

THE MGP EXCHANGE

Mackenzie
Gas Project

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MGP Announces it is Ready to Proceed to Public Hearings

After months of uncertainty, Mackenzie Gas Project has advised the National Energy Board that it is now ready to proceed to public hearings. This November 23 announcement was an important milestone that reflects progress in a number of key areas. It was based on the expectation that recently negotiated benefits and access agreements with northern Aboriginal groups will be fully ratified and executed in December 2005.

The Project halted certain activities in April 2005 because of concerns about several key issues. "We have now made enough progress in these areas – clarity about the regulatory process, negotiation of benefits and access agreements with northern Aboriginal groups, and fiscal framework discussions with governments – for us to proceed to public hearings," says Randy Broiles, senior vice-president of Imperial Oil Limited.

"We received a letter on November 18 from the Deputy Prime Minister that gives us confidence the federal government will address outstanding matters. We are pleased with the commitment and support from governments and from Aboriginal communities and leaders in the North, and we look forward to finalizing these agreements," he says. Benefits and access agreement negotiations for the Deh Cho territory will continue.

This summer, the federal government also reached an agreement with



MGP's regional staff meet with Deh Cho Elders in Fort Simpson on November 23 to advise them of the Project's decision to proceed to public hearings

northern Aboriginal groups to provide \$500 million over 10 years for support in dealing with the social impacts resulting from the Project. This funding depends on several important milestones being reached.

"Our decision to proceed to regulatory hearings is very positive for the Project. It moves us toward a full, open discussion and review of our application and the proposed project by the National Energy Board and the Joint Review Panel," says Broiles.

This announcement is not a decision by the Project to build the pipeline. "A final decision to proceed with construction can only be made after the Project receives necessary regulatory

approvals and we have an opportunity to assess any conditions that may be attached to those approvals," he says. A decision to proceed at that time will also depend on other factors including the final terms of benefits and access agreements, final agreements on fiscal matters, natural gas markets, project costs and shipping commitments.

Randy Ottenbreit, the Project's development executive, reflected, "We were able to resolve these matters through a shared objective of arriving at agreements that are beneficial to both parties."

MGP Contributes to Northern Games

Mackenzie Gas Project was pleased to contribute to the Traditional Circumpolar Northern Games that were held in Inuvik from July 28 to August 1. This annual event promotes the growth and participation of traditional Inuvialuit and Inuit sports and cultural events in all northern and circumpolar regions.

The games include athletic competitions, cultural exhibits and opportunities for social interaction. Athletes of all ages competed in events such as knuckle hop, muskox wrestle and high kick. Traditional skills — including tea boiling, bannock making, fish cutting, goose plucking, and seal, caribou leg and muskrat skinning — tested the steady hands and speed of competitors.

Wendy Smith, administrative assistant in MGP's Inuvik regional office, performed as a drum dancer during the games. "It was a great feeling to have people come together from all over the Beaufort Delta, Nunavut and Alaska. The games and drum dancing were a success and a big thank you goes out to all the organizers and volunteers for this 35th anniversary of the gathering," says Wendy.



Abel Tingmiak of Inuvik participates in blanket toss demonstration at the Northern Games



Shell Funds Summer Science Camp in Inuvik

This summer, 62 Inuvik youth aged six to 12 learned how much fun science and technology could be when they attended science camps funded by Shell Canada. The camps were run by Actua, a national charitable organization that provides young Canadians of all backgrounds with positive, hands-on learning experiences in science, technology and engineering.

Shell contributed \$5,000 to sponsor the week-long camp – the first time an Actua camp has been offered in this area. It took place August 8 to 12 at the Town of Inuvik Recreation Centre and August 15 and 16 at the Ingamo Friendship Centre.

According to Actua Chief Executive Officer Jennifer Flanagan, the science and engineering camp in Inuvik was designed to engage northern youth in fun and interesting hands-on projects.

"Actua's goal is to raise awareness among Canadian youth of the opportunities available to them in science-related fields, and above all, to foster self-confidence in these areas

through positive, non-judgemental experiences led by inspiring role models," says Jennifer.

According to Jennifer, a particular emphasis of Actua is providing high-quality experiences to audiences currently under-represented in the fields of science and technology, including Aboriginal youth, underprivileged youth and girls.

Shell was pleased to expand its involvement in the Actua Aboriginal Outreach program by making the program available for the first time to youth in Inuvik.

