

October 4, 2013

Tony Morris
Regulatory Specialist
Sahtu Land and Water Board
Box 1, Fort Good Hope
Northwest Territories
X0E 0H0

Dear Mr. Morris,

**Re: Husky Oil Operations Ltd.
Land Use Permit Application – S13X-003
Water Licence Application – S13L1-006
Site Wide Services
Consolidation of Land Use Permits and Water Licences
Request for Review and Comments**

The Department of Environment and Natural Resources (ENR) has reviewed the Plans at reference based on its mandated responsibilities under the *Environmental Protection Act*, the *Forest Management Act*, the *Forest Protection Act* and the *Wildlife Act* and provides the following comments or recommendations for the consideration of the Board.

Topic 1: Incineration Bottom and/or Fly Ash Disposal

Comment(s):

The Environmental Protection Plan (EPP) states, Table 8-2: Summary of Potential Impacts to the Air Quality and Mitigation Measures, that “Incineration of domestic garbage is anticipated to be operated once per day, and the Waste Management Plan (WMP) states “The Slater River Project utilizes forced air fuel fired incinerators to incinerate all combustible garbage and debris generated by the project”, and “Resulting ash is packaged and transported to at an approved waste received waste facility.”

The disposal locations of the “approved waste facility” are not identified.

Recommendation(s):

1. Incineration bottom and/or fly ash can be contaminated with high concentrations of toxic compounds and should therefore be tested to ensure that it is disposed of in an appropriate and approved manner.

Topic 2: Industrial Waste Discharges

Comment(s):

In the Construction Waste Management Plan (WMP), page 9, the Proponent references the Department of Environment and Natural Resources *Guideline for Industrial Waste Discharges*. The WMP states “This was developed for the disposal of residual waste, both solid and liquid, from industrial operations in the NWT. It was authored by the Environmental Protection Service (EPS). This guideline sets the standards for industrial wastes that are suitable for landfills in the NWT.”

ENR is concerned that this Guideline appears to be referenced in a context that implies its use to govern the Proponents industrial waste discharges to communities.

Please note, Section 1, Introduction, First paragraph of the ENR *Guideline for Industrial Waste Discharges*, states: “The purpose of this guideline is to establish standards that should be followed in the discharge of waste from an industrial operation on Commissioner's Land or lands administered by municipal governments in the Northwest Territories (NWT)” (underline and italics added).

Hence, this Guideline is not intended to govern the disposal of waste streams originating from outsourced operators to community facilities. Community facilities are not designed, funded, or operated to manage the storage or disposal of outsourced waste streams originating from operators on Federal Lands.

Recommendation(s):

1. The ENR *Guideline for Industrial Waste Discharges* is not for use by oil and gas operators to govern its waste disposal in community facilities. It is for use by community based industries only, to govern their industrial wastes deposited in NWT waste facilities

Topic 3: Monitoring Wells

Comment(s):

Is a new monitoring well going to be constructed to replace the well that will be used to supply water to the camp?

Recommendation(s):

1. Verify that a new monitoring well will be constructed to replace the monitoring well that will be used as a water source for the camp.

Topic 4: Boreal Caribou

Comment(s):

Boreal caribou are listed as a threatened species under the federal *Species at Risk Act*, and a recovery strategy is a legal requirement of this listing. The national Recovery Strategy for the Woodland Caribou, Boreal Population, in Canada (the Recovery Strategy) was posted to the federal Species at Risk Registry on October 5, 2012.

The Recovery Strategy identifies critical habitat for boreal caribou as a minimum of 65 percent of undisturbed habitat range in the NWT. Disturbance includes anthropogenic features and fire disturbance less than 40 years old. While the NWT boreal caribou population has been assessed as self-sustaining in the recovery strategy, maintaining this status means not exceeding the 35% disturbance threshold set out in the Strategy. To do this, the GNWT will need to keep track of the disturbance footprint within the NWT boreal caribou range to inform the development of range management plans for this species.

The NWT Species at Risk Committee (SARC), established under the territorial *Species at Risk Act*, assessed boreal caribou as a Threatened species in December 2012. Boreal caribou are proposed for addition to the NWT List of Species at Risk.

Section 76 and 77 of the *Species at Risk Act (NWT)* requires the Minister of Environment and Natural Resources to make a submission to the body responsible for assessing the potential impacts of a proposed development, or for considering a land use permit or water licence application, respecting the potential impacts of the proposed development, permit or licence application on a pre-listed or listed species or its habitat.

Potential impacts to boreal caribou include habitat loss, sensory disturbance, mortality from vehicle collisions, and facilitated access for harvesters. The present application will add 6.82 ha of new disturbance associated with the expanded camp facility and airstrip.

