



# **GNWT Vision for Supporting Energy and Climate Change**

## ***Supporting Documents***



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# Climate Change Strategic Framework Question and Answers

**Q: What are the main goals of the Framework?**

**A:** The 2030 NWT Climate Change Strategic Framework outlines three goals to achieve the GNWT's long-term, comprehensive and coordinated response to climate change:

1. Transition to a strong, healthy economy that uses less fossil fuel, thereby reducing greenhouse gas emissions by 30% below 2005 levels by 2030.
2. Increasing understanding of climate change impacts occurring in the NWT
3. Building resilience and adapting to a changing climate

**Q: What is the GNWT trying to achieve with the Framework?**

**A:** Through the implementation of the Framework, the NWT will be able to respond to the challenges and opportunities associated with climate change through increased adaptation and resiliency, moving towards a lower-carbon economy, and doing its part to contribute to national and international efforts on climate change.

**Q: What is the vision of the Framework?**

**A:** The vision of the Framework states that by 2030, the NWT will enjoy a strong, healthy economy that is less dependent on fossil fuels and will have developed the knowledge, tools and measures needed to increase resilience and adapt to the changing northern climate.

**Q: How did the GNWT consult, partner and engage with community and Indigenous stakeholders when implementing its Framework?**

**A:** The Framework was developed through extensive engagement with Indigenous and community governments, stakeholders and residents.

**Q: How will the Framework address greenhouse gas (GHG) emissions?**

**A:** The Framework and 2030 Energy Strategy both lay out goals and targets that will ultimately reduce the territory's GHG emissions by 30% compared to 2005 levels by 2030. Many of the actions needed to achieve these reductions are outlined in the 2030 Energy Strategy, which serves as the primary mechanism for reducing greenhouse gas emissions related to energy supply and consumption. The focus of the 2030 Energy Strategy is on mitigation of emissions, whereas the Framework primarily focuses on tracking and reporting progress on mitigation, and building resilience and adapting to a changing climate.

**Q: How will the Framework improve understanding of climate change impacts occurring in the NWT?**



**A:** Developing a better understanding of current and future impacts and opportunities will support informed decision-making on how to build resilience and adapt to a changing climate. The GNWT will continue to bring together traditional, local and scientific knowledge to identify current and predict future changes in the NWT, and will work to increase public awareness and share information with community members and local decision-makers to assist them in adapting to climate change as part of the Framework and its associated Action Plan.

**Q: How will the Framework support the NWT in building resilience and adapting to a changing climate?**

**A:** The Framework focuses on building resilience and adapting to a changing climate through maintaining ecosystem sustainability, managing impacts occurring in the environment, protecting human health, safety, culture and heritage, and protecting buildings and infrastructure. The GNWT will help communities identify and implement local resilience and adaptation projects in response to climate change, and continue to pursue federal support for northern climate change adaptation projects.

**Q: Will the GNWT be developing and releasing an Action Plan to implement the Framework?**

**A:** For each of the Framework's three goals, potential actions have been identified to serve as the basis for developing and subsequently implementing an Action Plan for 2019-2023. As it is implemented, annual reports will be produced to track progress and adjust actions as required. The 2019-2023 Action Plan will be reviewed and evaluated after five years, when a second Action Plan for 2025-2029 will subsequently be developed and implemented.

**Q: Why is the Action Plan set for only five years when the Framework is until 2030?**

**A:** To ensure progress is being made, the GNWT is committed to reviewing the 2019-2023 Action Plan, annually. After five years, a more comprehensive review will be undertaken and an updated Action Plan for 2025-2029 will be developed and implemented to ensure we continue to meet the coming challenges and opportunities related to climate change.

**Q: Will northerners be engaged on the actions and initiatives outlined in the Action Plan?**

**A:** During the most recent round of engagement on the Framework, the GNWT received nearly 150 detailed comments that were carefully compiled and incorporated, where appropriate, into the final Framework. Some of that input will also form the basis of the Action Plan, and engagement will continue during the development of the 2019-2023 Action Plan and the subsequent 2025-2029 Action Plan.

