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Staff Report

Applicant: Northwest Territories Power Corporation	
Location: Fort Smith, NT	File Number: MV2019L8-0008
Date Prepared: October 19, 2020	Date of Board Meeting: November 12, 2020
Subject: 2019 Annual Water Licence Report	

1. Purpose

The purpose of this Report is to present to the Mackenzie Valley Land and Water Board (MVLWB/the Board) the 2019 Annual Water Licence Report (Annual Report) submitted by Northwest Territories Power Corporation (NTPC) for their winter road operations between Fort Smith, NT and the Taltson Hydroelectric Facility, to fulfill Part B, condition 14 of Water Licence MV2019L8-0008.

2. Background

- August 2, 2019 – Issuance of MV2019L8-0008;
- September 3, 2020 – 2019 Annual Report received;
- September 14, 2020 – 2019 Annual Report distributed for review;
- October 6, 2020 – Comments on Annual Report due;
- October 13, 2020 – Responses to comments due. None received;
- **November 12, 2020 – 2019 Annual Report presented to the Board for information;** and
- August 1, 2024 – Expiration of Licence MV2016L8-0007.

3. Discussion

Project Description

The Taltson Facility is a remote hydroelectric power generating facility located 56 km northeast of Fort Smith, NT. Beginning in the winter of 2019-2020, NTPC reconstructed the historical Taltson Winter Road to support an overhaul of key infrastructure at the Taltson Facility. The road connects the Fort Smith airport to Taltson, and was used in the 1960s, 1970s, and 1980s to access the site for construction, maintenance, and upgrades. In 2009, NTPC obtained land-use permit MV2008F0027 for the reconstruction of the road, which was partially completed. In 2019-2020, NTPC used the same historical alignment that was used in the 1960s, 1970s, 1980s and 2009-2010 to access the facility and plan to continue use of the winter road until all facility maintenance and upgrades are complete (three to five years). Licence MV2019L8-0008 expires in August 2024.

Submission History

In accordance with Licence MV2019L8-0008, the Annual Report for the NTPC Taltson winter access road was due on June 30, 2020. On September 3, 2020, the Annual Report was received by Board staff. NTPC apologized for the delay in submission, which was due to “various delays related to COVID-19, the ransomware attack on our systems, and reduced capacity.”

4. Comments

Inspection Reports

Inspections took place in January, February and March 2020, however, there are no inspection reports on file for the Taltson winter road. Appendix C of the 2019 Annual Report provides a record of correspondence with inspectors.

Analysis of Adequacy of Submission

Board staff have conducted a conformity analysis of the 2019 Annual Report against the reporting requirements listed in Part B, condition 14 (Schedule 1, condition 1) of Water Licence MV2019L8-0008 in Table 1, below.

Table 1: 2019 Annual Report Completeness – MV2019L8-0008

	Components of the Report as required in Part B, condition 14 of Licence MV2019L8-0008	Board staff analysis of the adequacy of the Report in addressing the component 2019 Report
a)	A summary of Project activities during the previous year;	Inadequate. Appendix B provides updates to the Taltson winter road water source details, including updated coordinates and additional draw point locations. This information, including approval from the Inspector, should have been provided to the Board, and described in this section of the Report. Appendix C presents information related to changes in the winter road alignment. Such changes should be discussed in this section of the Report.
b)	A brief summary of Project activities for the upcoming year;	Adequate. However: Section 2.2 of the Report should refer to Appendix B - Water Source Ground Truthing Information (February 2020) – where additional information on proposed additional or alternative water sources is provided.
c)	An updated Project schedule;	Inadequate. Aside from a statement that says that the winter road is required for three to five seasons and is planned to begin construction earlier in 2020 (November or December vs. January), no other information the Project schedule is provided. More details on the upcoming Project schedule could be provided for both the upcoming year and for the Project duration.
d)	A summary of engagement activities conducted in accordance with the approved Engagement Plan;	Adequate.
e)	A summary of how Traditional Knowledge influenced decision making;	Section 2.6 addresses the gathering and influence of traditional knowledge. No comments or recommendations were received on the adequacy of this part of the Annual Report.

