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August 30, 2024

Sahtu Land and Water Board
P.O. Box 1
Fort Good Hope, NT
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**Attention: Paul Dixon, Executive Director, SLWB
Valerie Gordon, Board Chair, SLWB**

Submitted via ORS

Dear Mr. Dixon and Ms. Gordon,

**Re: Norman Wells Goose to Bear Island Flowline Replacement - New Type A Land Use Permit and Type B Water Licence (S24A-005/S24L1-002) Applications (the Applications)
Goose to Bear Island Flowline Replacement Project (the Project)
Imperial Oil Resources N.W.T. Limited (Imperial)
Norman Wells Operations (NWO)**

Imperial writes in response to the K'ahsho Committee's (KGC) August 20, 2024 letter to the Sahtu Land and Water Board (SLWB or Board)¹ via the Online Review System.

Imperial's letter of July 30, 2024² sets out Imperial's position on several of the topics raised by KGC in its August 20, 2024 letter. To that end, Imperial does not intend to restate those comments within this letter but provides the additional comments to clarify issues raised by KGC below.

- The submissions in the KGC letter do not distinguish between:
 - the applications under this review S24A-005/S24L1-002, which are for a Type A Land Use Permit for the use of drilling equipment³ and Type B Water License due to the risk of deposit of waste into water associated with using horizontal directional drilling [HDD]⁴; and
 - the separate application for renewal of a Type A Water Licence S24L1-005 for the ongoing operation of NWO including flowlines between Bear and Goose Islands.

¹ [Letter from KGC to SLWB via ORS](#) dated August 20, 2024 re: Norman Wells Goose Island to Bear Island Flowline Replacement New Type A Land Use Permit and Type B Water Licence (S24A-005/S24L1-002)

² [Letter from Imperial to SLWB](#) dated July 30, 2024 re: response to the Sahtu Land and Water Board's (SLWB) July 23, 2024 letter (Board Letter) addressed to the K'ahsho Got'ine Committee (KGC).

³ [Letter from SLWB to Imperial](#) re Imperial Oil Resources N.W.T. Limited - Modification Notification - Norman Wells Line 490 Replacement and Decommissioning (the Project) - Imperial Oil Resources N.W.T. Limited (Imperial) - Type A Water Licence S13L1-007 (15 November 2023).

⁴ Ibid.

The Board has previously determined that the operation of NWO was exempt from screening⁵ and later stated that the trigger for the S24A-005 and S24L1-002 applications is the use of HDD for the replacement of lines⁶. The primary concerns raised by the KGC with respect to potential impact relate to operation of the pipeline (previously screened) – for instance, stating that the environmental risks with which they are concerned are releases of crude oil, produced gas and produced water. These concerns are clearly associated with continued operation of the NWO, and not with the limited Type B Water licence which is needed for the risk of deposit of waste into water associated with HDD. The risk of a deposit of waste associated with HDD is primarily associated with an accidental release of drilling fluid (which Imperial has developed plans designed to prevent and even if such an accident were to occur, would have a limited adverse environmental impact) and not a release of crude oil, produced gas or produced water.

- As stated in the March 7, 2024 letter to CER⁷, Imperial supports the SLWB’s determination that use of HDD is an applicable trigger for a new Type B Water Licence and Land Use Permits and associated preliminary screening. The SLWB’s preliminary screening is therefore specific to the scope of the applications associated with flowline Replacement Activities described in applications S24A-005 and S24L1-002. While Imperial has advocated that such screening and assessment is not required as part of the CER process due to exemption under applicable CER regulations, Imperial has continued to support the SLWB’s plans to conduct a preliminary screening.

The KGC advocates that the SLWB ought to refer the Line 490 replacement to the Review Board for an environmental assessment on the basis of significant environmental impacts or it being a cause of public concern. Imperial disagrees with the KGC’s submissions in this regard.

- As noted above, the environmental impacts asserted by the KGC are associated with releases of crude oil, produced gas and produced water. These are potential impacts arising from the ongoing operation of the NWO, not the limited potential impacts associated with the potential deposit of waste from HDD activities, or with the Type A Land Use activities, which are the subject of the applications before the SLWB. As previously stated, the potential adverse impacts of the activities for which Imperial is seeking approval from the SLWB are limited. In fact, HDD is an environmentally preferred method for crossing a waterbody, is considered a “minor work” under the *Canadian Navigable Waters Act*, and will not require any authorizations under the federal *Fisheries Act* which specifically regulates potential impacts to fish habitat and the release of deleterious substances into fish bearing waters.
- The KGC letter implies that the HDD methodology is a new technology. However, HDD has been in use for decades and is considered an environmentally preferred method of construction.
- The scope and impact/mitigation tables within the application submission will allow for the risks to be considered through the preliminary screening process. Imperial submits that the possible impacts of the Line 490 Replacement Activities can be addressed through its planning and environmental commitments, augmented if necessary, through the imposition of terms and

⁵ [Water Licence S13L1-007 Reasons for Decision](#) at PDF Page 4.

⁶ [Letter from SLWB to Imperial](#) re Imperial Oil Resources N.W.T. Limited - Modification Notification - Norman Wells Line 490 Replacement and Decommissioning (the Project) - Imperial Oil Resources N.W.T. Limited (Imperial) - Type A Water Licence S13L1-007 (21 December 2023).

⁷ See Imperial CER Preliminary Matters Submission ([C28709-1](#)) at PDF page 4.

conditions in the licencing process. It therefore seems unlikely that an Environmental Assessment would be required on the grounds of possible adverse impacts on the environment.

- The grounds for public concern identified in the KGC letter do not appear to be related to the activities under review by the SLWB in the S24A-005/S24L1-002 applications but are more broadly about continued operation of NWO. The concerns appear to be related to impacts on the Mackenzie River associated with a produced product spill. Notably, the quotations provided in the KGC letter to illustrate these concerns are from the CER Oral Indigenous Knowledge Hearings. To the extent that the HDD project might be a cause of public concern, significant or otherwise, the CER is currently considering an application for the Line 490 Replacement activities, using HDD. The CER's hearing process for the project has provided ample opportunity for public concerns to be raised and considered by the CER and within the SLWB's preliminary screening.

Imperial submits that the Duty to Consult is fulfilled through the SLWB application process, as well as the extensive and comprehensive process ongoing before the CER and has no further comments other than those outlined in its July 30, 2024 letter.

Imperial has had ongoing engagement with communities throughout the Line 490 project planning process as detailed in the application and associated review documents. Since the application was submitted, engagement between Imperial and KGC has continued. Should the Board require such information, Imperial can provide updated engagement logs.

Imperial welcomes ongoing engagement and seeks to understand communities' perspectives and deal constructively with differing views.

Please contact me (jaclyn.mersereau@esso.ca) or Sam Bird (sam.bird@exxonmobil.com) or if you have any further questions about these Applications.

Sincerely,

Sam Bird

signed on behalf of Jaclyn Mersereau
Environment and Regulatory Technical Lead
Imperial

cc: John Gregory, Operations Superintendent, Imperial
Sam Bird, Environment and Regulatory Advisor, Imperial
Jeremy Smith, Project Manager, Imperial
Nathan Baines, Senior Counsel, Imperial
Brad Gilmour, Osler, Hoskin & Harcourt LLP
Iain Colquhoun, Chief Conservation Officer, CER
Ramona Sladic, Secretary of the Commission, CER
Mike Roesch, Manager, Resource and Land Management, CIRNAC
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Erin Goose, Inspector, GNWT-ECC
Rick Walbourne, Director, Regulatory and Permitting, GNWT-ECC
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