

Land and Water Boards of the Mackenzie Valley



Water Use Fee Policy

**Mackenzie Valley Land and Water Board
Gwich'in Land and Water Board
Sahtu Land and Water Board
Wek'èezhii Land and Water Board**

July 5, 2021

Definitions and Acronyms

Term	Definition
applicant	A person who has filed a water licence application with a Board.
Boards	The Land and Water Boards of the Mackenzie Valley, as mandated by the <i>Mackenzie Valley Resource Management Act</i> (MVRMA). <ul style="list-style-type: none"> Part 3 of the MVRMA establishes regional land and water boards with the power to regulate the use of land and water, and the deposit of waste, including the issuance of land use permits and water licences, so as to provide for the conservation, development, and utilization of land and water resources in a manner that will ensure the optimum benefit to the residents of the management area and of the Mackenzie Valley and to all Canadians. Part 4 of the MVRMA establishes the Mackenzie Valley Land and Water Board (MVLWB). Regional Land and Water Boards have been established in the Gwich'in, Sahtu, and Wek'èezhìi management areas and now form Regional Panels of the MVLWB.
GLWB	Gwich'in Land and Water Board
INAC	Indian and Northern Affairs Canada (now Crown-Indigenous Relations and Northern Affairs Canada)
licence	A water licence required as per Column III or IV of Schedules D to H of the Waters Regulations (outside of federal areas) and Column III or IV of Schedules IV to VIII of the MVFAWR (in federal areas).
licensee	A holder of a licence issued by a Board.
MVFAWR	Mackenzie Valley Federal Areas Waters Regulations
MVLWB	Mackenzie Valley Land and Water Board
MVRMA	<i>Mackenzie Valley Resource Management Act</i>
project	Any undertaking (as defined in section 1 of the Waters Regulations and section 2 of the MVFAWR) ¹ that requires a water licence.
SLWB	Sahtu Land and Water Board
WLWB	Wek'èezhìi Land and Water Board

¹ "Undertaking" is defined, in section 1 of the [Waters Regulations](#) and section 2 of the [MVFAWR](#), as: an undertaking in respect of which water is to be used or waste is to be deposited, of a type set out in Schedule B, or Schedule II, respectively.

1.0 Purpose

Section 8 of the [Waters Regulations](#) and section 9 of the [Mackenzie Valley Federal Areas Waters Regulations](#) (MVFAWR) specify the amount of fees a licensee must pay for the right to use water for a licensed project.

To ensure that water use fees are being calculated consistently, the Land and Water Boards of the Mackenzie Valley (Boards) require the use of the [Water Use Fee Calculator](#) (Calculator)² that was developed by Indian and Northern Affairs Canada (INAC). The Boards have developed this Policy to provide further clarification about how water use fees are to be calculated.

For more information about the Boards' regulatory processes for water licences, please refer to the Boards' [Guide to the Water Licensing Process](#).³

2.0 Authority

The Boards' authority to develop and implement this Policy is granted under sections 65, 102, and 106 of the [Mackenzie Valley Resource Management Act](#) (MVRMA).

3.0 Application of this Policy

This Policy will be applied by the following Boards for all projects that require a water licence:

- Mackenzie Valley Land and Water Board
- Gwich'in Land and Water Board
- Sahtu Land and Water Board
- Wek'èezhìi Land and Water Board.

If there is a discrepancy between the information provided in this Policy and the Regulations, then the Regulations will prevail.

4.0 Water Use Fees

4.1 Who pays fees?

For mining and milling, industrial, power, agricultural, and miscellaneous projects that require a licence, applicants and licensees are required to pay water use fees (**even if the water use volumes are less than the legislated licensing criteria for water use**).⁴ No water use fees are required for municipal, conservation, or recreational projects, and in most cases, federal and territorial governments do not pay water use fees.^{5, 6}

² See the Apply for a Permit/Licence webpage on any of the Boards' websites (www.glwb.com/www.mvlwb.com/www.slwb.com/www.wlwb.ca/) to access the [Water Use Fee Calculator](#).

³ See the Policies and Resources webpage on any of the Boards' websites for the Boards' [Guide to the Water Licensing Process](#).

⁴ See subsection 8(1) of the [Waters Regulations](#) and subsection 9(1) of the [MVFAWR](#).

⁵ Ibid.

⁶ See section 3 of the [Waters Act](#) and section 7 of the [MVRMA](#). Note that federal governments may be required to pay water use fees on lands administered by the GNWT, and vice versa.

4.2 When are fees paid?

When water use fees are required, the fees for the first year's activities must accompany the licence application.⁷ Water use fees for subsequent years are to be paid annually on or before the date set out in the licence conditions and in advance of using the water.⁸

When an amendment application includes a proposed increase in the volume of water to be used, the fees for the proposed additional volume must accompany the licence application.⁹

Renewal applications should include the water use fees for the first year of the new licence. If the proposed water use volume is the same, the fees will be the same as those set out in the existing licence. If there are changes to the proposed water use volume, the applicant must calculate and pay the fees based on the proposed volume.

If the fees paid with the application are greater than what is required, then the licensee will receive a refund.¹⁰

4.3 How are fees calculated?

Water use fees are calculated based on the Waters Regulations or the MVFAWR, as applicable.¹¹ Applicants must use the [Water Use Fee Calculator](#) to calculate the first year's fees based on the proposed water use volume; water use fees for subsequent years will be set out in the licence conditions. The Calculator also calculates fees in cases where the applicant proposes to use water for only a portion of the year, and in cases where the proposed water use volume is less than the licensing criteria (i.e., when the licence is required for the deposit of waste).

Fees are based on the volume of water that is authorized by the water licence, and not on the amount that is actually used. Therefore, applicants need to be clear about the volumes they are applying for and when they want to use water during the life of the licence. If the applicant intends to use different amounts of water in different phases or years of the project, this must be clearly set out in the application, so that it can be accounted for in the licence conditions.

Any direct or indirect removal of water from a water source for any period of time is considered a water use. All proposed water uses must be described in a water licence application and included in the proposed total water use volume. The Boards' [Reference Bulletin - Water Use](#) provides more information on what is considered a water use.¹²

There are no water use fees for water that is diverted but is not otherwise used (e.g., dewatering if the water is not used for any other project activities).¹³

⁷ See subsection 8(1) of the [Waters Regulations](#) and subsection 9(1) of the [MVFAWR](#).

⁸ See subsection 8(6) of the [Waters Regulations](#) and subsection 9(6) of the [MVFAWR](#).

⁹ See subsection 8(1) of the [Waters Regulations](#) and subsection 9(1) of the [MVFAWR](#).

¹⁰ See subsection 8(7) of the [Waters Regulations](#) and subsection 9(7) of the [MVFAWR](#).

¹¹ See subsection 8 of the [Waters Regulations](#) and subsection 9 of the [MVFAWR](#).

¹² See the Reference Bulletins webpage on any of the Boards' websites for the Boards' [Reference Bulletin - Water Use](#).

¹³ See subsection 8(5) of the [Waters Regulations](#) and subsection 9(5) of the [MVFAWR](#).

4.4 Who are the fees paid to?

Outside of federal areas, water use fees are payable to the Government of the Northwest Territories. Within federal areas, fees are payable to the Receiver General for Canada. Further [fee payment](#) details are available on the Boards' websites.¹⁴

¹⁴ See the Apply for a Permit/Licence webpage on any of the Boards' websites for [Water Licence Application Fee, Water Use Fee, and Security Deposit Information](#).