

## **Yukon Water Board Speaking Notes September 30, 2013**

In anticipation of increasing interest and activity in the area of Oil and Gas development within the Yukon, the YWB developed and established interim guidelines for energy-related projects requiring a water license. These guidelines were developed with the assistance of appropriate technical experts, familiar with national and regional regulatory approaches and in consultation with YG EMR. The Board issued its O+G guidance as 'interim' for two reasons; first to assure that an acceptable and consistent standard was in place to address any rapidly emerging programs requiring Board review and second to recognize and allow for an update to this framework as additional energy policies and strategies emerge.

The YWB also anticipated that regional and national standards and approaches for energy projects in the North would be evolving following from public debate regarding extraction technologies. In September of 2013, the NEB refined its approach to O+G initiatives in the North through the release of the 'Filing Requirements for Onshore Drilling Operations Involving Hydraulic Fracturing.' While this new NEB directive applies only to the NWT and Nunavut, the YWB was nonetheless interested in this release in order to assure reasonable consistency with water licensing standards from other similar jurisdictions. A preliminary comparison of the new NEB regulations with the YWB interim guidelines shows reasonable agreement between the two independent approaches as issued.

Within its interim O+G guidelines, the YWB had taken an approach in assessing O+G projects that is fully consistent with its methods and approaches for all classes of undertakings governed under the Water Act. Proposed project activities that require water for operations and/or deposit wastes that may affect water resources are evaluated based upon the proposed technological and engineering approaches within local and regional physical environments. Through this assessment approach, the Board allows for various technological methods to be proposed and licensed, provided that the risks to water resources associated with the specific technologies can be managed to an acceptable level. The Board then maintains no specific *a priori* position on 'Hydraulic Fracturing' as a method of O+G formation stimulation, since the evaluation of that method will be conducted only within the context of a proposed project. Further, since 'Hydraulic Fracturing' is but one specific method of a rapidly evolving set of technologies for formation stimulation, the Board chose to issue its guidance in a sufficiently general manner allowing for future industrial innovations and government policies.

The Board will be formally reviewing its 'interim' O+G guidelines at the end of CY13 with the intention of refining the approach and re-issuing the package as a final document.