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February 5, 2025

Sahtu Land and Water Board
Attn: Paul Dixon, Executive Director; Valerie Gordon, Chairperson
P.O Box 1
Fort Good Hope, NT
X0E 0H0

Via SLWB's Online Review System Submission

Dear Mr. Dixon and Ms. Gordon,

**Re: Water Licence S13L1-007 Norman Wells Operation 3-Year Renewal
Imperial Oil Resources NWT Limited ("Imperial") Response to Comments on Renewal**

Imperial thanks the Sahtu Land and Water Board ("SLWB" or "Board") for the opportunity for interested parties and Imperial to provide input regarding the Board initiated 3-year renewal of Water Licence S13L1-007 (the "Licence").

Imperial thanks all interested parties who submitted comments in response to the SLWB's requests over the past two months. The overall broad support from governments, businesses, designated Sahtu organizations and the public for an expedited three-year renewal is appreciated. No concerns were raised from GNWT, CIRNAC, or DFO during the most recent comment period. The comments from GNWT and CIRNAC were supportive of the Board's three-year renewal period. Imperial has included replies to formal comments within the ORS comment table. This letter is intended primarily to address comments brought forward within the submission from K'ahsho Got'ine Committee (KGC)¹.

KGC states its position that a renewal term of three years is unnecessarily long and that the emergencies and risks of a shut-in could be addressed within a shorter timeframe. While the environmental risks associated with a winter shut-in could be mitigated during a shorter renewal period, KGC's comments do not fully address other critical aspects of the emergency that would not be addressed in a shorter renewal period. A shorter renewal period is not in the public interest and would not mitigate the social, economic and energy supply concerns brought before the Board through 31 submissions provided by regional businesses, Indigenous organizations, governments and members of the public.²

In addition, a shortened emergency renewal term does not provide a clear path to avoid a regulatory gap during a temporary shut-in period, when care and maintenance activities will be required to mitigate potential harm to the environment.³ Imperial is supportive of the Board's proposed renewal term of 3 years, noting it would provide up to 16 months for the Mackenzie Valley Environmental Impact Review Board (MVEIRB) to conduct the Environmental Assessment (EA), 5 months for a subsequent decision by

¹ Comment-010KGC To SLWB Re. Comments On Board-Initiated Renewal, January 28, 2025 [SLWB Online Review System S13L1-007](#).

² [S13L1-007 Board Initiated Renewal Proceeding – Reviewer Comments and Responses – Dec 31, 2024](#)

³ [Water Licence S13L1-007 Norman Wells Operation – Extension Request – December 9, 2024](#)

the Minister and additional time for the SLWB to complete its regulatory process for the renewal application S24L1-005.⁴

Environment

Imperial recognizes that the environmental risks associated with a winter shut-in could be mitigated by conducting shut-in activities in summer months. However, this mitigation does not address other aspects that constitute part of the emergency scenario and would create regulatory gaps without a path for suitable oversight.

KGC's letter implies the continued operation of the field poses unconsidered risks to the downstream community and noted these concerns are long standing. Concerns about the downstream effects have been noted since at least the expansion of the NWO undertaken in the 1980's⁵. In the intervening years, a significant number of studies have been undertaken in response to the observations and concerns of community members. The studies assessed potential effects on water quality, human health and fish health, and included comparative testing between water quality upstream and downstream of the NWO. Studies have been undertaken by university researchers, government agencies, community-based monitoring, and by Imperial. Relevant studies were reviewed as part of revisions to the Aquatic Effects Monitoring Program (AEMP) which has itself been independently reviewed for effectiveness and incorporates Indigenous knowledge. A list of the studies is available in the reference section of the AEMP on the SLWB's Public Registry⁶.

Imperial recognizes a perception in the community that the NWO has a significant negative impact on the health of the Mackenzie River, it's ecosystem, and human health. Imperial is, however, not aware of any established connection between the NWO and the observed changes brought forward by KGC. The SLWB stated in the Reasons for Decision⁷, "the existing Licence was developed to mitigate and monitor the impacts associated with the NWO, and the conditions and requirements within it can be enforced while the Licence remains in effect."

Progress has been made in recent years in terms of improving environmental monitoring programs and building a dialogue with community members to incorporate Indigenous knowledge and concerns, most notably related to the AEMP. Continued progress and execution of environmental monitoring programs currently permitted under the Licence would be jeopardized without a renewed Licence.

Socioeconomic Impacts Considerations

On the topic of economic considerations, Imperial points to the comments of broad support sent to the SLWB from local businesses and individuals in the region, as well as the analysis provided by the GNWT which indicate the effects of a temporary shut-in are widely understood to cause significant hardship. In total, 31 letters of support were provided to the Board between December 17 - 23 2024, for consideration in making the decision to proceed with the Board-initiated 3-year term in the public interest.

