



## **Inuvialuit Water Board Annual Report April 1, 2016 – March 31, 2017**

### **1.0 Overview**

The mandate of the Inuvialuit Water Board (IWB) is described in the *Waters Act* (s. 24) as being: *“To provide for the conservation, development and utilization of waters in a manner that will provide the optimum benefit for all Canadians in general and, in particular, for the residents of the portion of the Inuvialuit Settlement Region located in the Northwest Territories for which the Board is authorized to issue licences.”*

While the IWB operates within the authority and direction of the *Waters Act* and *Waters Regulations*, its activities are also subject to the requirements of the *Canadian Environmental Assessment Act 2012* (CEAA) and the *Inuvialuit Final Agreement* (IFA). Before the IWB may issue a water licence, the environmental and socio-economic impacts of any proposed development must be assessed as set out in CEAA and the IFA. The results of these assessment processes are used by the IWB members in their consideration of water licence applications and the potential terms and conditions to be included.

It is important to note that while the IWB issues water licences, it is not responsible for the enforcement of the terms and conditions included in those licences. Enforcement of the terms and conditions of water licences is the responsibility of the Government of the Northwest Territories (GNWT) Department of Environment and Natural Resources (ENR).

### **2.0 IWB Board Membership and Operations**

The IWB is composed of a Board, made up of five members including a Chairperson, and an administrative structure established to support the IWB’s mandated activities. Board members are appointed by the GNWT Minister of ENR. Two members of the Board are appointed based upon nominations from the Inuvialuit Regional Corporation, and one member of the Board is appointed on the nomination of the authorized federal Minister. All members of the Board hold office for a term of three years.

The Chairperson of the Board serves as the Chief Executive Officer of the IWB.

As of March 31, 2017, the members of the IWB were:

Mr. Roger Connelly, Chairperson  
Mr. Richard Binder, member  
Mr. Mark Cleveland, member

Mrs. Elizabeth Arey, member  
Vacant – federal nomination

Retiring Member(s) - Mr. Louis Covello – term expired April 7, 2016

During the year the Board met nine (9) times as follows:

Meeting 422	April 14, 2016	Teleconference
Meeting 423	June 15, 2016	Teleconference
Meeting 424	August 5, 2016	Teleconference
Meeting 425	August 16, 2016	Inuvik, NT
Meeting 426	August 18, 2016	Inuvik, NT
Meeting 427	September 21, 2016	Teleconference
Meeting 428	December 2, 2016	Teleconference
Meeting 429	January 30, 2017	Teleconference
Meeting 430	February 20 – 24, 2017	Inuvik, NT

### **3.0 IWB Operations**

Based in Inuvik, NT, the IWB administrative personnel are members of the GNWT Public Service. The staff members are:

- Mardy Semmler – Executive Director
- Freda Wilson – Office Administrator
- Dr. Bijaya Adhikari – Science and Regulatory Coordinator
- Cora Simpson – Summer Student Administrative Assistant

Core funding of IWB activities is provided through a contribution agreement between the GNWT (ENR) and the IWB. In addition, in any particular year, the IWB may also receive financial support from various organizations and/or governments for specific projects or activities. During 2016/2017 the IWB received \$913,000 under the contribution agreement with ENR and \$5,499 in revenues from other sources. Financial details related to IWB activities during the past year are outlined in the IWB's 2016/2017 audited financial statements. The financial statements are enclosed with this report.

IWB's auditor for the 2016/2017 year was the firm of Crowe MacKay LLP, chartered accountants, located in Yellowknife, NT.

In support of its mandate, the IWB has established standardized licensing rules and procedures. These include documentation to guide administrative licensing matters as well as specific rules to guide the conduct of water licence application reviews and assessments.

To promote public understanding of the mandate and ongoing activities of the IWB, a newsletter is published on a periodic basis. The IWB Newsletters – July 2016 and October 2016 – were distributed to GNWT and Federal departments, Inuvialuit

organizations and other stakeholders. The newsletters can also be viewed on the IWB website ([www.inuvwb.ca](http://www.inuvwb.ca)).

