## MEMORANDUM OF UNDERSTANDING

### Between

The Mackenzie Valley Land and Water Board

- and -

**The National Energy Board** 

(Hereinafter the "Parties")

#### **Preamble**

Whereas the Mackenzie Valley Land and Water Board (MVLWB) has jurisdiction under the *Mackenzie Valley Resource Management Act* S.C. 1998, c.25 (MVRMA) to conduct preliminary screenings and to regulate the use of land and water, as well as the deposit of waste, within the Mackenzie Valley<sup>1</sup>;

And Whereas the National Energy Board (NEB) is an independent federal agency, established under the *National Energy Board Act*, R.S.C., 1985, c. N-7 (NEB Act) to regulate international and interprovincial aspects of the oil, gas and electric utility industries in the Canadian public interest, and in particular has regulatory responsibilities for oil and gas exploration and activities in frontier lands, including the Mackenzie Valley;

**And Whereas** each Party has certain responsibilities in relation to the assessment, review and monitoring of the exploration, development, production, and transportation of oil and gas developments or pipeline developments in the Mackenzie Valley;

**And Whereas** the Parties recognize and respect each other's jurisdiction, including their respective responsibilities to conduct preliminary screenings and issue authorizations;

**And Whereas** the Parties have agreed to work together so that responsibilities under their respective authorities are carried out in an efficient manner that should minimize duplication of effort, and provide for an effective and timely review of applications.

NOW THEREFORE THE PARTIES HAVE AGREED THAT:

#### 1.0 INTERPRETATION

In this Memorandum of Understanding:

"MOU" means this Memorandum of Understanding;

"MVRMA" means the *Mackenzie Valley Resource Management Act*, S.C. 1998, c. 25 as amended and regulations;

"MVLWB" means the Mackenzie Valley Land and Water Board established by subsection 99(1) of the MVRMA and for greater certainty includes a panel under section 103(1) or a regional panel under section 102(2) of the MVRMA as the case may be; and

"NEB" means the National Energy Board established under the *National Energy Board Act*, R.S.C., 1985, c. N-7.

<sup>&</sup>lt;sup>1</sup> "Mackenzie Valley" means that part of the Northwest Territories bounded on the south by the 60<sup>th</sup> parallel of latitude, on the west by Yukon, on the north by the Inuvialuit Settlement Region, as defined in the Agreement given effect by the *Western Arctic (Inuvialuit) Claims Settlement Act* S.C. 1984, c.24, and on the east by the Nunavut Settlement Area, as defined in the *Nunavut Land Claims Agreement Act* S.C. 1993, c.29, but does not include Wood Buffalo National Park of Canada.

#### 2.0 PURPOSE

This MOU is intended to:

- (a) Encourage and assist the Parties, where possible, to work together cooperatively in the exercise of their respective legislative duties and powers;
- (b) Foster coordination and communication in order to enable the Parties to effectively discharge their respective statutory duties and powers;
- (c) Create a framework within which the Parties may negotiate specific agreements with respect to the preliminary screening and regulatory processes of projects in the Mackenzie Valley;
- (d) Establish a process where the MVLWB and the NEB may share with one another their respective technical expertise and knowledge, as may be required and serves the mutual interest of the Parties; and
- (e) Facilitate ease of participation in the Parties' proceedings by proponents and stakeholders.

#### 3.0 SCOPE

- 3.1 This MOU is intended to establish a cooperative framework between the Parties.
- 3.2 This MOU does not create any new legal powers or duties, nor does it alter in any way the powers and duties established by the MVRMA, the NEB Act, the *Canada Oil and Gas Operations Act* or any of the regulations established pursuant to those Acts.
- 3.3 This MOU is not intended to prevent either Party from entering into such other agreements as may contribute to the effective and efficient discharge of their respective duties.
- 3.4 This MOU may be expanded upon consent of the Parties to include additional parties where the inclusion of new parties is consistent with the purpose of this MOU.

#### 4.0 PRINCIPLES FOR COOPERATION

In order to achieve the purposes of this MOU the Parties agree to the following principles:

 (a) Notification – timely notice of any matter relevant to this MOU and any future MOUs will be an essential element of the cooperative framework established between the Parties;

- (b) Information sharing subject to legislation respecting privacy and the rules and legislation preventing the disclosure of confidential and privileged information, the Parties agree to early and open sharing of information relevant to their duties and powers;
- (c) Engagement the cooperative framework established by this MOU will be enhanced by early engagement and discussion of matters of mutual interest; and
- (d) Identification of Cooperative Opportunities the Parties expect to identify other opportunities for cooperation over the term of this MOU and will explore such opportunities as they arise.

