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January 10, 2025

File: S13L1-007

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 – Norman Wells Operations (NWO) – Notice of Preliminary Screening Determination for Board-Initiated Renewal Proceeding in the Public Interest - Water Licence S13L1-007 – Norman Wells, NT

The Sahtú Land and Water Board (Board) met on January 9, 2025,¹ to make a preliminary screening determination on the Board-initiated renewal proceeding of Imperial Oil Resources N.W.T. Limited (Imperial)'s Water Licence, S13L1-007, (Licence) for the Norman Wells Operations in Norman Wells, NT (Project or NWO), in accordance with the *Mackenzie Valley Resource Management Act (MVRMA)*.

The Board has determined that the expiry of the Imperial's Water Licence S13L1-007 term would result in an emergency. Consequently, under ss.119(b) of the MVRMA, the Board's decision to initiate a proceeding to renew the licence term does not require a preliminary screening. The Project is being proposed in response to an emergency to protect property and the environment, and in the interest of public welfare, health, and safety. This determination does not affect the ongoing environmental assessments (EAs) for the NWO or Imperial's Line 490 Replacement Project. Since paragraph 119(b) also provides that no environmental assessment or environmental impact review is required in such a situation, the SLWB will

¹ See SLWB Online Registry www.slwb.com for [S13L1-007 – Board-Initiated Renewal Proceeding – Preliminary Screening and RFD – Jan10_25](#).

proceed immediately with the expedited regulatory process for the proposed renewal of the Type A Licence.

The Board's Preliminary Screening Determination and Reasons for Decision is attached.

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

Yours sincerely,



Valerie Gordon
Chair, Sahtú Land and Water Board

BCC'd to: Imperial Oil Distribution List
Benjamin Fraser, Imperial

Attached: Preliminary Screening Determination and Reasons for Decision



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Preliminary Screening Determination and Reasons for Decision

Board-Initiated Licence Renewal Proceeding	
File Number	S13L1-007
Company	Imperial Oil Resources N.W.T. Limited
Project	Norman Wells Operations
Location	Norman Wells (Tłegóhtı), NT
Activity	Industrial
Date of Decision	January 9, 2025

1.0 Decision

In accordance with subsection 124(1) of the [Mackenzie Valley Resource Management Act](#) (MVRMA), the Sahtú Land and Water Board (SLWB or Board) met on January 9, 2025 to make a preliminary screening determination on the Board-initiated renewal proceeding of Imperial Oil Resources N.W.T. Limited (Imperial)'s Water Licence, S13L1-007, (Licence) for the Norman Wells Operations in Norman Wells, NT (Project or NWO).

The Board has determined that the expiry of the Imperial's Water Licence S13L1-007 term would result in an emergency. Consequently, under ss.119(b) of the MVRMA, the Board's decision to initiate a proceeding to renew the licence term does not require a preliminary screening. The Project is being proposed in response to an emergency to protect property and the environment, and in the interest of public welfare, health, and safety. This determination does not affect the ongoing environmental assessments (EAs) for the NWO or Imperial's Line 490 Replacement Project.

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

Board	Sahtú Land and Water Board
CER	Canada Energy Regulator
CIRNAC	Crown-Indigenous Relations and Northern Affairs Canada
DGG	Délı̄nę Got’ine Government
Distribution List	The list of individuals and organizations to whom materials from the regulatory proceeding were circulated. ¹
EA	Environmental Assessment
GNWT	Government of the Northwest Territories
GNWT-ECC	Government of the Northwest Territories – Environment and Climate Change
KGC	K’ahsho Got’ine Committee
Licensee	Imperial Oil Resources N.W.T. Limited (Imperial)
Licence	Water Licence S13L1-007
LWBs	Land and Water Boards of the Mackenzie Valley
MVEIRB	Mackenzie Valley Environmental Impact Review Board (the Review Board)
MVFAWR	Mackenzie Valley Federal Areas Waters Regulations
MVLWB or Board	Mackenzie Valley Land and Water Board
MVRMA	Mackenzie Valley Resource Management Act
Minister	Minister of Northern Affairs
NWO	Norman Wells Operations
OA	Operations Authorization
ORS	Online Review System (www.new.onlinereviewssystem.ca)
Party	As per the LWB Rules of Procedure , an applicant, a person, or an organization participating in this regulatory proceeding.
Project	The Norman Wells Operations, which is the proposed development (as defined in Part 5 of the MVRMA). ²
Review Board	Mackenzie Valley Environmental Impact Review Board
SLWB	Sahtú Land and Water Board
SSI	Sahtú Secretariat Incorporated
TRRC	Tulit’a Renewable Resources Council