KGC suggested smaller socioeconomic impacts would be short-term and could be mitigated by government support itself. However, the position does not provide certainty that the government will step in to address the economic impact and does not address the potential costs of such government

⁴ [Water Licence S13L1-007 for Norman Wells Operations – Upcoming Expiry Date – December 13, 2024](#)

⁵ [Hydrocarbons and Complaints About Fish Quality in the Mackenzie River, Northwest Territories, Canada](#). W.I. Lockhart, D.A.J. Murray, D.C.G. Muir. Department of Fisheries and Oceans, Central and Arctic Region. Water Pollution Research Journal of Canada Vol 22, No. 4, 1987

⁶ [Norman Wells Operations – Aquatic Effects Monitoring Program – S13L1-007](#)

⁷ [SLWB Reasons for Decision – Board Initiated Water Licence Renewal Proceeding in the Public Interest – January 9, 2025](#)

action or the fact that a longer planning cycle regarding NWO closure will allow for transition planning in a cost effective way.

KGC incorrectly states in their letter that “The K’ahsho Got’ine of Fort Good Hope do not benefit from the operations.” In the past ten years, Imperial has provided over \$1.6 million to Fort Good Hope through direct support in addition to employment and training opportunities. Several members of the community are currently employed at the NWO. Another recent example of community benefits provided was a cash donation to Fort Good Hope for wildfire training and equipment as well as resources made available from Imperial as neighbours to support evacuees during the 2024 Fort Good Hope wildfires. Imperial’s support included local employees volunteering at the evacuation centre, housing 16 evacuees, donations of various supplies including groceries, clothing, water bottles, blankets and first aid kits for responders and providing transportation services for evacuees. Imperial continues to hold open offers to KGC for funding agreements to negotiate longer-term benefits and capacity funding agreements and remains willing to meet for further discussions. Interested KGC businesses or individuals are welcome to contact our Indigenous business development team who can help them in finding commercial opportunities with Imperial.

Building Trust

At Imperial, we strive to build strong and lasting relationships with communities built on mutual trust and respect. We recognize that building trust is a journey and we are disappointed that our efforts to date have fallen short. While Imperial has incorporated community input and made changes to increase transparent communication with all Sahtu communities and improve information sharing, we recognize that it is going to take a collective effort to evolve our collaboration and engagement going forward.

Ongoing participation and co-leadership of closure working groups and the incorporation of community-based monitoring into the existing AEMP are a few examples that could facilitate additional trust-building between Imperial and communities. Furthermore, environmental monitoring conducted under the existing Water Licence can provide information that is additive to government, university-funded and community-based research.

KGC Request for Scope of Shut-in Activities

While a detailed plan for a summer shut-in of the NWO has not been developed due to the recent planning efforts focused on a potential winter shut-in, a summary of the activities can be found in the contingency Operations Authorization (OA-1210-001) Condition 5 notification provided to the CER on January 24, 2025⁸. For the purposes of the summary, “shut-in” is defined as ceasing production and protecting the integrity of the facilities, such that the facilities could be brought back into production in line with future licence approvals and commercial viability. Summer shut-in efforts are anticipated to take between 4 to 6 weeks. As noted previously, several ongoing care and maintenance activities would be required beyond shut-in to protect NWO’s infrastructure and mitigate potential harm to the environment. Imperial would welcome the opportunity to engage directly with KGC on any information needed and to address questions.

⁸ [C33170-1 IOR to CER – Condition 5 – Contingency Notification of Non-Routine Operations – NWO Shut-in – 2025-01-24](#)

Closure

Imperial respectfully submits that a three-year renewal of the Water Licence is appropriate in the circumstances. Imperial looks forward to ongoing discussions with KGC and participating in the pre-hearing conference meeting scheduled by the Board on February 10, 2025.

Sincerely,



Benjamin Fraser

Norman Wells Environment & Regulatory Technical Lead
Imperial

cc:

Valerie Gordon, Chair, SLWB

Paul Dixon, Executive Director, SLWB

Ramona Sladic, Secretary of the Commission, CER

Charles McNeely, Chairperson, Sahtu Secretariat Inc.

Robert Jenkins, Deputy Minister, GNWT Department of Environment and Climate Change

Lisa Dyer, Director General, CanNor – Northern Projects Management Office

Kim Pawley, Crown-Indigenous Relations and Northern Affairs Canada

Mike Roesch, Manager, Resource and Land Management, CIRNAC

Nathan Baines, Supervising Counsel, Imperial

John Gregory, Conventional Oil & Gas Assets Manager, Imperial

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