroleum products and/or chemicals	<ul style="list-style-type: none"> • The Applicant proposed the following mitigations in the Application: <ul style="list-style-type: none"> ○ Spill Contingency Plan ○ Spill kits and incident response tools available on site • The Board has standard permit conditions that are typically used to mitigate the potential impacts.⁶ 	<p>Based on the described mitigations, it is the Board’s opinion that the proposed activities are not likely to have a significant adverse impact on air, water, or renewable resources, or will not be a cause of public concern.</p> <p>The proposed project involves a small footprint on already disturbed lands for a short period of time.</p>
Disturbance to ground, permafrost, vegetation	Use of Drills and equipment	<ul style="list-style-type: none"> • The Applicant proposed the following mitigations in the Application: <ul style="list-style-type: none"> ○ Use of municipal roads and designated vehicle pathways wherever possible ○ Movement of vehicles on a single path to and from the site to minimize vegetation disturbance • The Board has standard permit conditions that are typically used to mitigate the potential impacts 	<p>Based on the described mitigations, it is the Board’s opinion that the proposed activities are not likely to have a significant adverse impact on air, water, or renewable resources, or will not be a cause of public concern.</p> <p>The proposed project involves a small footprint on already disturbed lands and use of existing access roads.</p>
Wildlife Disturbance	Use of Drills and equipment	<ul style="list-style-type: none"> • The Applicant proposed the following mitigations in the Application: <ul style="list-style-type: none"> ○ Activities to take place within the town boundaries on previously disturbed lands ○ Expected that no nests or dens will be present in the drilling area 	<p>Based on the described mitigations, it is the Board’s opinion that the proposed activities are not likely to have a significant adverse impact on air, water, or renewable resources, or will not be a cause of public concern.</p> <p>During the public review ECCC submitted general recommendations pertaining the protection of</p>

⁶ See the MVLWB Policies and Resources webpage to access the MVLWB [Standard Land Use Permit Conditions Template](#).

Potential Impact	Activity	Proposed Mitigations <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	Board Analysis and Determination
		<ul style="list-style-type: none"> • The Board has standard permit conditions that are typically used to mitigate the potential impacts. 	<p>migratory birds and species at risk.</p> <p>The proposed project involves a small footprint on already disturbed lands and use of existing access roads.</p>
Heritage Resources		<ul style="list-style-type: none"> • The Applicant proposed the following mitigations in the Application: <ul style="list-style-type: none"> ○ Activities to take place within the town boundaries on previously disturbed lands • The Board has standard permit conditions that are typically used to mitigate the potential impacts. 	<p>Based on the described mitigations, it is the Board's opinion that the proposed activities are not likely to have a significant adverse impact on air, water, or renewable resources, or will not be a cause of public concern.</p>

4.1 Consideration of Potential Impacts

Based on the potential impacts and proposed mitigations identified above in Table 1, the Board considered whether the Project is likely to have a significant adverse impact on air, water, and/or renewable resources. In general, impacts of the Project on the air, water, and/or renewable resources can be mitigated through the use of standard permit conditions and/or project-specific conditions established by the Board as per the LWB Standard Process for Creating New Conditions. These conditions may include requirements for management and monitoring plans that provide detailed information regarding the implementation of mitigation measures and the evaluation of their effectiveness.

A draft Permit was circulated for review during the regulatory proceeding, and all Parties were given the opportunity to provide comments and recommendations on the draft conditions. In finalizing the conditions, the Board will consider all of the evidence provided through the regulatory proceeding.

4.2 Consideration of Public Concern

In addition to considering the potential impacts of the Project, the Board considered whether the Project might be a cause of public concern.

Based on the evidence provided during the regulatory proceeding, the Board did not identify any comments or issues that indicate that the Project is a cause of public concern.

5.0 Conclusion

The Board has reviewed all the evidence received during the regulatory process with respect to the Preliminary Screening of the proposed Project. Based on the evidence, it is the Board's opinion that the proposed Project is not likely to have a significant adverse impact on air, water, and/or renewable resources, and will not be a cause of public concern, as set out in paragraph 125(2)(a) of the [MVRMA](#). The Board has therefore decided not to refer the proposed Project to Environmental Assessment.

If the Board does not receive a notice of referral to environmental assessment by August 17, 2024, the Board can issue the Permit on August 18, 2024

SIGNATURE



Tanya MacIntosh, Chair
Mackenzie Valley Land and Water Board

August 7, 2024

Date