#### **4.0 IWB Water Licensing Activities 2016 – 2017**

##### **Water Licensing**

The IWB issues Type A and Type B Water Licences. A determination of the type of licence to be issued is largely dependent upon the volume of water and waste involved.

In general terms:

- Type A Water Licences - larger scale industrial and commercial developments such as the Inuvik to Tuktoyaktuk Highway.
- Type B Water Licences - Municipalities Water/Waste Services and smaller scale developments such as many environmental clean-ups;

As of March 31, 2017, there were thirty-seven (37) water licences recorded in the area for which the IWB holds responsibility. Of this number, eleven (11) were considered active licences with the remainder, although inactive, in place to support sump monitoring, annual reporting and have not been closed pending a required final inspection.

##### ***Type A or B Water Licences Issued (New)***

- The IWB issued three (3) new water licences during the 2016/17 fiscal year:
  - N5L3-0714 – Hamlet of Tuktoyaktuk – Municipal Water and Waste Services – issued with a related Reasons for Decision on April 15, 2016;
  - N3L8-1838 – Northwest Territories Power Corporation – Aklavik Old Power Plant – Site Remediation – issued with a related Reasons for Decision on August 5, 2016; and
  - N5L8-1837 – Repsol Oil and Gas Canada Inc. – Prince Patrick Island – Site Remediation – issued with a related Reasons for Decision on August 24, 2016.
- The IWB received several other water licence enquiries and applications for new water licences during the year. Upon review by the IWB, none of these enquiries and applications met the criteria described in Water Regulations Schedule D through H that would make it necessary for a water licence to be obtained.

##### ***Type A or B Water Licences Issued (Renewed):***

- Type B Licence N7L3-1525, issued with a related Reasons for Decision to the Hamlet of Ulukhaktok on September 21, 2016. This licence renewed a prior licence and authorized the use of water and the deposit of waste, including both solid waste and sewage in established facilities operated by the Hamlet.

Prior to licence renewal the IWB Board and senior staff members visited the community of Ulukhaktok, toured the fresh water intake, solid waste and sewage disposal facilities and met with the Mayor, hamlet councillors and staff to discuss a broad range of issues related to the provision of water and waste services in their community.

### ***Type A or B Water Licence Assignment, Cancellation, Amendment or Closure***

- The IWB received one amendment application during the 2016/2017 fiscal year:
  - N7L1-1836 – Imperial Oil Resources Ventures Limited – Dock Removal during Winter 2017 – issued with a related Reasons for Decision on January 30, 2017.
- The IWB received a request for closure of two (2) water licences:
  - N7L1-1763 – Arctic Oil and Gas Services – Lucas Point Base Camp; and
  - N7L1-1817 – Aurora Research Institute – Mallik Gas Hydrate Production Research Project.

Following consideration of final inspection reports and recommendations from the GNWT Water Resources Officer, these licences were closed through Board motion on February 20, 2017.

### ***Type A or B Water Licences Expiring During the Year***

- Other than the license renewals noted above, no Type A or B Water Licences expired during this fiscal year.

## **Licence Management Activities**

In addition to processing licence applications, the IWB is charged with reviewing and approving management plans associated with licences as well as reviewing water licence inspection reports and annual reports from licence holders.

### ***Management Plan reviews and approvals***

#### **N7L1-1835 – GNWT – Department of Transportation (DOT) – Inuvik to Tuktoyaktuk (ITH) Highway**

- Embankment Height Modification Drawings
- Borrow Source 312 – Updated Pit Development Plan

#### **N5L8-1837 – Repsol Oil and Gas Canada Inc. – Prince Patrick Island – Site Remediation**

- Surveillance Network Program (SNP) Plan
- Spill Contingency Plan

- Pre-Design, Construction Specifications – Quality Assurance / Quality Control (QA/QC) Plan
- Reclamation, Closure and Monitoring Plan
- Remedial Action Plan
- SNP QA/QC Plan
- Waste Management Plan