¹ To access the Distribution List, see the LWBs’ Online Review System for [Imperial – Licence Renewal – Upcoming Expiry Date – Dec17 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.”

3.0 Background

On June 12, 2024, Imperial submitted a water licence renewal application (S24L1-005) for Water Licence S13L1-007 for the Norman Wells Operations (the Licence), set to expire on March 4, 2025³. The Norman Wells Operations (NWO) include the operation of the Central Processing Facility, mainland field, operations on the natural and artificial islands, potential drilling, well and facility maintenance, integrity, project work, and progressive reclamation. These activities are in a federal area within the Sahtú Settlement Area – Tulit'a District.

A preliminary screening was conducted for the NWO on April 28, 1999⁴. This screening was undertaken in association with Imperial's Application for type A Water Licence S99L1-003, which was issued on August 30, 1999⁵. At the time of screening, the Board determined that the Project was unlikely to have significant environmental impacts, or be of public concern; it did not refer the Project to the Review Board for additional Environmental Assessment.

The Licence was renewed on August 30, 2004⁶ and again on March 5, 2015.⁷ On both occasions, the Board determined that the Project had not been modified and was exempt from preliminary screening in accordance with section 2 of the Exemption Regulations.⁸

On June 12, 2024, Imperial submitted another renewal application (S24L1-005), which was deemed complete on June 26, 2024.

On September 30, 2024, the Sahtú Secretariat Incorporated (SSI) referred the renewal application for the Licence and the extension application for the Canada Energy Regulator's (CER) Operations Authorization (OA) for the NWO to Environmental Assessment (EA) to the Mackenzie Valley Environmental Review Board (the Review Board) under section 126 of the [Mackenzie Valley Resource Management Act](#) (MVRMA).⁹

On October 9, 2024, Imperial submitted a request for ruling, questioning the Review Board's authority to conduct an EA of the NWO. On December 3, 2024, the Review Board ruled that it can and will proceed with the EA of the Renewal Application and the extension application for the OA for the NWO (EA2425-02).¹⁰

While the Review Board was still processing Imperial's request for ruling, the CER had already given public notice of its decision to extend the OA on an interim basis until the completion of the Review Board's EA,¹¹

³ See SLWB public registry for [S24L1-005 - S13L1-007 Renewal Application - Norman Wells Operation - June12_24](#)

⁴ See SLWB Online Registry for [S24L1-005 \(as S99L1-003\) - Preliminary Screening 16_99](#)

⁵ See SLWB Online Registry for [S99L1-003 - Terms and Conditions - Aug 30_99](#)

⁶ See SLWB online registry for [S03L1-001 - Water Licence - Aug 30_04](#)

⁷ See SLWB online registry for [S13L1-007 - IORL - Water Licence and SNP - Mar 5_15](#)

⁸ See SLWB online registry for [S13L1-007 - Reasons for Decision - Dec 31_14](#) (See pg. 4 of 51)

⁹ See the Review Board Online Public Registry (www.reviewboard.ca/registry) for EA2425-02 – Norman Wells Operation: [Letter from SSI to SLWB referring WL S24L1-005 to EA](#) and [Letter from SSI to CER referring OA1210-001 to EA](#)

¹⁰ See the Review Board Online Public Registry for EA2425-02 – Norman Wells Operation: [Review Board Decision with Reasons Regarding Imperial's Request for Ruling](#)

