

NWT Energy (03) Ltd.

#4 Capital Drive, Hay River, NT X0E 1G2

December 2, 2019

Elizabeth Wright
Chair
Gwich'in Land and Water Board
P. O. Box 2018
INUUVIK, NT X0E 1G2

Dear Ms. Wright:

Inuvik Wind Project – Application for Type “A” Land Use Permit and Type “B” Water License – Response to Reviewer Comments

On October 25, 2019, NWT Energy (03) Ltd. (NTEC) filed an updated engagement plan, engagement log and cover letter with the Gwich'in Land and Water Board (GLWB). These documents detail what has been done to engage with interested parties, identify issues related to the proposed Inuvik Wind Project (the Project) and steps taken to resolve specific concerns with the Project. These records were provided in response to the direction outlined in the GLWB's letter and Reasons for Decision, dated March 20, 2019.

The scope of this Project is small. It is a community-scale energy project with minimal impacts on the local environment. The intention is to construct a single 3.5 megawatt wind turbine; build a 6-kilometre access road on Commissioner's land outside municipal boundaries; install an electrical line from the turbine to connect at the Inuvik airport; introduce minor upgrades to the Inuvik distribution system; and add a battery at the existing power plant.

NTEC has carefully considered the assertions and recommendations made by the Gwich'in Tribal Council (GTC) and the Nihtat Gwich'in Council (NGC) in their November 12, 2019 submissions to the GLWB. There are three key areas of concern we would like the GLWB to consider:

1. Mitigating environmental impacts
2. Demonstrating adequate engagement
3. Providing economic opportunities

Mitigating Environmental Impacts

As demonstrated in our original application of October 31, 2018, we have filed detailed information, including a Wildlife Baseline Technical Report, Vegetation Baseline Assessment, Traditional Knowledge

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and Land Use workshop and Heritage Resource Overview Assessment. These documents were supported by evidence from appropriate field studies and surveys, along with a draft Land Use Permit, Waste Management Plan and Spill Contingency Plan. The evidence provided is extensive and compelling from a Project impact perspective, and we have responded to specific requests to mitigate impacts.

With respect to the Reindeer Reserve established in the 1950's by the Government of Canada, the proposed Project falls within the *Land Withdrawal Order (Reindeer Grazing Reserve)* R-065-2014. However, the proposed Project is on Commissioner's land reserved for NTEC use, is not considered a disposition under the Land Withdrawal and so can proceed on the proposed site.

As the proponent, we have committed to minimizing any potential Project impacts to migratory species, critical habitat or nesting sites, and species-at-risk in the Project area. We have agreed to conditions proposed by the Gwich'in Renewable Resources Board (GRRB) to monitor wildlife activity during construction and to suspend activities whenever caribou, grizzly bear, muskoxen or other Species at Risk are spotted within 500 metres of any work site. We have also accepted the GRRB's recommendation to restrict access to the area by way of a permanent access gate at the entrance from the highway.

Demonstrating Adequate Engagement

As outlined in our October 25, 2019 submission, NTEC has undertaken engagement activities over three years (July 2016 to September 2019) to discuss the Project with interested or affected parties, and has worked diligently to address any issues or concerns raised. We have focused efforts on Project siting and design, potential environmental impacts, and local economic benefits and opportunities. As the proponent we have filed extensive information in relation to engagement and mitigating environmental impacts.

In March 2018, we reached out to the GTC and were directed to work with the Gwich'in Development Corporation (GDC) and Nihtat Corporation (NC) to advance the Project in all areas. To date, the GTC has not raised any specific concerns with the Project's impacts on the environment or their Aboriginal or Treaty rights.

The GTC's letter to the Premier of the NWT (dated August 29, 2019) clearly stated that the GTC is the rights-bearing organization for the Gwich'in and only they can speak to Aboriginal or Treaty rights related issues. With respect to the GTC submission, NTEC notes that three of the Designated Gwich'in Organizations (DGOs) were not included in the consultation work completed to date, and that the GTC is requesting that this be corrected. While we were pleased to meet with certain Renewable Resource Councils (RRCs) and DGOs over the course of our engagement activities, we note that neither the RRCs nor the DGOs have been delegated engagement responsibilities related to Aboriginal or Treaty Rights. We trust that the GTC is disseminating information and canvassing opinions from their membership as the body representing that membership. This is also consistent with the approach set out in the Gwich'in Comprehensive Land Claim Agreement.

We remain interested in ongoing engagement activities with the GTC, as the Aboriginal and Treaty rights-bearing body, to further develop and finalize a collaborative partnership approach to the construction phase of this Project for the benefit of all residents in the Town of Inuvik.

Providing Economic Benefits

With respect to the GTC's comment about consultation activities pertaining to potential economic opportunities and benefits for the Gwich'in, NTEC notes that requests for local and economic benefits from the Project have been raised by Gwich'in organizations numerous times. Since the outset of this process, we have offered a guaranteed investment opportunity for any Gwich'in parties interested in investing up to 10 million dollars. We have also outlined options for ensuring that proposed construction activities and economic opportunities are tailored, to the extent possible, to attract local and Indigenous participation in the Project. For example, we have identified the potential to bundle small contracts so that local organizations are in a better position to deliver the work. We also intend to continue this dialogue with the GTC and local and Indigenous groups if the Project is approved for permitting.

Three years ago, the Nihtat Corporation (NC), an Indigenous owned organization based in Inuvik and 100-percent owned by the NGC, was hired through an open and competitive bid process to support this proposed Project. Since that time, NC has successfully secured \$1.5 million dollars of feasibility work to guide and inform the Project in all areas of work, including baseline environmental work, business case development and community engagement. With our input and support, NC relied on best practice approaches including a Land Use and Traditional Knowledge Workshop, with parties identified using local and Indigenous knowledge of the people and the area.

The primary objectives of the Project are to displace diesel used for power generation, reduce greenhouse gas emissions, and help stabilize electricity rates for communities in the NWT thermal zone.

As the proponent for the Inuvik Wind Project, we believe that the GLWB has sufficient evidence and information on the record to make an informed preliminary screening decision on this matter, and we look forward to receiving that decision.

Sincerely,



Noel Voykin
President & CEO

- c. Bobbie Jo Greenland-Morgan, Grand Chief Gwich'in Tribal Council
Jozef Carnogursky, President Nihtat Gwich'in Council
Jozef Carnogursky, President Nihtat Corporation