

Discussion Paper on NEB Draft Financial Viability & Responsibility Guidelines

This past summer SSI heard a presentation by the National Energy Board on the proposed revised changes or interpretation at a meeting of both parties this past August, 2013.

Quoting a publication by the NEB “ During the Arctic Drilling off-shore review, the NEB heard that clarity was sought on Financial Responsibility Requirements for authorized activities in all regions covered by the Canada Oil & Gas Operations Act”. This area covered by the Act is questionable when considering Devolution, a transfer of Resource responsibilities from the Federal to the GNWT, the Sahtu Region will fall under this Jurisdiction. What could be in jeopardy is the past three annual Land Sales and the 15 EL holders totaling some 630 million in work commitments.

We can feel free to say the Arctic Drilling Off-Shore Review is a result of the Gulf of Mexico blowout disaster. When considering the Drilling practices, methods, regulations, environment applications, there is a huge difference between Drilling off-shore compared to Drilling on-shore, for one thing the Blowout prevention equipment is within human reach and daily inspections rather than hundreds of feet below surface water levels.

With public announcements made by the NEB at the Prospects North Conference, the Sahtu & Gwichin seen preliminary negative results such as the cancellation of one seismic program and no tendered replies on four Land Parcels from the last Rights Issuance Land Sale. It is questionable what impacts are to be seen by these proposed changes for current EL holders and future Land Sales.

NEB is basing their thoughts of change on “worse case scenario” created by the BP Gulf of Mexico Blow-out disaster.

Contrary to provided opinions, the Sahtu Land Claim Leadership is capable of deciding their regions destiny of Resource Development and more importantly, pre-development environmental guidelines.

The potential effects of this proposed additional clarity Financial conditions will certainly impact the Sahtu Regional Land Claim should the Regions Leadership decide to explore their negotiated right to 700 square miles of sub-surface mineral rights. Currently, millions of dollars in equipment values sit idle at staged sites along the MacKenzie River ready for winter frost to allow developments of access and without drilling approvals it would be detrimental to this winters work commitments and future shale developments, not to mention favorable results from the Rights Issuance process.

BOP's or Blow-Out-Prevention equipment, a major piece in well control, on land drilling operations are readily access daily for operational inspections. The same equipment in off-shore operations are submersed in hundreds of feet below water surface levels.

Prevention, a major directive in Environmental Land Management, as Stewarts and Land Owners, through proper administrative systems, education and operational joint field management, we can ensure disasters are not repeated similar to other disasters. Our Regions Renewable Resource Councils are designated with environmental monitoring, this system can be reviewed and upgraded to include administration of all aspects during Industry exploration operations.

NEB has provided a timeframe until October 31, 2013 for comments, when consideration is given, we can ask on impacts to our NWT's Devolution, current oil & gas lease holders, future land sales, current economic conditions, other parts of the NWT for resource exploration, the Sahtu Land Claim sub-surface exploitation potential, gas reserves in the Colville Hills area

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