¹¹ See the Review Board Online Public Registry for EA2425-02 – Norman Wells Operation: [Letter from CER to Imperial re Interim Extension to Operations Authorization](#).

and on November 14, 2024, Imperial subsequently requested a similar extension from the SLWB for Licence S13L1-007.¹² In response, the SLWB noted the limitations to its authority, especially considering that the Review Board had not made its decision; however, the SLWB also asked Imperial to further clarify the situation in Norman Wells.¹³

On December 9, 2024, the SLWB received a second request from Imperial to extend the Licence, which will expire March 4, 2025, with no changes to licence conditions (the Extension Request).¹⁴ In the Extension Request, Imperial set out the potential effects of a winter shut-in of the NWO, indicating that, in its view, these circumstances warrant emergency action by the SLWB.

The SLWB distributed the Extension Request to the Imperial Distribution List for review by email on December 13, 2024, and through the Online Review System (ORS) on December 17, 2024.¹⁵ The Board specifically asked reviewers whether the Board should initiate process for a short-term renewal of the Licence in the public interest, and also invited comments and recommendations on the potential consequences and risks of the shut-in that would be required if the Licence expires. The comment period was open until December 23, 2024, and Imperial responded by December 31, 2024.

On January 9, 2025, based on the information from the public review, the Board decided to initiate a proceeding, in the public interest, to renew the Licence for a period of three years on an emergency basis, with no changes to the Licence.¹⁶

4.0 Preliminary Screening of Proposed Renewal

As described in the Board's Reasons for Decision regarding the Board-initiated renewal proceeding for the Licence, the Board understands that if the Licence expires on March 4, 2025, Imperial will no longer be able to continue operation of the Project and will need to carry out a temporary shut-in of the Project until the EA and subsequent regulatory processes for the long-term renewal are complete. The short-term Licence renewal is being proposed by the SLWB to protect property and the environment, and public welfare, health, and safety from the potential risks and consequences associated with such an emergency shut-in.¹⁷

The Board has determined that the expiry of the Imperial's Water Licence S13L1-007 term would result in an emergency. Consequently, under ss.119(b) of the MVMRA, the Board's decision to initiate a proceeding to renew the licence term does not require a preliminary screening. The Project is being

¹² See the SLWB Online Public Registry for [S13L-007 – Imperial Oil Resources N.W.T. Limited – Imperial to SLWB Letter Re Interim Extension – Nov14 24](#).

¹³ See the SLWB Online Public Registry for [S13L-007 – Imperial Oil Resources N.W.T. Limited – SLWB to Imperial Letter Re Interim Extension – Nov28 24](#)

¹⁴ See the SLWB Online Public Registry for [S13L-007 – Imperial to SLWB Letter Re Upcoming Expiry Date and Continuation of EA2425-02– Dec9 24](#).

¹⁵ See the LWBs Online Review System for [Imperial NWO – Licence Renewal – Upcoming Expiry Date – Dec17 24](#).

¹⁶ See the SLWB Online Registry for [S13L1-007 – Imperial – Board-Initiated Renewal Proceeding - Reasons for Decision – Jan10 25](#).

¹⁷ See the SLWB Online Registry for [S13L1-007 – Imperial – Board-Initiated Renewal Proceeding - Reasons for Decision – Jan.10 25](#).

proposed in response to an emergency to protect property and the environment, and in the interest of public welfare, health, and safety. This determination does not affect the ongoing environmental assessments (EAs) for the NWO or Imperial's Line 490 Replacement Project. The Board's process and reasoning for this determination is detailed in the following sections.

4.1 Public Record and Regulatory Proceeding

As noted in section 3.0 above, the SLWB distributed the Extension Request to the Imperial Distribution List for review in December 2024. As part of this review, to assist the Board in its preliminary screening determination for the short-term renewal, the Board specifically invited input on the potential consequences and risks associated with a winter shut-in of the NWO.