	Components of the Report as required in Part B, condition 14 of Licence MV2019L8-0008	Board staff analysis of the adequacy of the Report in addressing the component 2019 Report
f)	A summary of Water use in accordance with Part C of the Licence;	Included. A Table is provided under Section 4 of the Water Licence Annual Report. The total water volumes reported are presented in liters while the maximums approved through the Operations and Maintenance Plan are presented in cubic meters. The total volumes used should be presented in a way that allows for a direct comparison with volumes presented and approved in the O&M Plan.
g)	A summary of Construction activities conducted;	Inadequate. NTPC has not included a summary of the construction activities in the Report.
h)	A summary of activities conducted in accordance with the Waste Management Plan;	Inadequate. More information on the waste management activities that were undertaken including the final disposal or storage locations of all waste managed should be provided.
i)	A summary of activities conducted in accordance with the Operations and Maintenance Plan, required in Part E of this Licence, including an analysis of monitoring results at the end of each season and a discussion of changes required to adaptively manage the project;	Inadequate. NTPC has not included any information in regard to monitoring and its analysis. The 2019 Annual Report does not provide any information or results of any environmental monitoring that is discussed in the Operations and Maintenance Plan.
j)	A summary of activities conducted in accordance with the approved Spill Contingency Plan, required in Part F of this Licence, including: i. A list and description for all Unauthorized Discharges, including the date, NWT spill number, volume, location, summary of the circumstances and follow-up actions taken, and status (i.e. open or closed), in accordance with the reporting requirements in Part H of this Licence; and ii. An outline of any spill training and communications exercises carried out;	Inadequate. NTPC has not included this information in its 2019 Annual Report. Whether spills or training activities took place or not, there should be a section of the report dedicated to addressing the requirements of the Licence so that it is clear whether or not actions have been taken to prepare for or in response to any unauthorized discharges. The Hagglund incident described in Appendix C should be discussed in this section of the report.
k)	A summary of activities conducted in accordance with the Closure and Reclamation Plan, required in Part G of this Licence, including: i. Details of any Remediation/Progressive Reclamation undertaken;	Adequate.
l)	A summary of actions taken to address concerns, non-conformances, or deficiencies in any reports filed by an Inspector;	Adequate.
m)	Any other details requested by the Board by February 1 of the year being reported.	N/A

5. Public Review

By October 6, 2020, comments and recommendations on the Closure and Reclamation Plan were received from 3 reviewers:

- Government of the Northwest Territories – Department of Environment and Natural Resources (GNWT-ENR);
- Board staff; and
- Tłıchǫ Government.

GNWT-ENR and Board staff comments are provided in Table 1, above. NTPC did not respond to comments by the deadline provided.

6. Security

There are no securities associated with this Licence.

7. Conclusion

Annual Water Licence Reports are not for Board approval. Board staff conclude that the 2019 Annual Report, as submitted, does not fully meet the requirements of Licence MV2019L8-0008. Board staff suggest that recommendations outlined in the Online Review System, and those identified in Table 1, above, be addressed all future Annual Report submissions.

8. Recommendation

Board staff recommend the Board **acknowledge the 2019 Annual Water Licence Report** as submitted by Northwest Territories Power Corporation **to fulfill Part B, condition 14 of Water Licence MV2019L8-0008.**

Board staff further recommend that the Board direct NTPC to provide any updates to approved water source locations, including Inspector approval, to the Board so that up-to-date information can be maintained on the public registry.

A draft letter is attached.

9. Attachments

- [2019 Annual Report](#)
- Review Comment Table
- Draft Letter from the Board

Respectfully submitted,



Shannon Allerston
Regulatory Specialist

Review Comment Table

Board:	MVLWB
Review Item:	Taltson Winter Road - 2019 Water Licence Annual Report (MV2019L8-0008)
File(s):	MV2019L8-0008
Proponent:	Northwest Territories Power Corporation
Document(s):	2019 Water Licence Annual Report (2.27 MB)
Item For Review Distributed On:	Sep 14 at 15:12 Distribution List
Reviewer Comments Due By:	Oct 6, 2020
Proponent Responses Due By:	Oct 13, 2020
Item Description:	<p>The Northwest Territories Power Corporation (NTPC) submitted its 2019 Water Licence Annual Report on September 3, 2020. The Water Licence Annual Report is required by Water Licence MV2019L8-0008 Part B, condition 14.</p> <p>Although formal approval of the reports is not required, the Board must be satisfied that the Licensee has met the requirements of its Licence.</p> <p>Using the Online Review System (ORS), reviewers are invited to submit comments and recommendations on the documents linked below by the review comment deadline specified. If reviewers seek clarification on the submission, they are encouraged to correspond directly with the Licensee prior to submitting comments and recommendations.</p> <p>All documents that have been uploaded to this review are also available on our public Registry. If you have any questions or comments about the ORS or this review, please contact Board staff identified below.</p>
Contact Information:	Jen Potten 867-766-7468 Shannon Allerston 867-766-7465

