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September 26, 2022

Canada Energy Regulator
Suite 210 – 517 Tenth Avenue SW
Calgary, AB T2R 0A8

Sahtu Land and Water Board
Box 1
Fort Good Hope, NT X0E 0H0

Attention: Ms. Ramona Sladic
Secretary of the Commission

Attention: Ms. Tanya T. MacIntosh
Chairperson

Dear Mesdames:

Re: Imperial Oil Resources N.W.T. Limited ("Imperial")
Canada Energy Regulator File OF-EP-OA-IO47-1210 31
Sahtu Land and Water Board File S13L1-007
Notification of Withdrawal of Application

A. Introduction

1. This letter is provided on behalf of Imperial in connection with its application filed with the Canada Energy Regulator ("**CER**" or the "**Commission**") to allow for the construction and operation of a Waste Management Facility ("**WMF**") at Imperial's Norman Wells Operation ("**NWO**") (the "**CER Application**") and its application filed with the Sahtu Land and Water Board ("**SLWB**" or the "**Board**") for an amendment to Water Licence S13L1-007 (the "**Water Licence**") in connection with Imperial's proposed WMF at NWO (the "**SLWB Application**"). The CER Application and the SLWB Application are collectively referred to herein as the "**Applications**."

2. For the reasons that follow, Imperial hereby withdraws the Applications.

B. Background

3. Imperial filed a Project Description for the WMF with the Commission on June 8, 2021, and subsequently filed the CER Application with the Commission on September 30, 2021.

4. Imperial filed the SLWB Application with the Board on July 31, 2020. On August 21, 2020, the SLWB notified Imperial that the SLWB Application was incomplete, and requested additional information. A revised SLWB Application incorporating updated materials to address the Board's comments was filed on September 30, 2021.

5. The processes for both the CER Application and the SLWB Application proceeded concurrently, with key dates outlined below. The following chronology provides a high-level overview of Imperial's interactions with the Board and the Commission, and is not an exhaustive summary of

the subject proceedings or the related engagement efforts that were undertaken between Imperial, the applicable regulatory authorities, and members of the local communities in proximity to NWO.

6. On October 19, 2021, the Commission issued Information Request ("IR") No. 1 to Imperial, requesting that Imperial electronically file all documents referred to in its CER Application.

7. On November 10 and 23, 2021, Imperial responded to IR No. 1 and electronically filed copies of all documents referenced in its CER Application for the WMF.

8. On February 2, 2022, the Commission issued IR No. 2 to Imperial, seeking clarification on the scope of Imperial's CER Application and its submissions regarding the Commission's authority to grant the relief requested by Imperial under the *Canada Oil and Gas Operations Act*.

9. On February 2, 2022, Imperial received a request for additional engagement information from the SLWB.

10. On February 8, 2022, Imperial responded to IR No. 2, which suggested that a separate Operations Authorization ("OA") was required for the WMF, as opposed to an amendment to Imperial's existing OA for NWO. In this IR response, Imperial noted that it had been in contact with the CER several times prior to submitting the CER Application in an effort to understand the associated requirements (including a pre-application meeting on August 17, 2020) and understood that there were two options available: (i) file a new application; or (ii) seek an amendment to the existing OA.

11. On February 15, 2022, Imperial received direction from the CER indicating that the WMF would require a separate OA beyond the existing OA that Imperial currently holds for NWO.

12. On February 22, 2022, Imperial responded to the Board's request for additional information and provided the SLWB with the requested engagement information.

13. On February 23, 2022, Imperial confirmed with the Commission that it wished to apply for a separate OA for the WMF and that it intended to rely on the CER Application that had already been filed with the Commission on September 30, 2021 for that purpose.

14. On March 11, 2022, the Commission issued IR No. 3 to Imperial, which concerned emergency management, financial, and safety matters.

15. On April 12, 2022, the Commission issued Hearing Order MH-004-2021 (the "Hearing Order"), which established a preliminary screening process for Imperial's CER Application, in addition to the preliminary screening process being undertaken by the SLWB in respect of Imperial's SLWB Application.

16. On April 14, 2022, Imperial responded to IR No. 3 and filed a WMF-specific Safety Plan, Security Estimate Letter and Contingency Plan.

17. On April 19, 2022, Imperial's SLWB Application was deemed complete by the Board. On the same day, the Board also published a draft Work Plan for the review process associated with the SLWB Application.