Comments were due by December 23, 2024, with responses from Imperial due December 31, 2024. The Board received comments and recommendations from a broad range of parties, including Indigenous organizations, governments, members of the public and Imperial employees, and several local/regional businesses, as follows: ¹⁸

- Town of Norman Wells
- Tlegohli Got'ine Government Incorporated submitted under the Norman Wells Land Corporation
- Hamlet of Tulit'a
- Tulit'a Renewable Resources Council
- K'ahsho Got'ine Committee (KGC) submitted under the Yamoga Land Corporation
- Sahtú Secretariat Incorporated (SSI)
- Sahtú Renewable Resources Board
- Government of the Northwest Territories (GNWT) – Department of Environment and Climate Change (ECC)
- Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)
- Members of the Public: Darrell Watson, Bob Greek, Jason and Melinda Tarcon
- Imperial Oil Resources N.W.T. Limited employees: Wendy Heimstra, Wendy Smith, Rod McNeil, and Yuri Nichvalodoff
- Norman Wells and District Chamber of Commerce
- Local/regional businesses:
 - Canadian North
 - McCoy Enterprises Ltd.
 - FluorDriver Inc.
 - Northern Services
 - RPM Specialty Services Ltd.
 - Lochend Energy
 - Boiler Controls and Installations Inc.
 - Willow Lake Environmental Ltd.
 - PTW Energy

¹⁸ See SLWB Online Registry for [S13L1-007 – Board-Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec31 24](#).

- Canol Oilfield Services Inc.
- Trumpeter Camp Company Partnership
- Midnight Petroleum Ltd.
- HRN Contracting Ltd.
- Summit Helicopters
- Northwest Territories Power Corporation

There was a request to extend the reviewer comment deadline from December 20, 2024 to December 23, 2024, which was granted, and 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](#).

The Board is also satisfied that notice of the Application was provided to the Délı̄nę Got'ı̄ne 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](#).

5.0 Board Analysis and Determination

Under section 119 of the MVRMA:

- 119 No preliminary screening, environmental assessment or environmental impact review is required to be conducted in relation to a proposal for a development [.....]
- (b) that is carried out in response to an emergency in circumstances such that it is in the interest of protecting property or the environment or in the interest of public welfare, health or safety to carry out the proposal forthwith.

In response to its request for public input, the Board received 31 submissions in support of a Board-initiated process to renew the Licence as an emergency measure to protect property and the environment, and public welfare, health, and safety, rather than have the Licence expire and a winter shut-in occur. These letters highlighted numerous consequences and risks associated with an emergency shut-in, including, but not limited to:

- Regional energy shortages and increased energy costs
- Local and regional economic impacts, including impacts on business and employment income, community initiatives and partnerships, population size, supply chains, and overall cost of living
- Impacts on residents' quality of life, health, and wellbeing due to layoffs and economic instability
- Potential property damage on site
- Increased risk of spills from flowline leaks and breaks and other sources
- Increased risk of health and safety incidents for workers on site
- Increased potential for winter road accidents due to increased heavy truck traffic

The Board notes that SSI – the organization that referred the long-term renewal application, S24L1-005, for the NWO to EA – supports the proposed short-term renewal, stating that the 'issuance of an Emergency Licence is necessary in order to avoid an emergency situation and is in the public interest, within the

meaning of s.119(b) of the MVRMA.’ SSI’s submission also observes that the ‘Courts have recognized a “reasonable apprehension of danger” can be sufficient to constitute an emergency.’¹⁹

The NWO is located in a federal area within the Sahtú Settlement Area, and any licence issued for the NWO will require the signature of the Minister of Northern Affairs. While CIRNAC did not specifically reference an emergency exemption under section 119 of the MVRMA in its submission, it acknowledged the emergency nature of the situation: ‘In consideration of the potential imminent emergency situation described by Imperial, as well as to avoid a lapse in regulatory authorization, CIRNAC has no objections to the Board initiating a process to renew the License in the public interest and on an emergency basis.’²⁰