### ***Annual and Sump Monitoring Reports Reviewed***

- N3L3-0570 – Hamlet of Aklavik – 2016 Annual Report
- N5L3-0714 – Hamlet of Tuktoyaktuk – Sewage Waste Disposal Modification Drawings
- N7L3-1525 – Hamlet of Ulukhaktok – SNP Results
- N7L3-1531 – Hamlet of Sachs Harbour – 2016 Annual Report
- N7L3-1619 – Hamlet of Paulatuk – 2015 Annual Report
- N7L1-1836 – Imperial Oil Resources - 2016 Annual Report
- N7L1-1787 – Chevron Canada Ltd (submitted by MGM Energy Corporation) – 2016 Environmental Site Monitoring Report
- N7L1-1797 – MGM Energy Corporation – 2016 Environmental Site Monitoring Report
- N7L1-1802 – MGM Energy Corporation – 2016 Environmental Site Monitoring Report
- N7L1-1815 – MGM Energy Corporation – 2016 Environmental Site Monitoring Report
- N7L1-1835 – GNWT – Department of Transportation (DOT) ITH - 2015/2016 Annual Report, including SNP Results

### ***Inspection Reports Received and Reviewed***

- N7L1-1814 – Contaminants and Remediation Directorate – Indigenous and Northern Affairs Canada (INAC) – Johnson Point
- N7L1-1824 – Contaminants and Remediation Directorate – INAC – Johnson Point
- N7L1-1835 – GNWT – DOT – ITH – seven (7) inspections between January 20, 2016 – March 31, 2016

## **5.0 Other IWB Activities**

During the year the IWB was engaged in a number of additional activities in support of its mandate. These included:

### ***Review and renewal of IWB five (5) year 2014 - 2019 Strategic Plan***

During the year IWB reviewed and renewed its five (5) Year Strategic Plan and established measurable objectives to ensure IWB activities remained consistent with its mandate under the *Waters Act*. The Board wished to ensure that activities of the IWB are undertaken in an effective and efficient manner; respond to existing and emerging

regional and territorial water management issues; and establish and maintain productive communication with other regional and territorial parties holding common regulatory interests in water management. As well, the Board wanted to provide for the required capacity of Board members and staff personnel.

### ***IWB Communication Strategy***

The IWB approved a Communications Strategy on March 24, 2016. The strategy, when implemented, will ensure that all participants in water licensing processes, including communities, industry and governments, have a sound understanding of water licensing requirements, the Board's mandate and procedures, and the responsibilities of applicants and licence holders.

A major component identified in the IWB's Communications Strategy is the restructuring and updating of the IWB website. During the fiscal year, the IWB's website was modernized and redesigned in user-friendly format.

### ***Municipal Water and Waste Management Workshop***

In recognition of the ongoing challenges faced by municipal governments in the provision of water and waste services, the IWB held a Municipal Water and Waste Management Workshop in Inuvik on February 22 – 23, 2017. The workshop was attended by representatives from the Hamlets of Aklavik, Sachs Harbour, Paulatuk, Ulukhaktok and Tuktoyaktuk. GNWT departmental representatives from the Departments of Municipal and Community Affairs (MACA), ENR, and Health and Social Services (H&SS) provided presentations related to their roles and responsibilities in water licensing in the region.

Although focusing on the management and disposal of hazardous wastes, the workshop was also structured to assist Hamlet mayors and municipal front-line staff in obtaining a fuller understanding of the water licensing process in the ISR and the terms and conditions attached to water licences. As well, discussions were also targeted at enhancing the capacity of community governments to maintain compliance with their community's water licence.

The workshop was successful in bringing together all the parties involved in the provision of municipal water and waste services and in identifying areas of concern and subsequent actions to be undertaken by the parties in attendance at the workshop.

### ***Roles and Responsibilities – Community Water and Waste Management***

In concert with all parties involved in the provision of municipal water and waste services, from water intake at source to solid waste site runoff and sewage outflow, the IWB finalized and distributed a document that describes the respective roles and responsibilities of all organizations and agencies involved - municipal governments, GNWT departments and regulators. The document was also produced in a poster format

and distributed. These documents serve, on an on-going basis, as 'easy reference' tools for all involved parties.