#### 5.0 RELATIONSHIP BETWEEN THE BOARDS

- 5.1 The Boards or some members thereof may meet from time to time at the discretion of the Chairs in order to discuss matters of mutual interest and to further the purposes of this MOU.
- 5.2 Where consistent with the purposes of this MOU, and not inconsistent with their respective legal obligations, the Parties may share perspectives on issues of mutual interest.
- 5.3 The NEB may, to the extent provided by law, assist the MVLWB by sharing its experience as a regulatory tribunal and by sharing technical, regulatory, and environmental information.
- 5.4 The MVLWB may, to the extent provided by law, assist the NEB by sharing its regulatory experience, including its expertise with regard to northern communities and the environment, and lessons learned from conducting preliminary screenings, issuing authorizations, and processing management plans.
- 5.5 The Parties will explore opportunities for capacity building among respective staff with respect to the regulation and environmental impact assessment of northern oil and gas operations, including where feasible, such actions as secondments, and attendance at technical conferences.
- 5.6 The Parties will seek opportunities to cooperate in enhancing the public awareness of the oil and gas regulatory process.

#### 6.0 PROJECT SPECIFIC AGREEMENTS

6.1 Where appropriate, the Parties may agree to negotiate in advance, project specific agreements with respect to the preliminary screening and regulatory processes of projects that fall within the jurisdiction of both the NEB and the MVLWB.

6.2 Project specific agreements should, to the extent possible, attempt to minimize duplication and result in timely and efficient assessment and regulatory efforts between the Parties, having due regard to applicable timelines and regulatory requirements.

Functions to be coordinated may include but are not limited to:

- (a) instances where either party is making preliminary screening decisions;
- (b) instances where either party is Issuing authorizations; or
- (c) other instances as agreed to by mutual consent between the Parties.
- Any project specific agreement negotiated between the Parties shall be consistent with the purpose and principles outlined under this MOU.

#### 7.0 COORDINATION PROVISIONS

The provisions in this MOU are in furtherance of:

(a) Subsection 124(4) of MVRMA.

#### 8.0 EXPENDITURES

Each Party shall be responsible for the costs of their participation in any exchange of information, advice, or other forms of assistance pursuant to this MOU.

#### 9.0 CAPACITY

The provision of information or assistance by either Party under this MOU is subject to available resources, costs, or capacity at the time the information or assistance is provided.

#### 10.0 OTHER

Nothing in this MOU is intended to impose any funding obligations on either of the parties. Nothing in this MOU is intended to diminish or otherwise affect the authority of either party to carry out its statutory, regulatory, or other official functions or to commit either party to providing a particular service it would not otherwise provide in the scope of its individual mission and functions.

#### 11.0 PUBLIC AVAILABILITY OF MOU

Either Party may make this MOU and any amendments publicly available.

#### 12.0 EFFECTIVE DATE

This MOU becomes effective as of the date of the last signature of either party.

#### 13.0 AMENDMENT AND TERMINATION

- 13.1 The effectiveness of this MOU will be reviewed periodically by the Parties.
- 13.2 This MOU may only be amended in writing by mutual consent of the Parties.
- 13.3 This MOU may be terminated by either Party upon 30 days notice in writing to the other Party.

#### 14.0 NOTICES

Notice under this MOU shall be given in writing:

For the Mackenzie Valley Land and Water Board to:

Executive Director
Mackenzie Valley Land and Water Board
7th Floor, 4922 48th St. PO Box 2130
Yellowknife, NT
X1A 2P6

Telephone: (867) 669-0506

Fax: (867) 873-6610

For the NEB to:

Secretary National Energy Board 444 Seventh Ave. SW Calgary, AB T2P 0X8

Telephone: (867) 299-2714

Fax: (867) 299-3372

# AGREED TO THIS 1944 day of FEBRUAR 4 , 2013:

FOR THE MACKENZIE VALLEY LAND AND WATER BOARD:	
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Chair and CEO, MVLWB	Witness
V	
FOR THE NATIONAL ENERGY BOARD:	
Jale Coro	Mercier
Chair and CEO, NEB	Witness