**Q: Will the Framework include information on Carbon Pricing?**

**A:** *(Most questions related to carbon pricing should be directed to the Minister of Finance)*



The GNWT is developing its approach to carbon pricing in coordination with the federal government. The GNWT recently released a discussion document for public input and completed a survey asking northerners how the GNWT should apply a price on carbon and what to do with the revenues. We will take this input into consideration as we develop carbon pricing.

**Q: Why is the GNWT developing an Energy Strategy, Climate Change Strategic Framework and Petroleum Resources Strategy?**

**A:** Energy and climate change are interrelated. The GNWT has a responsibility to reduce GHG emissions as well as adapt to the impacts of climate change. At the same time, we must ensure responsible economic development of our resources to support the economy and create jobs. We can do all three in an integrated and responsible way.



# Climate Change Strategic Framework

## Background

Residents of the Northwest Territories (NWT), particularly Indigenous people, have a long-standing relationship with the natural environment. Many are concerned about the effects of climate change as the severity of environmental impacts increases, with temperatures warming faster in the North compared to the global average.

Such effects include greater coastal erosion, more permafrost thawing, longer ice-free seasons, increasing prevalence of forest fires and new mammal, bird, insect and fish species moving northward. These effects can have serious implications for the health and safety of residents, culture and heritage, infrastructure and the viability of certain economic activities. Therefore, taking strong action to address climate change in the NWT is imperative.

The Priorities of the 18<sup>th</sup> Legislative Assembly and the Mandate of the Government of the Northwest Territories (GNWT) 2016-2019 reflect the commitment to take action on climate change, beginning with the development of the 2030 NWT Climate Change Strategic Framework (the Framework).

The Framework outlines how the territory plans to respond to challenges and opportunities associated with a changing climate, moving towards an economy that is less dependent on fossil fuels and doing our part to contribute to national and international efforts to address climate change. The Framework was developed at the same time as the 2030 Energy Strategy. The two documents are closely linked and contribute, along with the GNWT's commitment to implementing carbon pricing, to the Pan-Canadian Framework on Clean Growth and Climate Change, which supports Canada in meeting its international commitments to reduce greenhouse gas emissions.

Engagement on the development of the Framework and 2030 Energy Strategy took place during the fall and winter of 2016 and 2017 and included six regional workshops, a public survey and the opportunity to provide written submissions. From December 2017 to January 2018, the draft Framework was released for public review. Throughout the development and review process, valuable input was received from community and Indigenous governments, territorial and federal departments, resource management boards, non-government organizations, academic institutions, industry and the general public, which advanced the Framework's vision, principles and goals.

The vision of the Framework states that by 2030, the NWT will enjoy a strong, healthy economy that is less dependent on fossil fuels and will have developed the knowledge, tools and measures needed to increase resilience and adapt to the changing northern climate. To achieve its vision, the NWT is focusing on three goals:

- Goal #1: Transition to a strong, healthy economy that uses less fossil fuel, thereby reducing greenhouse gas emissions by 30% below 2005 levels by 2030;
- Goal #2: Improve knowledge of the climate change impacts occurring in the NWT; and,
- Goal #3: Build resilience and adapt to a changing climate.



For each of the Framework’s three goals, potential actions have been identified to serve as the basis for developing and subsequently implementing the Framework’s 2019-2023 Action Plan. As it is implemented, annual reports will be produced to track progress and adjust actions as required. The 2019-2023 Action Plan will be reviewed and evaluated after five years, when a second Action Plan (2025-2029) will be developed and implemented.

Shared responsibility and partnerships with community and Indigenous governments and stakeholders will be critical for the successful implementation of the Action Plan. The GNWT’s Department of Environment and Natural Resources, as the lead department responsible for climate change, will provide strong leadership on related coordination and communication within the NWT and with other provinces, territories and the federal government.