The Board only received one submission that did not clearly corroborate the emergency nature of the shut-in: the Tuli’ta Renewable Resources Council (TRRC) expressed some doubt about the significance of the effects of the shut-in as predicted by Imperial. Nonetheless, the submission indicates that the TRRC clearly understands that nature of the circumstances, and it supports expedited SLWB action to renew the Licence.²¹

The Board also received a submission from the K’ahsho Got’ine Committee (KGC) that did not address the question of potential risks and consequences of an emergency shut-in with no licence in place.²² This submission is considered in more detail in the Board’s Reasons for Decision regarding the Board-initiated renewal proceeding for the Licence.²³

The Board notes that if the shut-in of the NWO with no licence in place is not considered an emergency under paragraph 119(b), the Board cannot proceed to consider the proposed short-term renewal of the Licence and must wait for the EA 2425-02 (SLWB File S24L1-005) to conclude as per section 118 of the MVRMA. As discussed in the Board’s Reasons for Decision regarding the Board-initiated renewal proceeding for the Licence, if the Licence cannot be renewed until the EA concludes, the Board will have no ability to regulate the shut-in activities and any associated potential impacts.²⁴

In contrast, while the Board recognizes the concerns on which the long-term renewal application, S24L1-005, was referred to EA, the existing Licence was developed to mitigate and monitor the impacts associated with the NWO. No changes to the Project or the Licence conditions are proposed in the short-term renewal, and the Licence conditions and requirements can be enforced while the Licence remains in effect. Based on the potential impacts identified by reviewers as summarized above, the Board concludes

¹⁹ See SLWB Online Registry for [S13L1-007 – Board-Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec31_24](#). – Letter from SSI, pg. 72/87.

²⁰ See SLWB Online Registry for [S13L1-007 – Board-Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec31_24](#). – Letter from CIRNAC, pg. 38/87.

²¹ See SLWB Online Registry for [S13L1-007 – Board-Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec31_24](#) – Letter from TRRC, pg. 35/87.

²² See SLWB Online Registry for [S13L1-007 – Board-Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec31_24](#). – Letter from KGC, pg. 46/87.

²³ See the SLWB Online Registry for [S13L1-007 – Imperial – Board-Initiated Renewal Proceeding – Reasons for Decision – Jan10_25](#).

²⁴ See the SLWB Online Registry for [S13L1-007 – Imperial – Board-Initiated Renewal Proceeding – Reasons for Decision – Jan10_25](#).

that a shut-in with no licence in place would pose greater risks to the environment and the public than renewing the Licence, should the Board decide to do so. The Board notes that parties can raise concerns about the cumulative and long-term effects of the NWO through the EA process, which will not be affected by any of the Board’s determinations regarding the short-term renewal.

In making its decisions on both the initiation of the short-term renewal proceeding and on whether a preliminary screening is subsequently required for the renewal, the Board has carefully considered the risks and consequences associated with a potential shut-in of the NWO on short notice with no licence in place. Based on the evidence summarized above, the Board agrees with reviewers and Imperial that a shut-in of the NWO imports a reasonable apprehension of danger, and poses serious and substantial risks to the environment, property, and public health, safety, and welfare. The Board concludes that it constitutes an emergency as contemplated under paragraph 119(b) of the MVRMA, and consequently, since the renewal is proposed in order to prevent an emergency, no preliminary screening is required.

6.0 Conclusion

The short-term renewal of the Licence is being proposed proactively to prevent a potential emergency and, thereby, protect property and the environment, and public welfare, health, and safety. The Board has determined that the expiry of the Imperial’s Water Licence S13L1-007 term would result in an emergency. Consequently, under ss.119(b) of the MVMRA, the Board’s decision to initiate a proceeding to renew the licence term does not require a preliminary screening. Consequently, no preliminary screening was conducted. Since paragraph 119(b) also provides that no environmental assessment or environmental impact review is required in such a situation, the SLWB will proceed immediately with the expedited regulatory process for the proposed renewal.

SIGNATURE



January 10, 2025

Valerie Gordon, Chair
Sahtú Land and Water Board

Date