### ***Review of Waters Act (NWT)***

To assist in gaining a full and accurate understanding of its mandate and authorities, the IWB undertook a thorough review of the current *Waters Act and Waters Regulations*. This review identified several areas of the legislation in which further clarification may be required to ensure accurate and consistent application of the law. The findings of this review were forwarded to the Department of ENR. Correspondence and discussions between the IWB and ENR related to this review continued during the fiscal year. A Technical Working Group has now been established by GNWT to review the *Waters Act and Regulations* and the IWB will be participating as the review progresses.

### ***Water Licence Security Deposits***

In its review of the *Waters Act* and its consideration of water licence applications, the IWB held several internal discussions related to the requirement for, amount of, and processes related to the return of security deposits. A discussion paper on this topic was developed by the IWB and presented at the NWT Board Forum meeting in Norman Wells November 30 - December 1, 2016 for further consideration by the parties present.

### ***Involvement in Meetings and Conferences***

IWB Board members and staff are regularly asked to participate in meetings and conferences related to the IWB mandate. Some of the meetings and conferences attended in the past year include:

- ITH Regulatory meetings – monthly
- ITH Working Group meetings – May and November 2016
- Imperial Oil Resources meetings – Bar C / Tununuk Point Remediation Project, November 17, 2016
- Pan Territorial Regulatory Forum – October 11 – 12, 2016
- NWT Board Forum – November 29 - December 1, 2016
- Arctic Oil and Gas Symposium – March 15 – 16, 2017
- NWT Air Regulations – March 25, 2017

### ***Activities with other Regulatory Boards within the NWT***

The IWB has been in discussions and is participating with the Mackenzie Valley Land and Water Board and ENR in the development of Hydrocarbon Contaminated Soil Treatment Facilities Guidelines.

## ***Other Administrative and Board Activities***

The IWB maintains a Public Register (all documents related to all water licence applications, licensing and reporting). The Public Register is housed in the Inuvik IWB office. The IWB maintains a copy of the Public Register on-line and can be accessed through the IWB website ([www.inuvwb.ca](http://www.inuvwb.ca)). All documents related to a water licence application or licence are posted on a timely basis.

### **6.0 Areas of Focus for 2017/2018**

During the 2017/2018 year the IWB will focus on the following priorities:

- As per Goal 1 of the IWB Strategic Plan, the IWB will make efficient, effective and timely decision in all licensing processes: will develop clear policies and procedures that are generally consistent with other jurisdictions and reflect best practices; and will engage in regulatory improvement processes and discussions related to water and waste management.
- As per Goal 2 of the IWB Strategic Plan, the IWB will implement the communications strategy to ensure all parties are aware of the IWB`s processes, decisions and actions and the responsibilities of applicants and licence holders - including but not limited to the development of fact sheets and brochures for general distribution.
- As per Goal 3 of the IWB Strategic Plan, the IWB will continue to work in partnership with government, resource management boards and communities with the aim of collaboratively improving community capacity in water use management.
- As per Goal 4 of the IWB Strategic Plan, the IWB will review its staffing requirements including a reassessment of the positions required to ensure the IWB is functioning efficiently and effectively.
- Follow up on commitments made during the 2017 Municipal Water and Waste Management Workshop and planning for the next Water and Waste Management Workshop in February 2018.
- The IWB will assist in the coordination of a Devolution Agreement, Chapter 6 – Waste Sites Workshop with the GNWT Departments of ENR and Intergovernmental and Indigenous Affairs. This workshop will bring together all organizations within the Inuvialuit and Gwich`in Settlement Regions that hold environmental management responsibilities.
- In advance of considering a renewal of the community of Sachs Harbours water licence (that expires in November 2017), Board members and senior staff will tour the communities municipal water and waste management facilities and meet with the Mayor, Council members and senior staff to discuss issues related to the provision of water and waste services in their community.

## 7.0 Conclusion

In addition to fulfilling its core-mandated responsibilities, the IWB channelled significant time and effort throughout the year in communicating with and discussing issues of shared interest or concern with other regional and territorial parties holding contributing responsibilities in the overall management of the regional and territorial environment.

This sharing of information and coordination of approach and effort will continue throughout 2017.

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