# Energy Strategy Question and Answers

## **Q: What are the main objectives of the Strategy?**

**A:** The GNWT has identified six (6) strategic objectives to achieve its vision of moving towards a lower carbon economy:

1. Work together to find solutions: community engagement, participation and empowerment.
2. Reduce GHG emissions from electricity generation in diesel powered communities by an average of 25%.
3. Reduce GHG emissions from road vehicles by 10% on a per person basis.
4. Increase the share of renewable energy used for space heating to 40%.
5. Increase residential, commercial, and government building energy efficiency by 15%.
6. A longer term vision: develop the NWT's energy potential, address industry emissions, and do our part to meet national climate change objectives.

## **Q: What is the GNWT trying to achieve with the Energy Strategy?**

**A:** The Strategy sets out the GNWT's long-term approach to addressing the affordability, security and sustainability of energy supply and use in the NWT.

## **Q: What is the Vision of the Energy Strategy?**

**A:** The vision of the Energy Strategy is that by 2030, the NWT will have a secure, affordable and sustainable energy system that is less dependent on fossil fuels and contributes to the economic, social and environmental wellbeing of the Territory and its residents.

## **Q: Will the GNWT/NTPC consult, partner and engage with community and Indigenous stakeholders when implementing energy solutions?**

**A:** The GNWT will continue to engage and partner with community and Indigenous stakeholders as appropriate. We are committed to ensuring we find locally appropriate solutions and ways to be inclusive and facilitate involvement by community and Indigenous stakeholders.

## **Q: Why is there such a focus on GHG emissions released by the electricity sector if it is such a small percentage of total GHG emissions?**

**A:** The Energy Strategy has two other main priorities outside of GHG emissions reductions: energy security and affordability. Having a secure and reliable electricity system is the top priority in our northern climate and our focus reflects this. Electricity in the NWT is also expensive and a significant factor in the cost of living. By investing in renewable and alternative solutions we can address energy affordability as well. It is not just about GHG emissions.

## **Q: The GNWT has focused on community electricity in previous strategies, which is only a small portion of our total GHG emissions. Will this strategy be different?**

**A:** Although there is still a significant focus on community electricity, we have expanded government efforts to include more focus on industry, heating, and transportation. The cost of



electricity for communities is a factor in the cost of living in the NWT, hence the continued focus on renewable and alternative solutions.

**Q: Will the GNWT be developing and releasing an Energy Action Plan to implement the Energy Strategy?**

**A:** The GNWT is currently developing a rolling three-year action plan to support the implementation of the Energy Strategy. The Action Plan will be updated regularly over the life of the Energy Strategy to ensure we meet our goals and objectives, and will include Actions and Initiatives to support meeting the six Strategic Objectives of the Energy Strategy.

**Q: Why is the Action Plan only three years when the Energy Strategy is until 2030?**

**A:** The action plan is a rolling three-year action plan until the end of the Energy Strategy. We will update the Action Plan yearly to lay out the ongoing three-year actions as we plan our Actions and Initiatives to meet our commitments.

**Q: Will Northerners be engaged on the actions and initiatives outlined in the Action Plan?**

**A:** The Draft 2030 Energy Strategy released last fall for public comment contained high level details on the actions that will be undertaken to meet our Strategic Objectives. These actions were based on what we heard during our public engagement. Based on what we heard during our public engagement and based on comments received on the draft Energy Strategy, there was sufficient public input to develop an Action Plan. It should be noted that any Actions or Initiatives related to communities and Indigenous government will include further engagement before they are initiated.

**Q: Will the Energy Strategy include information on Carbon Pricing? Will we use revenues to fund GHG emission reduction initiatives?**

**A:** *(Most questions related to carbon pricing should be directed to the Minister of Finance)*

The GNWT is developing its approach to carbon pricing in coordination with the federal government. The GNWT recently released a discussion document for public input and completed a survey asking Northerners how the GNWT should apply a price on carbon and what to do with the revenues. We will take this input into consideration as we develop carbon pricing.

