



Sahtu Land & Water Board
REASONS FOR DECISION
Issued Pursuant to Section 121 of
The Mackenzie Valley Resource Management Act
And Pursuant to Section 54 of
The Waters Act

Water Licence S13L1-006 (Type "B")
Land Use Permit S13X-003 (Type "A")

This is the decision of the Sahtu Land & Water Board with respect to an application for a Water Licence renewal (amendment of term) and a request for Land Use Permit extension dated October 18, 2018 made by:

NWT Husky Oil Operations Ltd.
707- 8th Avenue SW
Calgary, Alberta
T2P 3G7

for: use of water, deposit of waste, watercourse crossings and training for industrial undertakings and site wide services in support of oil and gas drilling exploration and to conduct decommissioning and reclamation activities on the southwest side of the Mackenzie River, approximately 40 km south-southeast of Norman Wells, Northwest Territories.

With respect to this application, written notice was given to 17 organizations within the Sahtu Settlement Area and 19 outside of the settlement area in accordance with Sections 63 & 64 of the *Mackenzie Valley Resource Management Act*. There was no Public Hearing held in association with this application.

DECISION

After having been satisfied that the project has been screened pursuant to s.124(1) of the *Mackenzie Valley Resource Management Act*, and that any potential adverse environmental effects were insignificant or mitigatable with known technology, and as such the application could proceed through the regulatory process and after reviewing the submission of the Applicant and after reviewing the written comments received by the Board; the Board, having due regard to the facts and circumstances, the merits of the submissions made to it, and to the purpose, scope and intent of the MVRMA and Regulations made thereunder has determined that: Water Licence S13L1-006 and Land Use Permit S13X-003 will be issued subject to the terms and conditions contained therein.

The Board's reasons for this decision are as follows:

- The Board is satisfied that appropriate consultation has been conducted and that advice has been sought and considered, in accordance with sections 63 and 64 of the MVRMA;
- It is the opinion of the Board that the project is exempt from Part 5 of the MVRMA for preliminary screening as there will be no new land use or modifications to approved works;
- It is the opinion of the Board that the terms and conditions attached to S13L1-006 and S13X-003 pursuant to the MVRMA and the *Waters Act*, will ensure that any potential environmental impacts resulting from this activity are not significant;
- Conducting the undertaking in compliance with the terms and conditions imposed by the Licence and Permit will minimize any disturbance to the natural conditions of surrounding water bodies;
- The undertaking contributes to the socio-economic well-being and economic development of the region and restoration and reclamation of lands;
- The existing security of \$300,000.00 held for the Water Licence S13L1-006 and \$952,813.13 held for Land Use Permit S13X-003 will ensure proper closure and reclamation of the area affected by the operation;
- The Applicant has engaged with communities, interest groups and potentially affected parties to explain the proposed land use operation and address questions and concerns.

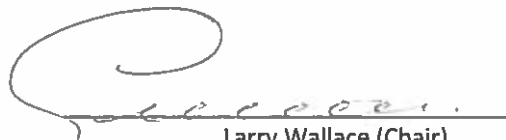
- It is the opinion of the Board based on the past performance review of Annual Reports contained in the Staff Report 2, that the Licensee has satisfactory standing in the Sahtu region.
- It is the opinion of the Board that the undertaking is deemed a Legacy Use as defined under subsection 2.5.D.1.4 of the Sahtu Land Use Plan and as per subsection 2.5.D.4.1, exempt from application of all Conformity Requirements; therefore, is determined to conform to the Sahtu Land Use Plan.
- The use of water and/or deposit of waste proposed by the Applicant is of a nature contemplated by the MVRMA and the *Waters Act*.
- The use of land proposed by the Permittee is of a nature contemplated by the *Mackenzie Valley Resource Management Act* and the *Mackenzie Valley Land Use Regulations*.

The Applicant has been notified through a provision included in the scope of the Water Licence S13L1-006, that compliance with the term and conditions of this Licence has no effect on the Licensee's responsibility for compliance with the requirements of any other legislation.

The Applicant has been notified through a provision included in the scope of the Land Use Permit S13X-003, that compliance with the term and conditions of this Permit has no effect on the Licensee's responsibility for compliance with the requirements of any other legislation

The Board will provide any referenced material or documents and/or reasons for decision for any specific clause or clauses contained within the application if requested to do so in writing.

SIGNED this 4th day of December, 2018 on behalf of the SAHTU Land & Water Board.

A handwritten signature in black ink, appearing to read 'Larry Wallace', is written over a horizontal line. The signature is cursive and includes a large, decorative flourish at the beginning.

Larry Wallace (Chair)
SAHTU Land & Water Board