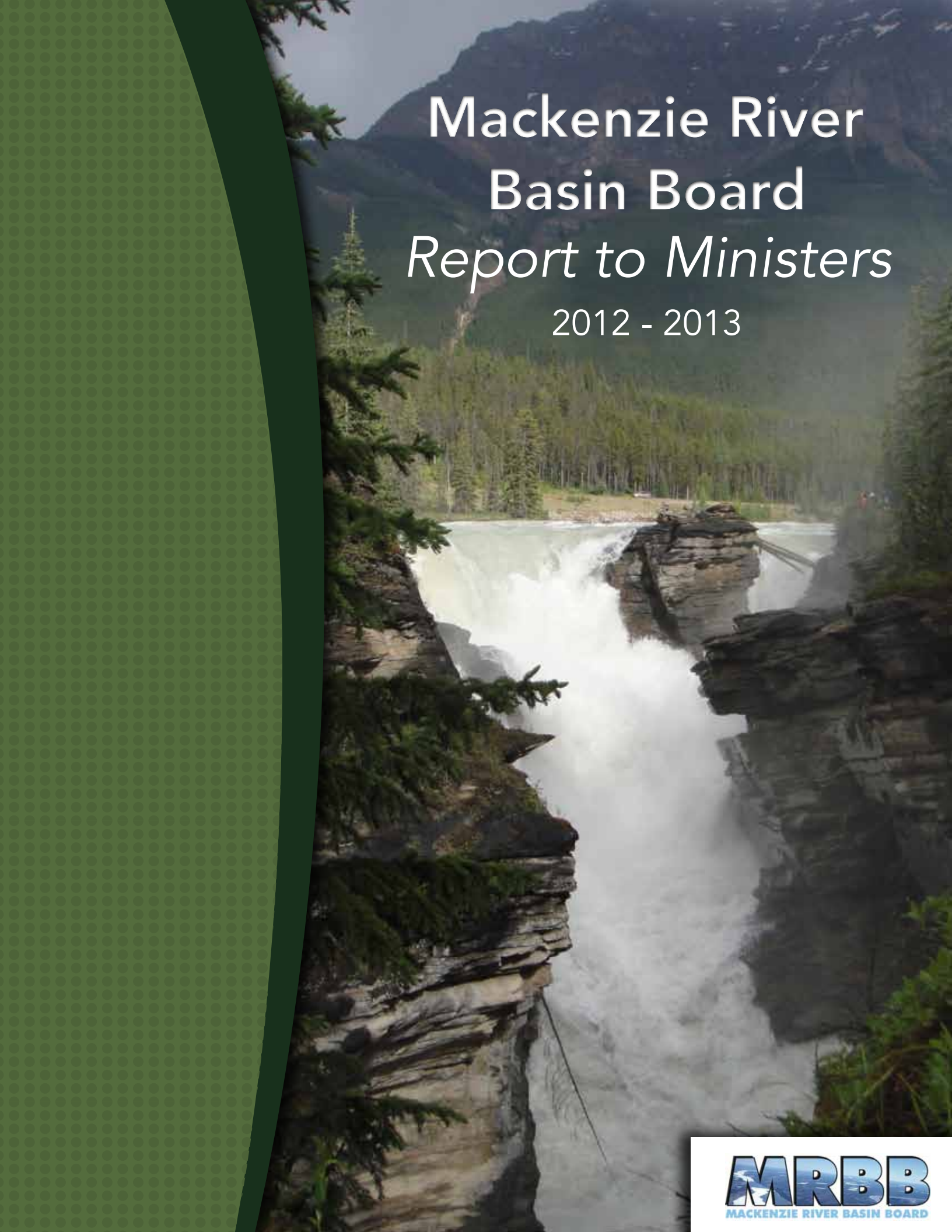




Mackenzie River Basin Board *Report to Ministers* 2012 - 2013

Contents

LETTER OF TRANSMITTAL.....	I
MESSAGE FROM THE CHAIR.....	II
MESSAGE FROM THE EXECUTIVE DIRECTOR.....	III
Introduction.....	1
The Mackenzie River Basin Transboundary Waters Master Agreement.....	2
Background.....	2
The Master Agreement Principles.....	2
The Mackenzie River Basin Board.....	2
Structure and Operations.....	2
Finances.....	3
Status of Bilateral Water Management Agreements.....	3
Mackenzie River Basin Board Meetings April 1, 2012 - March 31, 2013.....	4
MRBB Committees.....	5
MRBB State of the Aquatic Ecosystem Report Steering Committee.....	6
MRBB Traditional Knowledge and Strengthening Partnerships Steering Committee.....	7
MRBB Communications Committee.....	7
MRBB Technical Committee.....	7
Appendix I: Financial Report.....	8
Mackenzie River Basin Board Financial Report.....	8
Appendix II: Board Membership on March 31, 2013.....	9



LETTER OF TRANSMITTAL

February 5, 2013

The Honourable Leona Aglukkaq
Minister of Environment
Government of Canada
Ottawa, Ontario

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern
Development Canada
Government of Canada
Ottawa, Ontario

The Honourable Rona Ambrose
Minister of Health
Government of Canada
Ottawa, Ontario

The Honourable Robin Campbell
Minister of Environment and
Sustainable Resource Development
Government of the Province of Alberta
Edmonton, Alberta

The Honourable Mary Polak
Minister of Environment
Government of the Province of
British Columbia
Victoria, British Columbia

The Honourable Ken Cheveldayoff
Minister Responsible for the
Water Security Agency
Government of the Province of
Saskatchewan
Regina, Saskatchewan

The Honourable Michael Miltenberger
Minister of Environment and
Natural Resources
Government of the Northwest Territories
Yellowknife, Northwest Territories

The Honourable Currie Dixon
Minister of Environment
Government of the Yukon
Whitehorse, Yukon

Honourable Ministers:

On behalf of the members of the Mackenzie River Basin Board, it is my pleasure to submit the Annual Report of the Mackenzie River Basin Board for Fiscal Year 2012-2013.

Yours truly,

A handwritten signature in black ink, appearing to read 'Cheryl Baraniecki', with a long, sweeping horizontal line extending to the right.

Cheryl Baraniecki
Chair
Mackenzie River Basin Board

MESSAGE FROM THE CHAIR

This Report to Ministers describes the activities of the Mackenzie River Basin Board (MRBB) in Fiscal Year 2012-2013.

During this past year, the MRBB made progress on a number of important fronts. The Board caught up on its reporting schedule with the completion of the *Mackenzie River Basin Board Report to Ministers April 1, 2007 – March 31, 2012*. The MRBB began scoping the next State of the Aquatic Ecosystem Report, which will be published in 2017. The MRBB also continued to support the administration of the bilateral water management agreement negotiations within the Mackenzie River Basin.

The MRBB has worked to improve its ability to consider the needs and concerns of Aboriginal people. The MRBB Traditional Knowledge and Strengthening Partnerships Steering Committee published *Towards a New Current of Thought: Best Practices for Gathering and Incorporating Traditional Ecological Knowledge into Environmental Monitoring and Assessment*. Building on this work, the Steering Committee will host a Traditional Knowledge Learning Workshop for the MRBB in 2013-2014.

The success of the MRBB depends on the work of MRBB Committees and the MRBB Secretariat. Committee members consist of Board Members, Alternates, or their delegates. Their work helps to ensure that the MRBB and the signatory jurisdictions meet their obligations under the 1997 *Mackenzie River Basin Transboundary Waters Master Agreement*. The Board appreciates their professional conduct and dedication to the MRBB.



Cheryl Baraniecki
Chair
Mackenzie River Basin Board

MESSAGE FROM THE EXECUTIVE DIRECTOR

The Mackenzie River Basin Board (MRBB) was busy in Fiscal Year 2012-2013.

