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Bonnie Bergsma, Regulatory Specialist

Sahtu Land and Water Board
P.O Box 1
Fort Good Hope, NT
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Update RE: Interim Closure and Reclamation Plan, Norman Wells Operations

Dear Bonnie:

In keeping with Imperial's commitment to the Working Group for the Interim Closure and Reclamation Plan (ICRP) for Norman Wells Operation, we would like to take this opportunity to provide an update on some of the activities we have been progressing since the last Working Group session on April 4, 2018.

Imperial's ICRP outlines the overall objectives-based approach for the removal of assets associated with Norman Wells Operations at the end of field life. The ICRP was submitted to the Sahtu Land and Water Board (SLWB) as required under Water Licence S13L1-007 and was approved with conditions on Jan. 5, 2017. The final closure and reclamation (C&R) plan will be filed with the SLWB two years ahead of end of operational field life.

The Working Group was established in 2014, at the request of the SLWB, to provide a formal mechanism for meeting with stakeholders interested in the development of Imperial's C&R plan for the Norman Wells Operations. Collectively, the Working Group has provided Imperial with suggestions and advice on the contents of the C&R plan for the Norman Wells Operations. The Working Group has consisted of regulators, community members, land claim organizations and individuals. The intent was for Imperial to participate in the Working Group to obtain guidance and feedback and to address potential issues before the submission of the ICRP for approval by the SLWB.

It has been generally agreed that the goals as established by the Working Group at Meeting #1, and used as the foundation for Meetings #2 and #3 leading up to the ICRP submission, have been met – or at a minimum, are underway, and will continue to progress as appropriate in the years leading up to shutdown of the operations.

The specific purposes of the Working Group Meeting #4 on April 4, 2018 were:

- To provide information and updates to the Working Group, including an update on the operation itself, given its status at the time of “non-operating and on-the-market”;
- To specifically cover the main planning priorities and schedule of the ICRP. In particular, timing and priority-wise, the key areas are the Long-term Management Facility (LTMF) and the Artificial Islands; and
- To solicit ideas from participants on ongoing and meaningful engagement related to the ICRP.

Key topics were:

- ICRP status and ongoing planning;
- LTMF planning and permitting process;
- Studies related to options for the Artificial Islands.

Since the Working Group Meeting #4, Imperial has progressed work in the following areas:

Preparation for LTMF Water Licence Application, including:

- Regulatory meetings in May 2018 and October 2018 to confirm the type of Water Licence as debated in Working Group Meeting #4: Type A, within the Proven Area to avoid overlapping jurisdictions;
- Community meetings in Tulita and Fort Good Hope in July 2018;
- Community meetings in Norman Wells in January 2019;
- Technical reviews with Norman Wells Land Corp and Norman Wells RRC in January 2019;
- Technical design to the appropriate level for the application.

Studies on the Artificial Islands, including:

- Fish and fish habitat field surveys in September 2018. Summary reports were provided to the Norman Wells Renewable Resources Council (RRC) and also to the Department of Fisheries and Oceans and the Aurora Research Institute, to fulfill research licence requirements. I attach the report that was sent to the RRC;
- Desktop studies on island construction and potential sedimentation impacts resulting from several closure options for the islands. These will be used to inform ongoing consideration of various closure options for the Artificial Islands, and for community consultation in the coming months and years.

2018 Annual Closure and Reclamation Progress Report, including:

- Progressive Reclamation activities completed in 2018;
- Conceptual Site Models for areas within the Proven Area under remediation.

2019 Progressive Reclamation

- Remediation Systems re-start, following the successful re-start of the Operations and the completion of the preventative maintenance on Enbridge Line 21;
- Abandonment of the inactive wells at Bear Island Terminal (BIT) 5;
- Negotiation and award of Progressive Reclamation 10-year enabling agreement to the Sahtu Joint Venture company *Tlegohti*;
- Conceptual Site Models for areas within the Proven Area under remediation.

Next Steps:

- Submit Type A Water Licence Application to SLWB for the LTMF: Q4-2019/Q1-2020
- Community consultations on the Artificial Islands: Q1-2020/Q2-2020

- Working Group Meeting #5: Q3-2020
- Updated ICRP: Q4-2020/Q1-2021

We look forward to Working Group session #5. In the meantime, we trust that written correspondence with the Working Group will serve as an effective means to communicate information, and facilitate the exchange of questions, comments and clarifications. Imperial welcomes the Working Group's continued feedback and comments, and looks forward to continued engagement and collaboration as we progress our C&R activities.

Thank you.

Sincerely,

Heather