

Ministre des Affaires autochtones
et du développement du Nord



Minister of Aboriginal Affairs and
Northern Development

Ottawa, Canada K1A 0H4

FEB 18 2015



Mr. Larry Wallace
Chair
Sahtu Land and Water Board
PO BOX 1
FORT GOOD HOPE NT X0E 0H0

Dear Mr. Wallace:

Thank you for your letter of January 2, 2015, conveying and recommending for my approval the Sahtu Land and Water Board's renewed Type A Water Licence S13L1-007, for Imperial Oil Resources N.W.T. Limited's Norman Wells operations.

I am pleased to note the Board's recognition of the issue of the use of Schedules in licences. I also appreciate and understand that the Board, to effectively and efficiently co-manage water resources, needs to have flexibility in making insignificant administrative changes to licences. However, I would like to further clarify my concerns with the Board's practice of making potentially significant changes to a licence without adhering to the process prescribed by legislation. For example, the renewal of licence S13L1-007 states that the Board may amend the Schedules, at its discretion, through a process that includes public notice and an accompanying explanation of the proposed changes, as well as a reasonable opportunity for interested parties to comment and have their comments considered before the Board makes a decision. While this approach may provide the Board with the desired flexibility to make subsequent changes, both administratively insignificant and potentially significant, to an approved water licence, it restricts the application of the statutory process for water licensing and circumvents my roles and responsibilities with regard to a Board's mandatory referral to me for approval of a Board's decision to issue, renew or amend a Type A licence.

I understand and appreciate the need for a process that affords the Sahtu Land and Water Board flexibility in making administrative changes to licences. To that end, I would strongly encourage the Board and departmental officials to work together to explore avenues that will allow for this administrative flexibility sought by the Board, while fully respecting the statutory requirements and prescribed processes.

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In light of the foregoing, I have approved the water licence as recommended by the Sahtu Land and Water Board. The signed original is enclosed.

Sincerely,

A handwritten signature in black ink, appearing to read "Bernard Valcourt". The signature is written in a cursive, flowing style with some loops and flourishes.

Bernard Valcourt, PC, QC, MP

Encl.



Pursuant to the *Mackenzie Valley Resource Management Act* and Regulations, the Sahtu Land and Water Board, hereinafter referred to as the Board, hereby grants to:

Imperial Oil Resources N.W.T. Limited
Norman Wells Operations
(Licensee)

of **Bag Service 5000, Norman Wells, NT, X0E 0V0**
(Mailing Address)

Hereinafter called the Licensee, the right to alter, divert or otherwise use water subject to the restrictions and conditions contained in the *Mackenzie Valley Resource Management Act* and Regulations made there under and subject to and in accordance with the conditions specified in this Licence.

Licence Number: S13L1-007

Licence Type: A

Location: NORMAN WELLS PROVEN AREA, NT

Purpose: WATER USE AND WASTE DISPOSAL

Description: FOR INDUSTRIAL UNDERTAKINGS IN OIL AND GAS PRODUCTION, AND ASSOCIATED USES

Effective Date of Licence: _____

Term of Licence: 10 YEARS

Expiry Date of Licence: _____

This Licence issued and recorded at Fort Good Hope, NT, includes and is subject to the annexed conditions.

Sahtu Land and Water Board:

Witness

Chair – Mr. Larry Wallace

APPROVED BY:

Minister of Indian Affairs and Northern Development