An Actua supporter since 1996, Shell became founding sponsor of Actua's Aboriginal Outreach Program in 2000. In 2005, in addition to Shell's sponsorship of the Inuvik camp, Shell also contributed \$35,000 to Actua to help fund camps in Aboriginal communities across Canada.

(Above) Camper Cole Whitford participates in the Actua camp in Inuvik

Parsons Lake Consultation Meetings Held in Delta

ConocoPhillips held consultation meetings in August with representatives of Hunters and Trappers Committees, Community Corporations, Elders Committees and the public in Aklavik, Inuvik and Tuktoyaktuk to discuss development plans for the Parsons Lake natural gas field. This was an opportunity to talk with community members and leaders before submitting project permit applications.

ConocoPhillips plans to submit all Parsons Lake regulatory applications this fall, including water licence and land use permit applications. This timing will enable regulators to raise any outstanding issues during the public hearing process.

Company representatives highlighted their plans to apply for an all-weather airstrip. Although they continue to evaluate using large heavy lift helicopters as an alternative, at this time ConocoPhillips believes the airstrip is more feasible.



Members of ConocoPhillips' consultation team at Aklavik airstrip. (From left) Michael Fabijan, Barbara Skalicky, Boyd Nagy, Delona Hope, Nolan Dugas and Linda Graf

The proposed airstrip location is about mid-way between the East shoreline of Parsons Lake and Husky Lakes. "We did a detailed review before we selected this location," explains Boyd Nagy, operations advisor. "We eliminated some of the other locations that we first studied for safety, technical and cost reasons."

During the consultation meetings, some community members and Hunters and Trappers Committee directors voiced concerns about locating an airstrip in that area. "We are committed to working out more details with the community in order to minimize these potential impacts," says Boyd.

MGP Attends Holman Career Fair



Linda McDonald of MGP's Inuvik office passes out apples to children at Holman career fair

Linda McDonald and Roy Wilson of Mackenzie Gas Project's Inuvik office traveled to Holman in September to attend the first career fair held in the community in more than 10 years.

The Project was one of 14 organizations that exhibited at the Helen Kalvak Elihakvik School. About 160 students ranging from preschoolers through to grade 12 students visited with the presenters to learn about local career and education opportunities. Approximately 40 people from the community also attended.

"Linda and I provided general information on Mackenzie Gas Project. Most people just wanted basic background on the Project so it was a good opportunity for us to talk with people in the community," says Roy.

"A few community members also took time to have one-on-one conversations with us after the fair about areas of the Project they were interested in, such as employment and training opportunities," he says.

MGP's Northern Staff Pilot Money Management Training Course

In October, several of Mackenzie Gas Project's regional staff attended a two-day money management workshop being developed for future northern workers on the Project. Their role was to provide feedback to the planners on ways the course could be improved to better meet the needs of northerners.

This course is one of several voluntary programs relating to community wellness that the Project has committed to offer northerners directly employed by the Project. Other topics include life skills training, addiction counseling, a workplace mentor program, an Aboriginal worker liaison program, pre-employment safety training and cultural awareness training.

During a break in the session, MGP's Inuvialuit regional liaison Roy Wilson commented, "The presenter is taking our comments very seriously. He seems sincerely interested in making this course useful to northerners who, for example, may not have a bank account."

The money management workshop will show workers how to develop a personal financial plan to help ensure their financial security in the future. "We understand that when people have increased income, they can spend it in a variety of ways, some of which can be positive, and some of which can be negative. We want to help influence a positive effect for individuals, families and the community," says Bruce Vincent, MGP's socio-economic impact assessment lead.



MGP regional staff Roy Wilson (left), Donna Schear and Bob Norwegian provide feedback on a money management training course the Project is developing for northern workers

Grace Blake, MGP's Gwich'in regional liaison, says she found the workshop very useful. "The course makes you really think about how to apply the information to your own financial situation. That is the type of information the workers will need to learn and apply immediately into their routine to achieve positive results," she says.

Kevin Heron, MGP benefits advisor for the Deh Cho, also attended the workshop. "We want to look after the health and safety of our employees when they're on the job site. And we want to make sure that when they leave work, they have the tools to manage

their finances responsibly," says Kevin. His feedback to the course planners was to focus on the very basics of personal finances. "They need to talk about things like how to get a credit card, what is life insurance, what is direct pay cheque deposit, what is a direct debit," he explains.

The feedback from our northern staff will be used to develop a workshop that is as meaningful as possible for future northern workers.