**Q: Why is the GNWT developing a new Energy Strategy, a Climate Change Strategy, and an Oil and Gas Strategy?**

**A:** Energy and climate change are interrelated. The GNWT has a responsibility to reduce GHG emissions as well as adapt to the impacts of climate change. At the same time, we must ensure responsible economic development of our resources to support the economy and create jobs. We can do all three in a balanced and responsible way. Locally produced natural gas has a role to play in reducing GHG emissions as well as reducing our reliance on imported diesel. To that end, supporting local natural gas also increases the NWT's energy security.

**Q: Will the GNWT be setting GHG emission reduction targets?**

**A:** We are committed to doing our part and reducing the NWT's GHG emissions by 30% below 2005



levels, in line with the national *Pan-Canadian Framework* target. The GNWT is setting specific targets to reduce GHG emissions for electricity, heating and transportation. In addition, we are setting a target for energy efficiency which will help reach the other targets.

**Q: What are the biggest sources of GHG emissions in the NWT?**

**A:** Around half of GHG emissions in the NWT are related to industrial activity for transportation, heating and electricity generation on site. Outside of industry, transportation emits the most at 35%, followed by community heating at 13% and community electricity production at 4%.

**Q: How much money are we investing in the future?**

**A:** Through *The Pan-Canadian Framework* there will be a significant amount of money available to the NWT to address emissions reductions, affordability and reliability. The GNWT is currently in discussions with the federal government on how these funds will flow to the NWT. This funding will be used to reach the Strategic Objectives outlined in the Energy Strategy.

**Q: The “What we Heard” document was recently released. Why does the document not reflect “What we said”?**

**A:** In late 2016 and early 2017, we undertook regional engagements in six communities that involved two-day workshops. As part of the workshops, we received several written public submissions. Due the large volume of information and input received it was not possible to reflect what individuals or stakeholders said exactly. We summarized what we heard in individual workshop reports and this information was subsequently compiled into a “what we heard” document. These reports are available on the GNWT website.

**Q: How will the GNWT evaluate energy initiatives to prove that they are the most cost-effective way to transition to renewable energy?**

**A:** The GNWT does its assessments through costs and the amount of money that is currently being spent on fuel to power communities. In addition, we consider the full lifecycle of diesel plants and when they need replacements.

**Q: How are the priorities for funding renewable energy projects in communities determined?**

**A:** A variety of criteria can determine how communities are chosen for renewable projects. The main drivers are the remaining life of diesel generators along with the cost associated with using heating oil to power the community in question. If the life of a diesel generator is nearing its end, NTPC has to replace it with a newer one that possibly incorporates renewable options such as a variable-speed generator.

**Q: How effective is our current system and what needs to be done to make it more efficient?**

**A:** We are examining options to make our current NWT energy system more efficient by adding alternative renewables. This would also put us in line with Canada’s efforts to reduce GHG emissions, will also contributing to reducing the impacts of climate change. The Energy Strategy is



a key part of addressing energy supply and energy use in the NWT and therefore sets out a long-term approach to 2030 that would support a more secure, affordable and sustainable energy supply.



# Energy Strategy Backgrounder

The Northwest Territories (NWT) is large, sparsely populated, and is remote from much of the population of Canada. Long, cold, dark winters increase the amount of energy needed to stay safe and comfortable. Energy is required to heat and light our homes and businesses, to transport people and goods, and to power our industries. Our energy supply is highly dependent on imported fossil fuels—such as diesel and gasoline—at the same time that Canada and most nations have committed to reduce the use of fossil fuels.

The Northwest Territories' *2030 Energy Strategy* (Energy Strategy) sets out the Government of the Northwest Territories' (GNWT) long-term approach to supporting secure, affordable and sustainable energy supply and use in the NWT. The goal of this strategy is to guide the development of secure, affordable, and sustainable energy for transportation, heat and electricity, support energy efficiency and conservation, and promote renewable and alternative energy solutions for the NWT.

The Energy Strategy was developed through extensive public engagement that included regional workshops with residents, communities, businesses, Indigenous governments and other stakeholders across the NWT. What we heard is that we need to address climate change, address energy affordability, and develop the NWT's energy potential.

