



Alternatives North

October 5, 2015

Hon. David Ramsay
Minister of Industry, Tourism and Investment
Government of the Northwest Territories
P.O. Box 1320
Yellowknife NT X1A 2L8

Hon. Michael Miltenberger
Minister of Environment and Natural Resources
Government of the Northwest Territories
P.O. Box 1320
Yellowknife NT X1A 2L8

Dear Ministers Ramsay and Miltenberger

Meeting with Non-Governmental Organizations on Hydraulic Fracturing Regulations

Thank you for meeting with representatives of Alternatives North, the NWT Chapter of the Council of Canadians, Fracking Action North, the Canadian Association of Physicians for the Environment, and the Yellowknife United Church on July 24, 2015 regarding hydraulic fracturing in the NWT. We appreciated that several of your staff were present to offer additional explanations and comments during our discussion.

We note the GNWT news release of September 17, 2015 where your government has decided not to proceed with the Hydraulic Fracturing Filing Regulations because “NWT residents want to discuss this issue further”. We were pleased to see that part of our message from the July meeting was received and acted upon. We thought it might be helpful to reiterate our other concerns and issues so that these can also inform future efforts to properly consult with the public on hydraulic fracturing and the broader issue of regulation of oil and gas activities in the NWT.

Alternatives North believes there is a shared and common interest amongst all parties to ensure there is an effective and transparent regulatory regime for oil and gas in the NWT. In light of devolution, there is an urgent requirement for a fundamental review of the *Petroleum Resources Act* and the *Oil and Gas Operations Act*. This review should take place before hydraulic fracturing begins or is separately regulated. Such a review should include how and by whom this important sector should be regulated, an examination of public revenues and other northern values that should infuse the system. Some consideration should be given to other models where promotion of economic development is separated from regulation and where regulation is

conducted by an independent co-management body or commission. There also needs to be a public review of whether hydraulic fracturing should happen at all.

It was the expectation of Alternatives North, and perhaps others, that GNWT would develop a comprehensive framework for regulating hydraulic fracturing. That is not what the public got with the draft Hydraulic Fracturing Regulations. We should not replicate the federal system. We can and must do better. No overall roadmap for whether or how hydraulic fracturing should take place was provided. The disclosure provisions of the draft regulations left the decision about transparency to industry. This is not what the public expects from a responsible government.

In addition, the consultation process on the draft regulations was fundamentally flawed. The public was not even asked what sort of information it wanted or would find helpful in deciding whether hydraulic fracturing should proceed or not.

The limited public consultation resulted in at least three major discussions as follows:

- A rather small but focused discussion on the actual content of the draft regulations;
- A much larger debate around hydraulic fracturing and whether it should be allowed or not; and
- A much broader discussion about the future development of the NWT.

Clearly the GNWT should be taking a leadership role to make sure that the public is engaged and involved in all three of these discussions and debates. Other jurisdictions, including our neighbours in the Yukon, have found and used a public process to consider hydraulic fracturing. The GNWT can and should do the same. As for the future of the NWT, a Roundtable on the Economy and Environment might provide a useful avenue to begin such a discussion.

As everyone stated at the meeting we had in July, there is very little if any prospect of hydraulic fracturing in the NWT in the near future. We have the time to put in place a regulatory system that meets the needs of the NWT, not one that simply replicates the old federal model. Devolve and evolve. Alternatives North would be pleased to be part of that process.

Sincerely,



Kevin O'Reilly

cc. Members of the NWT Legislative Assembly
Lois Little, Co-Chair, NWT Chapter, Council of Canadians
Shannon Moore, Fracking Action North
Courtney Howard, Canadian Association of Physicians for the Environment
Peter Chenoweth, Yellowknife United Church