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June 4, 2024

File: S24S-003

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: Imperial Oil Resources N.W.T. Limited – Notice of Preliminary Screening Determination – Application for Land Use Permit – Line 490 Geotechnical Investigation – Norman Wells Proven Area, NT

The Sahtú Land and Water Board (Board) met on June 3, 2024 and considered the Application Package from Imperial Oil Resources N.W.T. Limited (Imperial – Applicant) for Land Use Permit (Permit) S24S-003 for the Line 490 Geotechnical Investigation (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 S24S-003 on June 14, 2024.

Please contact Paul Dixon [via email](#) or at (867) 598 2413 ext.225 with any questions or concerns regarding this letter.

Yours sincerely,



Valarie Gordon
Chair, Sahtu Land and Water Board

BCC'd to: Imperial Oil Resources Distribution List
Natalie Lippa, Regulatory Specialist, SLWB
Paul Dixon, Executive Director, SLWB
Jeremy Smith, P.Eng, Project Manager, Imperial Oil Resources N.W.T. Limited

Attached: Preliminary Screening Determination and Reasons for Decision



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Preliminary Screening Determination and Reasons for Decision

Land Use Permit Application	
File Number	S24S-003
Company	Imperial Oil Resources N.W.T. Limited
Project	Geotechnical Investigation for Line 490 Flowline Replacement
Location	Bear and Goose Islands, Norman Wells, NT
Activity	Geotechnical Drilling Program
Date of Decision	June 3, 2024

1.0 Decision

In accordance with subsection 124(1) of the [Mackenzie Valley Resource Management Act](#) (MVRMA), the Sahtu Land and Water Board (SLWB or Board) met on June 3, 2024 to make a preliminary screening determination on the Application from Imperial Oil Resources N.W.T. Limited (Imperial - Applicant) for Land Use Permit S24S-003 (Permit)¹ for the Geotechnical Investigation² on Goose and Bear Islands, located on the Mackenzie River, Norman Wells, NT.

¹See [SLWB](#) Online Registry for [S24S-003 – Land Use Permit Application – April 4 23](#)

² The Project is the Geotechnical Investigation, which is the proposed development, where “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 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 will not have a significant adverse impact on the environment or be a cause of public concern.

The Board's determination, including reasons for its decision, are detailed in sections [2.0](#) and [3.0](#).

2.0 Background and Scope of Screening

On April 2, 2024, Imperial Oil Resources N.W.T. Limited (Imperial) applied for a Type A Land Use Permit to conduct a Geotechnical Investigation (the Project) on Bear and Goose Islands, located on the Mackenzie River at Norman Wells, NT. This work is to support the future possible replacement of a section of flowlines, including Line 490, that lie between Bear and Goose Island. The work will consist of drilling one borehole on Bear Island and one borehole on Goose Island to depths of approximately 40 m, with minimal land disturbance, between June 1, 2024 and August 31, 2024. Select soil samples will be collected off the drill cuttings and sent out for laboratory analysis to support the design work.

The Applicant has conducted extensive engagement since April 2023 regarding Line 490 and its eventual replacement. Further engagement has been planned for the communities of Fort Good Hope, Délı̄ne, and Colville Lake, but a date has not been finalized.

In accordance with paragraph 125(1)(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 might have a significant adverse impact on the environment or might be a cause of public concern. The details of the Board's analysis are set out in section [3.0](#) below.

2.1 Scope of Screening:

New Activities:

The Project includes a three-to-five-day geotechnical investigation adjacent to a possible future horizontal directional drill (HDD) path. The scope includes drilling one vertical 6" borehole at the HDD entry point (Bear Island), and one vertical 6" borehole at the exit point (Goose Island). Each borehole will be to a depth of approximately 40 m. This investigation is expected to occur between June 1 and August 31, 2024. To date, there has not been a Land Use Permit in place for these activities.

The details of the Project are as follows:

- The equipment will be barged across on the Mackenzie River.
- Existing access routes on Bear and Goose Island will be used.
- Using an auger drill rig (hollow and/or solid-stem), two boreholes will be drilled to approximately 40 m and backfilled with drill cuttings and/or bentonite.
- Soil samples will be collected during drilling for laboratory testing.
- No camp is required.
- Minor brushing of willows may be required.
- No fuel will be stored or staged on site, other than in the tanks on the equipment.
- A slip tank and pump will be used to refuel the drill rig.
- Limited garbage generated by the drilling program will be disposed of daily.

