

# DEFENDING THE NORTH

# FACT SHEET

## Respect the Process: Ensuring implementation of the Joint Review Panel Recommendations for the Mackenzie Gas Project

A giant natural gas basin lies beneath Canada's Northwest Territories. And the drive to recover that gas is on, with a proposal in the works to open up three major production fields and to build two pipelines to southern markets. It's called the Mackenzie Gas Project and it has the potential to open the doors for the biggest industrial development Canada's Arctic has ever seen.

This project opens the area to further development and brings the risk of adverse impacts on the environment and society, but it also offers an unprecedented opportunity for economic development for Aboriginal groups and Northerners. To evaluate the impacts of the project, a Joint Review Panel, comprised of seven impartial citizens, was appointed in 2004.

The panel comprehensively considered both the opportunities and the risks in an effort to chart a path for the project to proceed in a responsible way. Similar to the conclusion of the mid-1970s Berger Inquiry, the Joint Review Panel report found the public "still regards the project not simply as another industrial development, but as a force that would irrevocably change the life of the region, whether for better or worse."



Adapted from the National Energy Board

### Striking the right balance: the review process

The Joint Review Panel was struck on the understanding "development should occur in a manner that protects the environment from significant adverse environmental impacts unless justified; and protects the social, cultural, and economic well-being of affected residents and communities."<sup>1</sup>

The responsibilities of the panel were wide-ranging. The panel heard from 558 presenters, representing industry, Aboriginal groups, non-governmental organizations, individuals and government in 115 days of hearings in 26 communities. Delays or extensions occurred more than 30 times — largely

at the request of the proponents. The Environmental Impact Statement required six rounds of information requests. The result of this process is a comprehensive set of recommendations that don't ignore the impacts of future gas developments or the challenges communities experience in the face of large-scale industrial development.

Now the fate of the project and the carefully crafted recommendations rest with the National Energy Board, the body responsible for determining if the project is in the public interest.

<sup>1</sup>Agreement for an Environmental Impact Review of the Mackenzie Gas Project. August 18, 2004.

# Recommendations a Package Deal

In their December 2009 report, the Joint Review Panel concluded that the Mackenzie Gas Project could make a net positive contribution to the North — but only if all of its 176 recommendations were implemented.

The panel emphasized that its recommendations were “designed as a package and are meant to be mutually supporting” and that the entire suite of recommendations must be implemented for the project to build a positive future for the Northwest Territories. Without the implementation of every recommendation, “the project’s impact on the environment would likely be significant and adverse,” wrote the panel.

## Recommendations for a Responsible Project Dismissed

In the National Energy Board’s March 2010 proposed modifications of the panel’s report, several recommendations were not considered, including those directed at governments. The board said some of the recommendations fall outside its jurisdiction or fall outside the scope of the Mackenzie applications.

However, the purpose of the National Energy Board is to promote safety and security, environmental protection and efficient energy infrastructure and markets in the Canadian public interest. In granting approval of a project, the National Energy Board has

the discretion to put a number of conditions in place before project start-up. This can include recommendations geared at other agencies, such as the federal and territorial governments.

A key concern of the Joint Review Panel was the cumulative impacts due to potential expansion of the project or due to other development likely to occur if the project is approved. The panel stated that putting mechanisms in place to respond to the pace and scale of development would allow higher quality and accelerated decision-making for future developments. In stating that they may not include conditions that relate to future applications for the Mackenzie Gas Project, the National Energy Board is risking the entire set of recommendations created to control cumulative effects.

Even if not required to do so by the National Energy Board, governments can choose to follow the recommendations carefully built in the best interest of Aboriginal groups and Northerners. According to the panel, government preparedness was the underlying concern of many Aboriginal groups and Northerners who participated in the process.



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## What’s at stake?

Many of the panel’s recommendations were directed toward governments and stated that the project should not be approved or allowed to expand until certain conditions are in place. Sample recommendations at risk of not being included as part of the National Energy Board’s final project certificate include:

- Create \$500 million fund to compensate for project impacts.
- Develop benefit agreement for Dehcho First Nations.
- Provide job training and education programs.
- Complete regional land use plans.
- Develop a national greenhouse gas emission plan, including a strategy to use natural gas as a transition fuel.
- Complete the Northwest Territories Protected Areas Strategy.
- Plan and fund expanded health care program.
- Ensure adequate drug and alcohol treatment programs.
- Increase capacity of homeless and women’s shelters.

## Want More Information?

Read the Joint Review Panel’s Report:  
<http://www.ngps.nt.ca/report.html>

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## The Opportunity to Foster Responsible Development

The National Energy Board will begin hearings into the project on April 12 and is expected to give its final decision on whether the project should go ahead in September. The panel’s recommendations were crafted as a unit, and reflect the social, financial and environmental values of northern citizens. If the project is approved without full consideration of all of the recommendations, it will not be in the public interest. The opportunity still exists for the board to incorporate these recommendations as a road map for a project that will bring benefits to Aboriginal groups and Northerners for the long term.

