

MVOD Touchstone Meeting

Summary Report

PREPARED FOR

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1. BACKGROUND ON MVOD

The Mackenzie Valley Operational Dialogue (MVOD) started in March 2020 to help address concerns raised during the review of Bill C-88 (an Act to amend the *Mackenzie Valley Resource Management Act*, among other Acts). The initial focus of this table was on small-scale exploration, such as sharing knowledge on information required to process regulatory applications and identifying challenges and potential solutions. MVOD served as a pilot to provide momentum for more regular dialogue for partners, rights holders, and stakeholders to collaborate on specific and prioritized <u>operational</u> improvements related to small-scale mineral exploration in the Mackenzie Valley resource co-management regime. Since the original in-person meeting in March 2020, several virtual meetings have been held and "Light Work Plans" developed. The report for the hybrid MVOD 2023 meeting can be found here: https://mvlwb.com/media/1893/download?inline.

Most recently, a virtual touchstone meeting was held on November 29, 2023, to provide updates on the progress of the Light Work Plans and to discuss topics for the next hybrid MVOD.

1.1 OBJECTIVES

The objectives of this virtual touchstone meeting were to:

- Provide updates on the Light Work Plans, Northern Regulatory Initiative, Government of Northwest Territories (GNWT) Critical Minerals Action Plan, and Board Initiatives
- Discuss MVOD priorities and interests
- Planning for the next MVOD hybrid session in May 2024

1.2 REPORT OVERVIEW

The purpose of this report is to provide a summary of the key operational updates, progress on external initiatives, and discussion on topics for the next hybrid MVOD.

Updates on Light Work Plans

Discussion on External Initiatives

MVOD 2024 Planning and Next Steps

2. UPDATES ON LIGHT WORK PLANS

Below is a summary of discussion following each presentation. The slides from the presentations, where available, will be posted through the Mackenzie Valley Land and Water Board external initiatives webpage accessible here: https://mvlwb.com/resources/external-initiatives.



2.1 LIGHT WORK PLAN 1: AREAS FOR IMPROVEMENT IN THE REGULATORY PROCESS (GNWT AND MACKENZIE VALLEY LAND AND WATER BOARD)

The Mackenzie Valley Land and Water Board (MVLWB), presented four areas the Land and Water Boards are advancing to improve regulatory processes:

- 1. Definition of ice-bridge water use
- 2. Indigenous engagement
- 3. Management plans
- 4. Small-scale project definition

For each area, the MVLWB presented a progress update as well as ideas to address issues under #3 and #4. Please refer to the presentation slides for more information.

2.1.1 DISCUSSION

- Question: What is the general reception on opening regulations? Industry was previously told that this is hard to do and that there is low interest.
 - Response: the GNWT is advancing some legislative initiatives, which could be a good opportunity to advance regulatory changes in parallel. The reason for the previous lack of interest in updating regulations was due to the focus on the *Public Lands Act*. Proposed changes to current regulations only require tweaks to language that would help address issues with interpretation related to ice bridges so there may be more appetite for updating the water regulations rather than the legislation. Indigenous governments have provided comments on ice bridges, which support updates to the regulations.
 - The Tłicho Government agreed with the Board's proposal and supported parties collaboratively working on targeted, practical amendments to meet the needs of Indigenous governments and industry rather than previous attempts of unsupported regime-level regulatory reform. While more fundamental changes to the Waters Act are overdue and will take longer to address, there are opportunities to adapt the regulations for continuous improvement in operational aspects.
 - The GNWT commented that they have a Community Relations and Client Services Unit that works closely with industry to improve understanding of the regulatory regime; recent engagements with lithium proponents were effective. GNWT recommended that the Land and Water Boards involve the GNWT in engagement discussions.
- Question: Given Type B land use permits are rarely used as they often default to a Type A permit, are there any plans to amend land use permit regulations and make the Type B permit useful again?
 - There was a discussion among participants on the difference between Type A and B permits, and associated threshold triggers. Limiting factors such as a minimum 21-day review period under many land claims and interim measures agreements were also discussed. It was agreed that the focus of this discussion should be on



identifying the broader problem statement, as well as any limiting factors in order to help find solutions.