18. On April 21, 2022, draft revised conditions for the SLWB Water Licence were published by the Board.
19. On April 27, 2022, the Commission issued IR No. 4 to Imperial, which concerned environmental matters, camp accommodations, ice road construction and usage, and economic and employment opportunities.
20. On May 4, 2022, the Commission issued IR No. 5 to Imperial, which requested that Imperial submit an updated, site-specific contingency plan for the proposed WMF.
21. On May 6, 2022, the SLWB facilitated a public information session to provide an overview of the preliminary screening process before the SLWB.
22. During this time, the SLWB's preliminary screening process occurred in parallel with the preliminary screening process undertaken by the Commission with respect to the CER Application.
23. On May 16, 2022, Imperial received Information Request No. 1 from the SLWB, which sought further information and documentation with respect to Imperial's engagement efforts and process with the Sahtu Dene and Métis.
24. On May 20, 2022, Imperial responded to IR Nos. 4 and 5 by submitting a written response to the Commission's requests, along with a WMF-specific Environmental Management Plan and an updated version of the WMF Contingency Plan.
25. On May 25, 2022, the SLWB Application was referred to the Mackenzie Valley Environmental Impact Review Board ("**MVEIRB**") for an environmental assessment by the Sahtu Secretariat Incorporated.
26. On May 31, 2022, the MVEIRB issued a Notice of Environmental Assessment ("**EA**").
27. As a result of the EA proceedings, the SLWB suspended its processing of Imperial's Application. The CER also cancelled its preliminary screening process. Notwithstanding the commencement of the EA proceedings, the Commission indicated on June 1, 2022 that it would continue its assessment of Imperial's CER Application.
28. On June 1, 2022, the Commission issued a letter canceling its preliminary screening process in respect of the CER Application.
29. On June 28, 2022, the Commission issued IR No. 6 to Imperial, which sought an update on Imperial's stakeholder engagement activities, as well as additional information on engineering and land ownership matters.
30. On June 29, 2022, the MVEIRB hosted an online meeting to begin the EA proceeding, describe the scoping phase of the EA, and discuss engagement and participation.
31. On July 14, 2022, the Commission granted Imperial's request to extend the deadline for Information Request No. 6 until after the terms of reference for the EA process were defined by the

MVEIRB. Per the Commission's Procedural Update No. 1 issued on August 12, 2022, Imperial's response to Information Request No. 6 is due on November 14, 2022.

32. On July 19, 2022, the MVEIRB issued a further Notice of Proceeding for the scoping phase of the EA.

33. On August 12, 2022, at Imperial's request, the MVEIRB adjourned the EA proceedings in respect of the Application.

34. Imperial's CER Application was deemed complete by the Commission on August 12, 2022.

35. Since the MVEIRB's adjournment of the EA proceeding and the issuance of the Commission's Procedural Update No. 1, Imperial has undertaken an extensive internal review of the matters raised through this proceeding and the EA process to date, and has re-evaluated its approach to the subject matter of the CER and SLWB Applications. Imperial has also taken time to consider its broader objectives for progressive reclamation and eventual end-of-field-life ("EOFL") activities at NWO.

C. Reasons for Withdrawal

36. Nearly one year has passed since the initial filing of Imperial's CER Application and Imperial's updated SLWB Application. During this time, a number of developments have had a material impact on the progress of Imperial's Applications, as well as other activities being undertaken by Imperial in connection with the proposed WMF. In light of these developments, and in consideration of the factors discussed below, Imperial is unable to proceed with the Applications at this time.

37. First, Imperial recognizes and respects the time and resources required by communities to participate in these processes and Imperial is committed to ongoing engagement with communities. Through the subject proceedings before the Board and the Commission, as well as the MVEIRB's EA process, it became clear that members of communities and other stakeholders in proximity to NWO want to engage on closure holistically and waste management within the context of broader closure. As such, concerns have been raised that extend beyond the scope of the present Applications for the WMF. Moreover, these proceedings have become increasingly focused on matters related to broader closure and reclamation activities at NWO, which Imperial has not applied for at this time. Arriving at EOFL in an orderly manner, in collaboration with the community, is a priority for Imperial.

38. Second, Imperial did not reasonably anticipate the extended timeline for processing the Applications, as well as increases to the scope of issues that would be considered by the MVEIRB. Imperial understands that regulatory proceedings of this nature are subject to change, particularly in circumstances that involve multiple regulatory agencies; however, the requisite level of clarity around scope, timelines, and process required for Imperial to continue to proceed with its Applications no longer exists. It also remains unclear to Imperial how the SLWB and MVEIRB proceedings are intended to correlate with or relate to the CER proceeding, if at all. In addition, Imperial would note that there have been limited opportunities to incorporate existing and approved plans, procedures, documents, and consultation activities into the concurrent regulatory processes in order to facilitate and increase the efficiency of the same.

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39. Third, given that the WMF will form part of Imperial's broader EOFL activities at NWO, Imperial intends to explore potential opportunities for coordination and efficiency as between future applications related to the WMF and other EOFL activities. As part of this process, Imperial hopes to work with the CER, the SLWB, and the MVEIRB, to establish a regulatory process that will address the requirements of the regulators, the objectives of Imperial, and any issues or concerns that may be brought forward by community members and other stakeholders with respect to such applications.

D. Concluding Remarks

40. For the reasons set out above, Imperial hereby withdraws its Applications.

41. Imperial appreciates the efforts of both the Board and the Commission in processing the Applications to date, and looks forward to working in collaboration with the CER, the SLWB, additional regulators and government agencies, community members, and other interested parties in the future as progressive reclamation and eventual EOFL activities at NWO advance.

42. Please contact the undersigned with any questions.

Sincerely,

BENNETT JONES LLP



Tim Myers

cc: M. Cliffe-Phillips, Mackenzie Valley Environmental Impact Review Board
C. Foster, J. Mersereau, and Z. Allidina, Imperial Oil Limited
T. Machell, Bennett Jones LLP
Intervenors in Proceeding MH-004-2021