For the Energy Strategy to be successful, the GNWT and its partners—including utilities, governments, communities, residents, business, industry and non-government organizations—must work together, be flexible, and seek funding and investment opportunities.

By 2030, the NWT will have a secure, affordable and sustainable energy system that is less dependent on fossil fuels, and contributes to the economic, social and environmental wellbeing of the Territory and its residents. The GNWT will achieve this vision by following guiding principles in decision making that include shared responsibility, Indigenous and community engagement, leading by example, as well as transparency and accountability.

The Energy Strategy has six (6) Strategic Objectives to reach the overarching 2030 vision:

1. Work together to find solutions: community engagement, participation and empowerment.
2. Reduce GHG emissions from electricity generation in diesel-powered communities by an average of 25%.
3. Reduce GHG emissions from road vehicles by 10% per capita.
4. Increase the share of renewable energy used for space heating to 40%.
5. Increase residential, commercial, and government building energy efficiency by 15%.
6. A longer-term vision: develop the NWT's energy potential, address industrial emissions, and do our part to meet national climate change objectives.

The Energy Strategy takes an adaptive approach to these Strategic Objectives, which will be re-evaluated after five years to ensure they represent what is achievable given new technology. The Strategic Objectives will be achieved through Actions and Initiatives to be undertaken by the GNWT and its partners.



The GNWT will prepare and release public annual reports on its activities and progress relating to the Energy Strategy.



# NWT Petroleum Resources Strategy

## Question and Answers

**Q. What is the purpose of the NWT Petroleum Resources Strategy?**

**A.** *NWT Petroleum Resources - A Path to Northern Benefits and Energy Security* (Petroleum Resources Strategy) presents a balanced, viable and made-in-the-NWT approach to advancing petroleum development in the NWT for the benefit of all residents. Its aim is to realize both short and long term economic benefits from our territory's petroleum resources; positioning and preparing the NWT to realize eventual industry investment, while, pursuing local energy security, addressing and recognizing climate change, and advancing our growing Knowledge Economy.

**Q. How does the NWT Petroleum Resources Strategy fit with the 2030 Energy Strategy and the Climate Change Strategic Framework?**

**A.** The three strategies and the topics they cover are interrelated, hence the joint release of all three documents.

The GNWT has a responsibility to reduce Greenhouse Gas emissions as well as adapt to the impacts of climate change. At the same time, we must ensure responsible economic development of our resources to support the economy and create jobs. We can do all three in a balanced and responsible way. Locally produced natural gas has a role to play in reducing greenhouse gas emissions as well as reducing our reliance on imported diesel. To that end, supporting local natural gas also increases the NWT's energy security.

**Q. When did the Department of Industry, Tourism and Investment engage on the Petroleum Resources Strategy?**

**A.** From November 2014 to April 2015, the Department of Industry, Tourism and Investment conducted extensive public engagement with residents, Indigenous organizations, municipal and territorial organizations, business and industry to serve as the foundation of the Petroleum Resources Strategy. Feedback from engagement was compiled and published in *Pathways to Petroleum Development: Public Engagement Report for the NWT Oil and Gas Strategy*, which was published in September 2015.

**Q. Why is the NWT Petroleum Resources Strategy coming out later than initially planned?**

**A.** Since the release of the public engagement report, a great deal of work has gone into crafting the NWT Petroleum Resources Strategy. Because the content of the Petroleum Resources Strategy, the Energy Strategy and the Climate Change Strategic Framework are so interconnected, it was determined that it was best to ensure the documents were built to complement one another and present a consistent plan for the future of energy in the NWT.

**Q. How is the Strategy linked to the public engagement currently underway on the Petroleum Resources Act (PRA) and the Oil and Gas Operations Act (OGOA)?**



**A.** The release of the Petroleum Resources Strategy and the launch of the legislative review are two related parts of our mandate to pursue the economic potential of our territory's petroleum resources.

Public engagement for the PRA and OGOA began in early March 2018 and will continue through to May 4, 2018. Interested individuals can visit: [www.engage-iti.ca/PetroLeg](http://www.engage-iti.ca/PetroLeg) for more information and to provide feedback. It is the first step in a longer-term review process to modernize and improve the overall framework of petroleum legislation in the NWT.