2.2 LIGHT WORK PLAN 2: EDUCATION AND OUTREACH (GNWT AND LAND AND WATER BOARDS)

Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) proposed to shift this Light Work Plan to a standing agenda item, whereby participants could share updates on their education and awareness initiatives.

2.2.1 DISCUSSION

- A participant noted that lithium exploration is gaining interest; the MVOD Organizing Committee may want to consider organizing a workshop or training on lithium exploration to be held at the next MVOD meeting.
- The GNWT shared that their Community Relations and Client Services Unit delivers the READI (Resources and Energy Development Information) program and previously hosted a tradeshow to explain resource exploration. Mining Matters is another program that provides education on potential career pathways in the mining industry. MiningNorthWorks! is also launching a pilot in with Education Culture and Employment advisors to highlight career paths for post-secondary and trades. The Industry, Tourism and Investment department is working to build Indigenous capacity for participation in regulatory processes by enhancing knowledge of regulatory processes, which is an oversubscribed program.

2.3 LIGHT WORK PLAN 3: ANALYTICS (LAND AND WATER BOARDS)

The Wek'eezhii Land and Water Board provided an update on the status of upgrades to the Online Review System (ORS): https://new.onlinereviewsystem.ca/ors/analytics-dashboard. It is anticipated that this tool will provide information on the potential opportunities for areas of improvement in the process.

2.3.1 DISCUSSION

- Question: Is this dashboard publicly available?
 - Response: The dashboard is available to the public. There is no need to create an account.
- Question: Will the data be kept up to date?
 - Response: It will take more time and resources to update the ORS as the Land and Water Boards are still working to include past records (some are still showing an unassigned). Capacity is a challenge in completing the upgrade.
- The Mackenzie Valley Environmental Impact Review Board shared their timeline tracker for environmental assessments and impact reviews, which can be found here: https://reviewboard.ca/registry/timeline-tracker.



• **Next steps:** MVOD members to review information on the ORS metrics and identify areas for improvements or key questions they want to have answered. Once compiled, the Wek'eezhii Land and Water Board will submit an associated funding request to CIRNAC.

2.4 LIGHT WORK PLAN 4: COMMUNICATION STRATEGY (CIRNAC)

CIRNAC presented on Light Work Plan 4 and noted that it is now complete. Please refer to the presentation slides for more information.

CIRNAC proposed to transition this work to 'ongoing' and remove it from the Light Work Plan list, since the objective has been achieved. The <u>MVOD Communications Strategy</u> and <u>Initiative Tracker</u> can be found on the MVLWB website under "External Initiatives."

2.5 SUMMARY OF LIGHT WORK PLAN STATUS

- Light Work Plan 1 has many items to advance and will continue to exist.
- Light Work Plan 2 and 4 can transition to becoming an ongoing part of MVOD.
- Light Work Plan 3 is still active (additional upgrades to the ORS), after which it can transition to a standing item.

3. DISCUSSION ON EXTERNAL INITIATIVES

3.1 CIRNAC AND NORTHERN REGULATORY INITIATIVE

CIRNAC provided an update on the status of work under the Northern Regulatory Initiative, a component of the Critical Minerals Strategy led by Natural Resources Canada. Please refer to the presentation slides for more information.

- Question: Is impact assessment the same as environmental assessment? Has there been any progress on providing funding for the regulatory process for Indigenous participation?
 - Response: The Northern Participant Funding Program is project-specific but provides funding for Indigenous peoples and other Northerners to participate in impact assessments and some regulatory processes, though there are opportunities to build a business case for additional funding to further support regulatory processes.
- Question: Do Indigenous governments have capacity funding for land use planning if there is an absence of land claims?
 - Response: Land use planning is a different context and process that would have a means for Indigenous groups to participate in that process.
- Comment: There are multiple sources of funding under the CMS. It would be helpful to have some direction on the appropriate program to apply for funding.
 - Response: CIRNAC is coordinating with Natural Resources Canada on the Regional Energy and Resources Tables. The next MVOD meeting could bring in Natural Resources Canada to provide more information on the funding sources.



3.2 GOVERNMENT OF THE NORTHWEST TERRITORIES: PRIORITIES FOR CRITICAL MINERALS IN THE NWT

The GNWT presented an overview of the Priorities for Critical Minerals in the Northwest Territories, released in October 2023. Please refer to the presentation slides for more information.