Recommendation(s):

1. ENR recommends that Husky continue to provide the SLWB with updated shape files of their proposed and existing project footprint, and that these shape files be shared with responsible co-management authorities for boreal caribou in order to keep track of habitat disturbance within the NWT boreal woodland caribou range.

Topic 5: Above-ground Water Pipeline

Comment(s):

Husky is proposing to install a 4,500 m above-ground water pipeline to transport water from groundwater well site MW-09 to the camp. Section 4.3 (pg. 10) of the EPP states that Husky is currently soliciting the design and procurement of the pipeline and will submit it to the SLWB upon completion. As ENR does not have details on the design or location for the pipeline it is not possible to assess the potential impacts to wildlife from this aspect of the application in terms of 1) habitat loss if installation of the pipeline requires further clearing, and 2) barriers to wildlife movement depending on the height of the above ground pipeline.

Recommendation(s):

1. ENR recommends that the SLWB provide regulators and other interested parties with an opportunity to review and comment on the installation of the water pipeline once the design details have been submitted.

Topic 6: Management of Wildlife Attractants

Comment(s):

The following recommendations are to help ensure the protection of project staff or clients and also to protect wildlife within their natural habitat by reducing or preventing human/wildlife conflicts that could lead to the destruction of nuisance wildlife, especially bears.

Section 4.12 of the EPP indicates that combustible wastes will be incinerated at the camp, and that recyclable wastes will be segregated in bins and transported to an approved recycling facility. Page 18 of the Waste Management Plan (Appendix 4), states that combustible wastes will be stored in sealable bins while awaiting incineration.

Husky's "Recommendations for Bear Safety Best Management Practices at Industrial Camps" previously submitted as an appendix to LUP application S13A-002 further recommends that chain link or electric fencing be installed around camps or garbage storage areas and that certified bear-resistant containers should be used. The present application does not specify whether the camp or garbage storage and incineration facilities will be enclosed within fencing. Given the proposed increase in camp capacity and the year-round use of camp facilities, additional measures to minimize human/wildlife conflicts should be considered.

Recommendation(s):

1. ENR recommends the use of a properly installed electric fence designed for deterring bears and other carnivores. Incinerators and waste storage bins at the

camp should be housed within an electric fence, or fencing should be erected around the perimeter of the entire camp facility.

Topic 7: Wildlife Mitigation and Monitoring Plans

Comment(s):

Assessment, monitoring and management of cumulative effects will require a coordinated regional approach that includes Aboriginal, territorial, and federal governments, wildlife co-management partners, and project proponents. This will also assist ENR in assessing the potential impact of cumulative effects on species at risk such as boreal woodland caribou as required under section 76 and 77 of the *Species at Risk Act (NWT)*.

Consistency in mitigation and monitoring across development projects, as well as monitoring at multiple scales, is beneficial for assessing, monitoring and mitigating cumulative effects on wildlife and wildlife habitat.

Development and implementation of a Wildlife and Wildlife Habitat Protection Plan (WWHPP) and Wildlife Effects Monitoring Program (WEMP) by project proponents will help contribute towards mitigation and monitoring of cumulative effects on wildlife at a project scale and at a scale appropriate to the species of concern (e.g., range level). General guidelines for the contents of a WWHPP and a WEMP can be found in the attached *Appendix A*.

A number of mitigation measures for wildlife and wildlife habitat are outlined in Table 8-12 and 8-13 of the proponent's EPP, and in appendices provided with previous LUP and WL applications. Clear protocols and standard operating procedures to implement these mitigation and monitoring measures should be described in further detail and communicated to project employees and contractors in the form of a WWHPP.

Recommendation(s):

1. ENR recommends that Husky gather commitments and mitigation measures related to wildlife in a short Wildlife and Wildlife Habitat Protection Plan (WWHPP). Such a plan would include components related to wildlife that are currently included in the EPP, appendices provided with previous LUP and WL applications, and recommendations contained within the GNWT's letter to the Proponent.
2. As per Conditions of Permits, Section 26 (1) (h) of the Mackenzie Valley Land Use Regulations, ENR recommends that submission of the WWHPP be included as a condition of the LUP and be subject to approval of the ENR Wildlife Division and the Board.

3. ENR proposes further discussions with Husky to explore opportunities to participate in a Wildlife Effects Monitoring Program (WEMP) that would support our shared objectives to protect both the economic and environmental sustainability of the north.

Comments and recommendations were provided by ENR technical experts in the Environment Division, Wildlife Division and the Sahtu Region and were coordinated and collated by the Environmental Assessment and Monitoring Section (EAM).

Should you have any questions or concerns, please do not hesitate to contact Patrick Clancy, Environmental Regulatory Analyst at 920-6118 or patrick.clancy@gov.nt.ca.

Sincerely,



Patrick Clancy
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Environmental Assessment and Monitoring
Land and Water Division
Department of Environment and Natural Resources
Government of the Northwest Territories