Comment Summary

GNWT - ENR - EAM (Environmental Assessment and Monitoring): Central Email GNWT				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Analysis
5	General File	Comment (doc) ENR Letter with Comments and Recommendations Recommendation		NTPC did not respond to comments by the deadline provided.a
1	Topic: Construction Activities	Comment As per Schedule 1, Condition G, of Water Licence, the 2019 Annual Water Licence Report (the Report) should include a summary of construction activities. NTPC has not included a summary of the construction activities in the Report. Recommendation 1) ENR recommends that NTPC update the Report to include a summary of construction activities conducted, in accordance with the Water Licence.		Refer to Staff Report.
2	Topic: Waste Management	Comment As per Schedule 1, Condition H, of the Water Licence, a summary of activities conducted in accordance with the Waste Management Plan should be submitted within the Report. ENR notes that although the Report states: 'The 2020 Taltson Winter Road construction and maintenance activities were conducted in accordance with the Waste Management Plan, required in Part E of the Licence,' NTPC has not summarized the activities within the Report. Recommendation 1) ENR recommends the Report be updated to include a summary of activities conducted in accordance with the Waste Management Plan.		Refer to Staff Report.
3	Topic: Monitoring	Comment As per Schedule 1, Condition I, of the Water Licence, an analysis of monitoring results at the end of each season, and a discussion of change required to adaptively manage the project,		Refer to Staff Report.

		<p>should be included within the Report. NTPC has not included any information in regard to monitoring and its analysis.</p> <p>Recommendation 1) ENR recommends that NTPC include information in regard to the monitoring conducted, in accordance with the Water Licence.</p>		
4	Topic: Spill Contingency Plan	<p>Comment As per Schedule 1, Condition J, of the Water Licence, a summary of activities conducted in accordance with the approved Spill Contingency Plan should be included in the Report. This includes a list and description for all unauthorized discharges, NWT Spill number, volume, location, summary of the circumstances and follow-up actions taken, status of spills, as well as an outline of any spill training and communication exercises carried out. ENR notes that NTPC has not included this information in its Report.</p> <p>Recommendation 1) ENR recommends that NTPC update the Report to include a summary of activities in accordance with the approved Spill Contingency Plan.</p>		Refer to Staff Report.

MVLWB: Shannon Allerston

ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Analysis
1	Project Schedule	<p>Comment Schedule 1, Condition 1 of Licence MV2019L8-0008 requires the Water Licence Annual Report to provide an updated Project schedule. Aside from a statement that says that the winter road is required for three to five seasons and is planned to begin construction earlier in 2020 (November or December vs. January), no other information the Project schedule is provided.</p> <p>Recommendation More details on the upcoming Project schedule should be provided for</p>		Refer to Staff Report.

		both the upcoming year and for the Project duration.		
2	Water Use	<p>Comment Schedule 1, Condition 1 requires NTPC to provide a summary of its water use by source. A Table is provided under Section 4 of the Water Licence Annual Report. The total water volumes reported are presented in litres while the maximums approved through the Operations and Maintenance Plan are presented in cubic metres. The total volumes used should be presented in a way that allows for a direct comparison with volumes presented and approved in the O&M Plan.</p> <p>Recommendation Present all water usage by source in cubic meters and compare total seasonal volume used from each source against those presented and approved in the O&M Plan.</p>		Refer to Staff Report.
3	Waste Management	<p>Comment Schedule 1, Condition 1 of Licence MV2019L8-0008 requires NTPC to provide a summary of activities taken in accordance with the Waste Management Plan. The Annual Report states that "...construction and maintenance activities were conducted in accordance with the Waste Management Plan"</p> <p>Recommendation More information on the waste management activities that were undertaken including the final disposal or storage locations of all waste managed should be provided.</p>		Refer to Staff Report.
4	Monitoring	<p>Comment Schedule 1, Condition 1 requires NTPC to provide an analysis of monitoring results at the end of each season and a discussion of changes required to adaptively manage the project. The 2019 Annual Report does not provide any information or</p>		Refer to Staff Report.