3.3 BOARD INITIATIVES: POTENTIAL CHANGES TO THE WATERS REGULATIONS

The Mackenzie Valley Land and Water Board initiated a discussion regarding the potential to amend the NWT/Federal Areas Waters Regulations given the challenges with interpretation during regulatory processes, and the less onerous process for amending regulations vs Acts. There was discussion regarding the proposed targeted amendments, and support from participants to pursue these updates. Please refer to the presentation slides for more information.

Comments raised in the discussion include:

- There is limited clarity around the need for water licenses to conduct small scale exploration projects.
- Some regulations have been previously updated without consultation with proponents, causing delays and increased costs (e.g., drilling on ice regulations were brought in by Environment and Climate Change Canada at the start of a drilling season).
- Challenges experienced emphasize the need for MVOD's focus on dialogue before change.

4. DISCUSSION AND PLANNING FOR MVOD 2024

Participants were asked what regulatory topics were top of mind for them that could inform planning for the next MVOD meeting in May 2024. The following list presents the inputs received via Mentimeter:

- Regulation changes (multiple entries related to this item)
 - Water regulations and land use regulations
 - Ice bridge clarification (multiple entries)
 - Overregulation for discharge points (Fisheries Act, Metal and Diamond Mining Effluent Regulations, water licensing)
 - Suggested approach from participant: Explore pinch points using analytics data and dig into proposed regulatory amendment wish list
- Regulatory duplication, within the GNWT (e.g., leases) and between the boards and GNWT
- Clarification on regulating remediation projects
- Improvements to small scale / early exploration to reduce burden (multiple entries)
 - Small scale exploration projects need to select a more regional permit area so they can add new drilling targets within their claims through an amendment
 - o Revisit Ministerial discretion, allowance for field modifications



- Management Plans and length of time for authorizations
 - Number of Land and Water Board plan submissions and time required
- Water licenses moving from Type A to B to closure
- The Slave Geological Province Regional Study
 - Concerns with potential delays in projects resulting in missed opportunity, though the Minister's criteria state that this regional study "shall not interrupt existing and ongoing regulatory and planning processes".
 - o Opportunity to find positive balance forward for the region
- Securities and returning securities (mine closure process) (multiple entries)
 - GNWT security requirements for small scale projects can cause some businesses to be unable to operate
 - Discontinue use of the RECLAIM model for mineral exploration
- Mobile caribou conservation measures to protect habitat and caribou while enabling exploration planning and activities to go ahead smoothly
- Capacity and Participation
 - o Targeted education and participation facilitation
 - o Capacity of Indigenous Governments without land claims
- Critical Minerals Strategy needs to be put in the same context with early-stage exploration issues
- How to reconcile the objectives of the CMS with the process established in a comanagement regime given the push for expediting critical mineral development
- Suggested approach from participant: Ensure RERT process doesn't compromise, but meshes with MVOD work

5. NEXT STEPS

A key takeaway from this discussion is the importance and urgency to work on updating water regulations in collaboration with GNWT and the Government of Canada. However, participants identified the need to build a business case and test political appetite before substantively advancing on potential updates. This report outlines the key points of the discussion to support the business case.

The next step will be to advance thinking on a draft agenda for the MVOD 2024 meeting, tentatively scheduled for May 2024, and a participant list that includes the right people to support advancing the proposed regulatory updates.



6. APPENDIX A: PARTICIPATING ORGANIZATIONS

Indigenous Governments and Organizations

- Łutsel K'e Dene First Nation
- Tłıcho Government
- Yellowknives Dene First Nation

Government of Canada

- Crown-Indigenous Relations and Northern Affairs Canada
- Environment and Climate Change Canada
- Department of Fisheries and Oceans
- Canadian Northern Development Agency

Industry

- Aurora Geosciences
- NWT & Nunavut Chamber of Mines
- NorZinc
- WSP
- Fortune Minerals
- DeBeers
- Gold Terra Resources
- Ile Royale
- Nahanni Construction Ltd.

Denendeh Investments INC

Boards

- Mackenzie Valley Environmental Impact Review Board
- Mackenzie Valley Land and Water Board
- Wek'èezhìi Land and Water Board

Government of the Northwest Territories

- Industry, Tourism and Investment
- Executive and Indigenous Affairs
- Environment and Climate Change