

National Energy
Board



Office national
de l'énergie



Office of the Regulator
of Oil and Gas Operations

NEB Files: OF-Fac-Gas-I017-2004-1
OF-EP-FacPipe-I003-MAC 04
OROGO File: OA-2015-001
17 November 2015

Mr. Rick Gallant
Imperial Oil Resources Ventures Limited
237 Fourth Avenue SW,
PO Box 2480, Station M
Calgary, AB T2P 3M9
Email: rick.j.gallant@esso.ca

Dear Mr. Gallant:

**Imperial Oil Resources Ventures Limited (IORVL) Mackenzie Gas Project
Request for an Extension of the Sunset Clauses – Procedural Notice**

In a letter dated 20 August 2015, IORVL made a request to the National Energy Board (the Board or the NEB) to extend the Sunset Clause a period of seven years for the approvals for the Mackenzie Valley Pipeline (MVP) and the Mackenzie Gathering System (MGS). The Board regulates the portion of the MGS located in the Inuvialuit Settlement Region (ISR) under the *Oil and Gas Operations Act* (OGOA)¹. On 9 November 2015, the Board issued a direction to extend the Sunset Clauses² for an interim period to 30 September 2016 to allow for more time to properly consider the request.

On 1 April 2014, the Government of the Northwest Territories Regulator of Oil and Gas Operations assumed responsibility for the regulation of onshore oil and gas activities in the NWT outside of the ISR and federal areas under the OGOA. IORVL made a similar extension request, dated 29 October 2015 to the Office of the Regulator of Oil and Gas Operations (OROGO) for the portion of the MGS outside of the ISR. A decision on that matter falls to OROGO's Chief Conservation Officer (CCO). On 10 November 2015, OROGO issued a direction to extend the Sunset Clause for an interim period to 30 September 2016.

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¹ The MVP would remain regulated under the *National Energy Board Act*.

² The Sunset Clauses are condition 74 of Appendix K, GH-1-2004 Reasons for Decision, Volume 2 for the MVP and condition 74 Appendix M, GH-1-2004 Reasons for Decision, Volume 2 for the MGS.

In keeping with their Memorandum of Understanding, the NEB and OROGO are coordinating with each other in exercising their regulatory responsibilities with respect to the extension requests since the project overlaps jurisdictional boundaries. The NEB and CCO are each considering whether to approve IORVL's applications to extend the Sunset Clauses, and will accept written comments with respect to the proposed extensions until 16 February 2016.

Both regulators will rely on the NEB's public registry to gather written comments relevant to their respective statutory mandates, which will be considered in reaching a decision on the proposed extensions. Written comments can be made through the following:

- NEB's e-filing system at <https://apps.neb-one.gc.ca/efile/ElectronicDocumentSubmission.aspx>
- NEB fax numbers, 403-292-5503 or toll free 1-877-288-8803
- Mail to 517 Tenth Avenue SW, Calgary, Alberta T2R 0A8

IORVL may submit a reply to the written comments by 8 March 2016.

For future procedural updates and information please visit our website at www.neb-one.gc.ca/MackenzieGasProjectExt

The NEB and CCO direct IORVL to:

1. Provide a copy of this letter to all intervenors in the MGP hearing process (GH-1-2004³) and the Joint Review Panel process, as well any other Aboriginal groups in the project area.
2. File a list of the persons and groups it has contacted to the NEB E-filing system by 8 December 2015.
3. Publish this notice in English in the following publications:
 - News North Yellowknife, Northwest Territories
 - Yellowknifer Yellowknife, Northwest Territories
 - Inuvik Drum Yellowknife, Northwest Territories
 - Deh Cho Drum Yellowknife, Northwest Territories
 - Hay River Hub Hay River, Northwest Territories
 - Northern Journal Fort Smith, Northwest Territories
 - Native Journal Sherwood Park, Alberta
 - Echo-Pioneer High Level, Alberta

³ Last GH-1-2004 intervenor list dated 9 April 2010.

4. Publish this notice in French in the following publication:

- L' Aquilon Yellowknife, Northwest Territories

Please contact Tara O'Donovan at 403-299-3633 to coordinate ad copy so that it meets the requirements of the Government of Canada's Federal Identity Program (FIP).

The following is a link to the IORVL letter dated 20 August 2015 to the NEB requesting extensions to the Sunset Clause for the MVP and the MGS:

https://docs.neb-one.gc.ca/ll-eng/llisapi.dll/fetch/2000/90464/90550/338535/338661/2855874/2813656/MGP_Sunset_Clause_Extension_Letter_Final_-_A4S9L7.pdf?nodeid=2813657&vernum=-2

The following is a link to the IORVL letter dated 29 October 2015 to OROGO requesting an extension to the Sunset Clause for the portion of the MGS located outside ISR:

http://www.oilandgasregulator iti.gov.nt.ca/sites/default/files/iorvl_application_package_for_public_registry.pdf

If you have any questions about the above information, please contact Margaret McQuiston, NEB Process Advisor, toll free at 1-800-899-1265 or Pauline de Jong, OROGO Senior Advisor Legislation and Policy, at 867-920-6267.

Yours truly,

Original signed by

Sheri Young
Secretary of the Board of the NEB

Original signed by

James Fulford
Chief Conservations Officer
Office of the Regulator of Oil and Gas Operations