2.2 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 April 22, 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 May 13, 2024, with responses from the Applicant due May 27, 2024. The Board received comments and recommendations from Yamoga Land Corporation, Government of the Northwest Territories – Environment and Climate Change (GNWT-ECC), Environment and Climate Change Canada (ECCC), Sahtú Renewable Resources Board (SRRB), and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)³

There was a letter request on May 8, 2024 from the Yamoga Land Corporation⁴ for the SLWB to provide funding and extend the timeline for a month of the review period to give the K’ahsho Got’ine of Fort Good Hope, time to provide meaningful engagement in the review of the Application. The Corporation states in the letter... ‘The proposed geotechnical investigations on Goose and Bear Islands are located directly upstream of our K’ahsho Got’ine territory and our community of Fort Good Hope. As such, the activities may pose a significant risk to our community, our way of life, and the exercise of our constitutionally protected K’ahsho Got’ine Rights, including our right to the maintenance of the quality and quantity of water flowing through the Mackenzie River.’⁵

The SLWB responded in a letter on May 15, 2024⁶ and outlined that the SLWB, as per section 22(2) of the Mackenzie Valley Land Use Regulations (MVLUR), has a legislated timeline of 42 days after receiving a complete application to make a decision on the Permit application, and cannot modify the overall timeframe of the review process. The SLWB encouraged the Yamoga Land Corporation to meet with the SLWB to discuss concerns and questions on the application. The SLWB also indicated that financial support was not available through the SLWB but encouraged the Yamoga Land Corporation to explore other avenues of potential funding. No further correspondence from the Yamoga Land Corporation was received.

There were no other requests from the other respondents 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](#).

³ See SLWB Online Registry for [S24S-003 – Reviewer Comments and Proponent Responses – May27_24](#)

⁴ See SLWB Online Registry for [S24S-003 – Letter – Yamoga-Lands-Corporation-to-the-SLWB May9_24](#)

⁵ Including our right under section 20.1.8(a) under the Sahtu Dene and Metis Comprehensive Land Claim Agreement – “Participants have the right to have waters which are on or flow through or are adjacent to Sahtu lands remain substantially unaltered as to quality, quantity and rate of flow when such waters are on or flow through or are adjacent to Sahtu lands.” The Mackenzie River flows through and is adjacent to Sahtu Lands.

⁶ See SLWB Online Registry for [S24S-003 – SLWB Response to Yamoga Lands Corporation – May15_24](#)

The Board is also satisfied that notice of the Application was provided to the Déljñę Got'ine Government (DGG) and that a reasonable period of time was provided for the DGG to make representations to the Board in accordance with section 63 of the [MVRMA](#).

3.0 Potential Impacts and Proposed Mitigations

The Board will consider the potential impacts and proposed mitigations in establishing the Permit conditions. For Board permits in general, potential impacts can be mitigated through standard, and/or project-specific permit 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.

All Parties have had an opportunity to provide recommendations to the Board regarding draft conditions. In finalizing the conditions, the Board will consider these recommendations and all of the evidence provided through the regulatory proceeding.

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.

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

Potential Impact	Activity	<p align="center">Proposed Mitigations</p> <p align="center"><i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i></p>	Board Analysis and Determination
<p>Soil contamination</p> <p>Soil compaction</p> <p>Destabilization / Erosion</p> <p>Inability to support vegetation</p> <p>Loss or change in Permafrost</p>	<p>Transfer, storage, and use of petroleum products and/or chemicals</p> <p>Use of motorized and heavy equipment</p> <p>Drilling localized boreholes</p>	<p>The Applicant proposed the following mitigations in the Application and in responses to review comments:</p> <ul style="list-style-type: none"> o Follow the protocols identified in the Spill Contingency Plan in the event of a spill o Handle petroleum products using best spill prevention practice (drip trays, etc). o Use existing access routes to prevent soil compaction; o Permafrost not expected but will backfill boreholes after drill completion o Complete daily inspections and regular maintenance on all equipment being used for the project o Use existing area footprints <p>The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:1</p> <ul style="list-style-type: none"> o USE APPROVED EQUIPMENT o LOCATION OF ACTIVITIES o PORTABLE RAMPS o DETOURS AND CROSSINGS o EQUIPMENT: WATERCOURSE BUFFER o CLEAN WORK AREA o NO SUMP o REPAIR EROSION o DRILLING WASTE DISPOSAL o EROSION CONTROL o DRILLING WASTE CONTAINMENT o WASTE CHEMICAL DISPOSAL o WASTE PETROLUUM DISPOSAL o WASTE MANAGEMENT o REPAIR LEAKS o SECONDARY CONTAINMENT - REFUELING 	<p>Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern.</p> <p>The Board’s opinion is based on a number of factors including:</p> <ul style="list-style-type: none"> • Location factors: <ul style="list-style-type: none"> o The small geographic size of the area likely to be affected by the impacts and is on private leased land; o The historical, cultural, and archaeological significance of the area, and/or impacts to traditional wildlife harvesting is low; o The cumulative impacts that could result from the impacts of the Project combined with those of any other project are considered low to medium. • Project factors: <ul style="list-style-type: none"> o There are minor infrastructure and size requirements for the Project; o The equipment being used is familiar; o Low volumes of hazardous chemicals and handling expected; and o Site access is not a concern. • Impact factors: <ul style="list-style-type: none"> o The nature, magnitude, and complexity of the impact is low; o The probability of the impact occurring is low; o The frequency and duration of the impact is limited; o The reversibility of the impact is possible; and/or