December Pre-Hearing Conferences Scheduled

The National Energy Board (NEB) has scheduled the following pre-hearing planning conferences regarding Mackenzie Gas Project:

- December 5, Inuvik
- December 7, Yellowknife
- December 12, Fort Good Hope
- December 13, Fort Simpson

These conferences will provide an opportunity to comment on procedural matters including the topics that will be addressed at the public hearings, the time required to address these topics, and preferred locations. The information that is gathered will be used by the NEB to finalize the hearing

process and schedule. It is currently expected that the public hearings will begin in late January 2006.

For more information, please contact: Mona Butler at (403) 299-3928, Jane Morales at (403) 299-3933, or the NEB's toll-free number 1-800-899-1265.

Pipeline Operations Training Well Underway

Through the Pipeline Operations Training Committee (POTC), many northerners are now enrolled in training programs preparing them for long-term pipeline production and operations work required for the Mackenzie Gas Project.

"We are very pleased with the strong interest we've seen in this training initiative," says POTC co-chair Morris Jacobson. The POTC was formed in 2002 as a partnership among industry, Aboriginal groups, the federal and territorial governments, and Aurora College.

Four students completed their pre-technology training at Aurora College in Fort Smith last spring and are now studying in diploma programs at Northern Alberta Institute of Technology (NAIT). A fifth student, who had already qualified for the initial training, is enrolled at the Southern Alberta Institute of Technology (SAIT) through the POTC program. This fall, seven new



(From left) Bradley Menacho, Albert Stewart, Jason Bell, Foster Allen and Vikki Jacobson are among the students enrolled in the POTC program at Aurora College, Fort Smith

students have enrolled in the technical stream of the POTC program and are taking the pre-technology training in Fort Smith.

The POTC program also trains northerners for apprenticeship positions. Six apprentices are currently getting hands-on experience in industry positions. If successful, they will earn

their journeyman status over four years through a combination of work experience and classroom learning.

"We are very excited that the initiatives of the POTC are giving people in the North an opportunity to gain skills that will open doors for them in the oil and gas industry in the future," says Morris.

Gas and Oil Affect Daily Life



Many items we use every day are made using natural gas and crude oil

Natural gas and crude oil and the products produced from them are a part of modern life across Canada and most of the world, including the Northwest Territories.

Many of the every day items found in and around a typical Canadian home are made using natural gas and crude oil. Examples include:

- Plastic containers, bags and packaging
- Plastic toothbrushes, combs and brushes, furniture, appliances
- Styrofoam cups and insulation
- Synthetic fibres in carpets and floor coverings, clothing and bedding
- Plastic parts in telephones, televisions, stereos, computers, cars and trucks
- Medicines and cosmetics
- Synthetic rubber tires, lubricants like motor oil and grease, antifreeze, asphalt pavement
- Glues, paints, fertilizers

Gasoline or other oil-based fuels (such as diesel) power cars, trucks, airplanes, helicopters, boats, ferries, snowmobiles and chainsaws. Fuel oil and natural gas are also used for heating, cooking and to generate electricity.

In Inuvik, natural gas is used to generate electricity and to heat most homes. Some buildings, including MGP's office, are heated with fuel oil. In Norman Wells, solution gas found with oil is used for heating and electricity. In other areas of the North, fuel oil is often burned to generate electricity and provide heating.

Petroleum has become central to modern life in our homes, classrooms, hospitals and businesses. We are all directly affected every day by the oil and natural gas industry and the products and services it provides.

Plan to Attend MGP Holiday Open Houses

Each of MGP's three regional offices will host holiday open houses in December. We invite all interested community members to stop by for a visit and enjoy some holiday treats with us.

Fort Simpson

9925 – 102 Avenue
December 8, 1:00 – 4:00 p.m.

Norman Wells

#1 Town Square
December 15, 11:30 a.m. – 5:00 p.m.

Inuvik

151 Mackenzie Road
December 2, 11:30 a.m. – 4:00 p.m.

Congratulations to Deh Cho Door Prize Winners

Congratulations to the door prize winners at Mackenzie Gas Project's Fort Simpson regional office open house on August 23. James Deneyoua was the adult winner and Quinlan Kidd won for the youth. MGP was glad to welcome almost 100 people to this event.



MGP Deh Cho regional liaison Bob Norwegian (right) presents James Deneyoua with a barbeque set



Quinlan Kidd (left) accepts a zipped CD wallet holder from MGP's Bob Norwegian

Questions or Comments?

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