		<p>results of any environmental monitoring that is discussed in the Operations and Maintenance Plan. Examples include monitoring for erosion and wildlife.</p> <p>Recommendation An analysis of monitoring results at the end of each season and a discussion of changes required to adaptively manage the project are required to be reported on in the Water Licence Annual Report.</p>		
5	Spill Contingency Reporting	<p>Comment Schedule 1, Condition 1 requires NTPC to provide a summary of activities conducted in accordance with the Spill Contingency Plan.</p> <p>Recommendation Whether spills or training activities took place or not, there should be a section of the report dedicated to addressing the requirements of the Licence so that it is clear whether or not actions have been taken to prepare for or in response to any unauthorized discharges</p>		Refer to Staff Report.
Tlicho Government: Tlicho Lands Regulatory				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Analysis
1	Application on Tlicho land.	<p>Comment Application on Tlicho land.</p> <p>Recommendation -</p>		Noted.



October 6, 2020

Jen Potten
Regulatory Coordinator
Mackenzie Valley Land and Water Board
7th Floor – 4910 50th Avenue
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Dear Ms. Potten,

**Re: Northwest Territories Power Corporation (NTPC)
Water Licence – MV2019L8-0008
2019 Annual Water Licence Report – Taltson Winter Road
Request for Comments**

The Department of Environment and Natural Resources, Government of the Northwest Territories has reviewed the report at reference based on its mandated responsibilities under the *Environmental Protection Act*, the *Forest Management Act*, the *Forest Protection Act*, the *Species at Risk (NWT) Act*, the *Waters Act* and the *Wildlife Act* and provides the following comments and recommendations for the consideration of the Board.

Topic 1: Construction Activities

Comment(s):

As per Schedule 1, Condition G, of Water Licence, the 2019 Annual Water Licence Report (the Report) should include a summary of construction activities. NTPC has not included a summary of the construction activities in the Report.

Recommendation(s):

- 1) ENR recommends that NTPC update the Report to include a summary of construction activities conducted, in accordance with the Water Licence.

Topic 2: Waste Management

Comment(s):

As per Schedule 1, Condition H, of the Water Licence, a summary of activities conducted in accordance with the Waste Management Plan should be submitted within the Report. ENR notes that although the Report states: *'The 2020 Taltson Winter Road construction and maintenance activities were conducted in accordance with the Waste Management Plan, required in Part E of the Licence,'* NTPC has not summarized the activities within the Report.

Recommendation(s):

- 1) ENR recommends the Report be updated to include a summary of activities conducted in accordance with the Waste Management Plan.

Topic 3: Monitoring

Comment(s):

As per Schedule 1, Condition I, of the Water Licence, an analysis of monitoring results at the end of each season, and a discussion of change required to adaptively manage the project, should be included within the Report. NTPC has not included any information in regard to monitoring and its analysis.

Recommendation(s):

- 1) ENR recommends that NTPC include information in regard to the monitoring conducted, in accordance with the Water Licence.

Topic 4: Spill Contingency Plan

Comment(s):

As per Schedule 1, Condition J, of the Water Licence, a summary of activities conducted in accordance with the approved Spill Contingency Plan should be included in the Report. This includes a list and description for all unauthorized discharges, NWT Spill number, volume, location, summary of the circumstances and follow-up actions taken, status of spills, as well as an outline of any spill training and communication exercises carried out. ENR notes that NTPC has not included this information in its Report.

Recommendation(s):

- 1) ENR recommends that NTPC update the Report to include a summary of activities in accordance with the approved Spill Contingency Plan.

Comments and recommendations were provided by ENR technical experts in the Water Management and Monitoring Division and the South Slave Region and were coordinated and collated by the Environmental Assessment and Monitoring Section (EAM), Environmental Stewardship and Climate Change Division.

Should you have any questions or concerns, please do not hesitate to contact Patrick Clancy, Environmental Regulatory Analyst at (867) 767-9233 Ext: 53096 or email patrick_clancy@gov.nt.ca.

Sincerely,



Patrick Clancy
Environmental Regulatory Analyst
Environmental Assessment and Monitoring Section
Environmental Stewardship and Climate Change Division
Department of Environment and Natural Resources
Government of the Northwest Territories