		<ul style="list-style-type: none"> ○ FUEL CONTAINMENT ○ MAXIMUM FUEL ON SITE ○ SPILL CONTINGENCY PLAN ○ SPILL RESPONSE ○ DRIP TRAYS ○ REPORT SPILLS ○ CLEAN UP SPILLS ○ MINIMIZE AREA CLEARED ○ FINAL CLEANUP AND RESTORATION ○ NATURAL VEGETATION ○ PROGRESSIVE RECLAMATION 	<ul style="list-style-type: none"> ○ Changes to community social structure to stress on existing social services resulting from the impact are not expected. ● The potential effects of climate change on the impact and associated mitigation measure(s) is low; ● The effectiveness and reliability of the proposed mitigation measures, including possible conditions suffice.
<p>Infiltration Changes</p> <p>Changes in Groundwater Quality</p> <p>Changed is Surface Water Quality</p>	<p>Drilling boreholes creates a conduit</p> <p>Shallow ground water may or may not be present</p> <p>Work to include crossing equipment on a barge</p>	<p>The Applicant proposed the following mitigations in the Application and in responses to review comments:</p> <ul style="list-style-type: none"> ○ The boreholes will be backfilled with bentonite to seal the boreholes ○ If groundwater is encountered in the borehole, the borehole will be backfilled with bentonite ○ Changes in water quality is not anticipated ○ In the event of a spill, the Spill Contingency Plan will be followed <p>The Board has standard licence conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:21</p> <ul style="list-style-type: none"> ○ USE APPROVED EQUIPMENT ○ CLEAN WORK AREA ○ FLOWING ARTESIAN WELL ○ NO SUMP ○ EQUIPMENT: WATERCOURSE BUFFER ○ REPAIR EROSION ○ DRILLING WASTE DISPOSAL ○ WASTE MANAGEMENT ○ SPILL CONTINGENCY PLAN ○ CLEAN UP SPILLS ○ FINAL CLEANUP AND RESTORATION ○ PROGRESSIVE RECLAMATION 	<p>Based on the described mitigations, it is the Board's opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern.</p> <p>The Board's opinion is based on a number of factors including:</p> <ul style="list-style-type: none"> ● Location factors: <ul style="list-style-type: none"> ○ The small geographic size of the area likely to be affected by the impacts; ○ The historical, cultural, and archaeological significance of that area, and/or impacts to traditional wildlife harvesting is low; ○ The cumulative impacts that could result from the impacts of the Project combined with those of any other project are considered low. ● Project factors: <ul style="list-style-type: none"> ○ There are none to minor impacts expected to the groundwater; ○ Limited volume of chemicals to be used for the project; ● Impact factors: <ul style="list-style-type: none"> ○ The nature, magnitude, and complexity of the impact is low; ○ The probability of the impact occurring is low; ○ The frequency and duration of the impact is limited;

