

MEMORANDUM OF UNDERSTANDING

Between

**The Mackenzie Valley Land and Water Board
("MVLWB")**

- and -

**The Regulator of Oil and Gas Operations
("the Regulator")**

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;

AND WHEREAS the Regulator is a regulatory authority within the meaning of the MVRMA and has jurisdiction under the *Oil and Gas Operations Act*, S.N.W.T. 2014, c.14 including regulatory responsibilities for oil and gas exploration, development, and related activities in the Mackenzie Valley;

AND WHEREAS each Party has certain responsibilities in relation to the assessment, review and monitoring of oil and gas exploration, production and transportation activities and 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 their responsibilities are carried out in an effective and efficient manner in order to minimize duplication of effort, and provide for a comprehensive and timely review of applications and associated submissions.

NOW THEREFORE, the Parties have agreed that:

1.0 INTERPRETATION

In this Memorandum of Understanding:

"Mackenzie Valley" has the meaning set out in section 2 of the MVRMA.

"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;

"Parties" means the MVLWB and the Regulator, and "Party" means any one of the Parties;

"Regulator" means the Regulator designated under section 121 of the *Oil and Gas Operations Act*, S.N.W.T. 2014, c.14.

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 statutory 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 to assist in the conduct of their respective duties in relation to preliminary screening and regulatory processes for projects in the Mackenzie Valley;
- (d) Establish a process where the MVLWB and the Regulator may share their respective technical expertise and knowledge, as may be required to serve the mutual interests of the Parties; and
- (e) Facilitate ease of participation 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 *Oil and Gas Operations Act* or any of the regulations under those Acts.
- 3.3 This MOU does not affect or in any way fetter the discretion or decision making of the Parties.
- 3.4 This MOU does not prevent either Party from entering into such other agreements as may contribute to the effective and efficient discharge of their respective duties.
- 3.5 This MOU may be amended to include additional parties where the inclusion of additional 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 is an essential element of the cooperative framework established by this MOU;
- (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 MVLWB AND THE REGULATOR

- 5.1 The Parties may meet from time to time in order to discuss matters of mutual interest and to further the purposes of this MOU.
- 5.2 The Parties may, to the extent provided by law, assist each other by sharing technical, regulatory, and environmental information and expertise.
- 5.3 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.
- 5.4 The Parties will seek opportunities to cooperate in enhancing public awareness of the oil and gas and environmental 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 coordination of preliminary screening and regulatory processes of projects that fall within the jurisdiction of both the Regulator and the MVLWB.

- 6.2** Project specific agreements should, to the extent possible, attempt to minimize duplication and result in comprehensive, 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.

- 6.3** Any project specific agreement negotiated between the Parties shall be consistent with the purpose and principles outlined in this MOU.

7.0 AREAS OF COOPERATION

- 7.1** Areas of cooperation between the Parties may include but are not limited to:

- (a) preliminary screenings referred to in subsection 124(4) of MVRMA;
- (b) management plan requirements;
- (c) mutual consultation on guidelines and filing requirements;
- (d) mapping and geographic information systems (GIS);
- (e) inspections and site visits;
- (f) training and capacity building opportunities; and
- (g) any other areas as may be agreed by the Parties from time to time.

- 7.2** Any area of cooperation described in 7.1 may be included in a separate agreement between the Parties if required.

8.0 EXPENDITURES

Each Party shall be responsible for the costs of its own participation in any exchange of information, advice, or other forms of assistance pursuant to this MOU, unless the Parties agree otherwise.

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 requested.

10.0 OTHER

10.1 Nothing in this MOU is intended to impose any funding obligations on either of the Parties.

10.2 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

The Parties will 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 may be given in writing:

For the Mackenzie Valley Land and Water Board, notice may be given to:

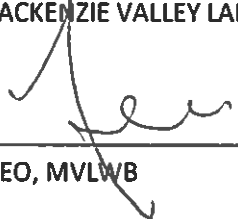
Executive Director
Mackenzie Valley Land and Water Board
7th Floor, 4922 48th St. PO Box 2130
Yellowknife, NT
X1A 2P6
Telephone: (867) 669-0506
Fax: (867) 873-6610

For the Regulator, notice may be given to:

Executive Director
Office of the Regulator of Oil and Gas Operations
P.O. Box 1320
Yellowknife, NT
X1A 2L9
Telephone: (867) 920-6267
Fax: (867) 873-0563

AGREED TO THIS 19th day of December, 2014:

FOR THE MACKENZIE VALLEY LAND AND WATER BOARD:



Chair and CEO, MVLWB

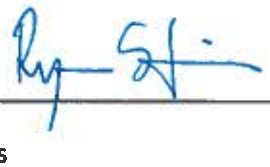


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FOR THE REGULATOR:



Regulator



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