We are hoping to achieve several things with the proposed legislative changes, including:

- Address the obvious changes on the administrative and technical side to help make our regime more predictable and consistent;
- Make the activities of those doing business in oil and gas and the way our government looks after the industry more transparent.
- Bring our laws in-line with best practices and make sure they're responsive to the realities of the North.
- Increase our competitiveness in the national and global petroleum markets to promote increased investment in NWT oil and gas exploration and production.

The Petroleum Resources Strategy is, in essence, our economic development plan to realize the benefits of our petroleum resources; locally in the short term – and globally when commodity prices return. The improvement of our legislative framework around the petroleum resources sector will be part of this work.

**Q. How does the NWT Petroleum Resources Strategy support the overall vision of the Government of the Legislative Assembly?**

**A.** The development and implementation of the NWT Petroleum Resources Strategy comes in direct response to the mandate of the Government of the Northwest Territories, which states:

*We will develop a long-term strategy to attract investment in oil and gas resources that will provide economic and energy benefits to NWT residents and businesses, while recognizing and protecting environmental, social, cultural and economic values. (1.1.9)*

The *NWT Petroleum Resources Strategy*, which was developed within the framework of existing plans and policies as well as the *Energy Strategy* and *Climate Change Strategic Framework*, will fulfill this commitment.



# NWT Petroleum Resources Strategy

## Background

The Northwest Territories (NWT) is 1.3 million square kilometres of some of the world's last stable and untapped natural resource deposits.

The NWT has a long history of successful oil production, stretching back nearly a century. In 1920, Imperial first struck oil in Norman Wells; making it one of the first petroleum discoveries in Canada. Over the past 90 years, Imperial Oil's Norman Wells oilfield has produced more than 226 million barrels of sweet crude oil. Resource assessments of the Bluefish and Canol shale deposits in the Sahtu Region indicated median estimates of 191 billion barrels of oil-equivalent in-place. If even one percent of these estimates are marketable, that's 1.9 billion barrels of product with which we will attract investment, create jobs, stimulate business opportunities and generate revenue for our governments and territory.

According to the National Energy Board, there is approximately 16.2 trillion cubic feet of marketable conventional natural gas; 1.2 billion barrels of marketable conventional oil have already been discovered in the NWT. And there remains more to be found.

Petroleum development, when achieved safely and responsibly, can result in significant long-lasting benefits and returns for NWT residents. While the NWT's petroleum resources sector has long been an industry on the verge of becoming a powerful economic driver, it has, to date, never realized its potential.

The NWT Petroleum Resources Strategy was developed following extensive public engagement and the release of *Pathways to Petroleum Development: Public Engagement Report for the NWT Oil and Gas Strategy* in September 2015. The report can be viewed at:  
[http://www.iti.gov.nt.ca/sites/iti/files/pathways\\_to\\_petroleum\\_development\\_-\\_final\\_0.pdf](http://www.iti.gov.nt.ca/sites/iti/files/pathways_to_petroleum_development_-_final_0.pdf)

In charting a path for the NWT petroleum resources sector, an all-of-government approach continues to be key. Though this Strategy is focused on developing the economic potential of the NWT's petroleum resources, it recognizes that the coordinated and aligned management of water, air, wildlife and land is also important to creating and sustaining investment opportunities and economic development.

The Strategy identifies 10 goals under three pillars:

- Improving our Competitive Edge
- Ensuring Benefits for NWT Residents
- Creating a Sustainable and Innovative Sector

The Strategy includes actions and performance measures to guide its implementation over the next 15 years. The implementation of this Strategy will be monitored by the Department of Industry, Tourism and Investment (ITI) and its measures will be reported on every three years. Unless noted within the strategy, the implementation of action items will be led by ITI.



The actions of this Strategy are considered to be fluid. Identified measures will ensure that the Strategy is updated, revised and improved upon as needed in a dynamic and evolving context.