			<ul style="list-style-type: none"> ○ The reversibility of the impact is possible; and/or; ○ Changes to community social structure to stress on existing social services resulting from the impact are not expected. ● The potential effects of climate change on the impact and associated mitigation measure(s) is low; ● The effectiveness and reliability of the proposed mitigation measures, including possible conditions suffice.
<p>Changes in Air Quality</p> <p>Increased Greenhouse Gases</p>	<p>Use of heavy equipment</p> <p>Driving to/from site</p>	<p>The Applicant proposed the following mitigations in the Application:</p> <ul style="list-style-type: none"> ○ Drilling equipment use and truck use for travel air emissions will be temporary and localized. <p>The Board has standard licence conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:41</p> <ul style="list-style-type: none"> ○ LOCATION OF ACTIVITIES ○ USE APPROVED EQUIPMENT 	<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, and/or renewable resources, and will not be a cause of public concern.</p> <p>The Board's opinion is based on a number of factors including:</p> <ul style="list-style-type: none"> ● Location factors: <ul style="list-style-type: none"> ○ The small geographic size of the area likely to be affected by the impacts; ○ The cumulative impacts that could result from the impacts of the Project combined with those of any other project are considered low. ● Project factors: <ul style="list-style-type: none"> ○ The scale of the project is small and localized. ● The potential effects of climate change on the impact and associated mitigation measure(s) is low; ● The effectiveness and reliability of the proposed mitigation measures, including possible conditions suffice.

<p>Introduction of non-native (invasive) species</p> <p>Injury to Wildlife</p> <p>Disturbance to animal lifecycle stages (breeding, feeding, nesting, staging)</p> <p>Effects on wildlife health</p>	<p>Equipment or trucks coming from other sites</p> <p>Injury on roadways during equipment mobilization / demobilization</p> <p>Garbage as attractant</p> <p>Noise disturbance during drilling</p>	<p>The Applicant proposed the following mitigations in the Application:</p> <ul style="list-style-type: none"> ○ Equipment will arrive to site in clean condition, free of debris on tracks and undercarriage ○ The Spill Contingency Plan will be followed to reduce chance of spills ○ The work is localized and small scale <p>The Board has standard licence conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:⁴¹</p> <ul style="list-style-type: none"> ○ HABITAT DAMAGE ○ LOCATION OF ACTIVITIES ○ USE APPROVED EQUIPMENT ○ FINAL CLEAN UP AND RESTORATION ○ PROGRESSIVE RECLAMATION ○ WASTE MANAGEMENT ○ CLEAN WORK 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, and/or renewable resources, and will not be a cause of public concern.</p> <p>The Board’s opinion is based on a number of factors including:</p> <ul style="list-style-type: none"> • Location factors: <ul style="list-style-type: none"> ○ The site lies within the Important Bird Area NT081 and but it is a small geographic size of the area likely to be affected by the impacts; ○ The cumulative impacts that could result from the impacts of the Project combined with those of any other project are considered low to medium. • Project factors: <ul style="list-style-type: none"> ○ The scale of the project is small and localized. • The potential effects of climate change on the impact and associated mitigation measure(s) is low; • The effectiveness and reliability of the proposed mitigation measures, including possible conditions suffice.
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3.1 Consideration of Potential Impacts

Based on the potential impacts and proposed mitigations identified above in Table 1, the Board considered whether the Project might have a significant adverse impact on the environment. In general, impacts of the Project on the environment 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.

3.2 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.

As discussed earlier, the Yamoga Land Corporation⁷ requested from the SLWB funding and to extend the review timeline to give the K'ahsho Got'ine of Fort Good Hope, time to provide meaningful engagement in the review of the Application and to exercise their constitutionally protected K'ahsho Got'ine Rights. This letter indicates there is public concern for this project from the K'ahsho Got'ine of Fort Good Hope.

It is also understood by the SLWB, there is public concern for the Line 490 replacement activities, which are associated with this project, but a separate scope of work for 2025. There are currently separate hearings being conducted by the Canada Energy Regulator (CER) to address these concerns of the public, which will be considered by the SLWB for the Line 490 replacement activity Permit and Licence currently in progress.

The SLWB did not receive further correspondence from the Yamoga Land Corporation regarding the application before the response deadline.

There were no other requests from the other respondents to extend the reviewer comment deadline.

Based on the evidence provided during the regulatory proceeding the Yamoga Land Corporation communicated concerns to the Board. The Board did not identify any additional comments or issues from other responses that indicate that the Project is a cause of public concern.

⁷ See SLWB Online Registry for [S24S-003 – Letter – Yamoga-Lands-Corporation-to-the-SLWB May9 24](#)

4.0 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 will not have a significant adverse impact on the environment or be a cause of public concern, as set out in paragraph 125(1)(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 June 14, 2024, the Board can issue the Permit on June 15, 2024.**



Valerie Gordon, Chair
Sahtu Land and Water Board

June 3, 2024

Date