The MRBB published two reports:

- *The Mackenzie River Basin Board Report to Ministers April 1, 2007 – March 31, 2012; and*
- *Towards a New Current of Thought: Best Practices for Gathering and Incorporating Traditional Ecological Knowledge into Environmental Monitoring and Assessment.*

Both reports are available on the MRBB website (www.mrbb.ca).

The MRBB directed the MRBB State of the Aquatic Ecosystem Report (SOAER) Steering Committee to begin planning the next SOAER. In response, the SOAER Steering Committee began scoping the content and structure of the next SOAER. The MRBB intends to publish the report in 2017.

The MRBB Traditional Knowledge and Strengthening Partnerships (TK/P) Steering Committee championed a Traditional Knowledge Best Practices Report during 2012-2013. Board response to the report was very positive – Board Members requested that the TK/P Steering Committee develop a Traditional Knowledge Learning Session for the Board, based on the key messages contained within the report. The Traditional Knowledge Learning Session will be held in Fiscal Year 2013-2014.

The MRBB Communications Committee guided the development of the 2007-2012 Report to Ministers. The Communications Committee also responded to inquiries to the MRBB from the public, academics, and government agencies on behalf of the Board. In addition, the Committee also provided oversight of the content on the MRBB website.

The Board delegated the responsibility for further work on the Mackenzie River Basin Hydrology Model to Alberta and the Northwest Territories. The Technical Committee will stand down until further notice.

Board Members continued to share information related to water management in the Mackenzie River Basin. The MRBB also supported Alberta, British Columbia, the Northwest Territories, and Saskatchewan as they negotiate bilateral water management agreements. The MRBB looks forward to the completion and implementation of these agreements, and the start of the next round of negotiations.



Don Pittman
Executive Director
Mackenzie River Basin Board

Introduction

This report summarizes the activities of the Mackenzie River Basin Board (MRBB), its Secretariat and the Committees that supported MRBB activities for the Fiscal Year April 1, 2012 to March 31st, 2013.



Figure 1. The Mackenzie River Basin

The Mackenzie River Basin Transboundary Waters Master Agreement

Background

In order to address the fundamental issue of water management cooperation, the governments of Canada, British Columbia, Alberta, Saskatchewan, the Northwest Territories and Yukon signed the *Mackenzie River Basin Transboundary Waters Master Agreement* (the Master Agreement). It came into effect on July 24, 1997. The purpose of the Master Agreement is to establish common principles for the cooperative management of the Aquatic Ecosystem of the Mackenzie River Basin, to establish an administrative mechanism to facilitate the application of the principles set forth in the Master Agreement, and to make provisions for bilateral water management agreements that address inter-jurisdictional water quality, quantity and related issues.

The Master Agreement Principles

Under the Master Agreement, the Parties are committed to:

- Managing the Water Resources in a manner consistent with the maintenance of the Ecological Integrity of the Aquatic Ecosystem;
- Managing the use of the Water Resources in a sustainable manner for present and future generations;
- The right of each to use or manage the use of Water Resources within its jurisdiction provided such use does not unreasonably harm the Ecological Integrity of the Aquatic Ecosystem in any other jurisdiction;

- Providing for early and effective consultation, notification and sharing of information on developments and activities that might affect the Ecological Integrity of the Aquatic Ecosystem in another jurisdiction; and
- Resolving issues in a cooperative and harmonious manner.

The Mackenzie River Basin Board

Structure and Operations

The Master Agreement established the Mackenzie River Basin Board (MRBB) with the responsibility to administer the terms of the Agreement and to serve as a forum where all governments can cooperate in an effort to maintain the ecological integrity of the Basin's aquatic ecosystem.

The Board has 13 members, three representing the Government of Canada and two from each province and territory. One of the two provincial and territorial members has been appointed to represent Aboriginal organizations in each jurisdiction and provide an Aboriginal perspective.

The Board is unique because of this interjurisdictional partnership, the presence of members representing Aboriginal interests alongside representatives of the governments, and the commitment by all parties to maintain the ecological integrity of the aquatic ecosystem.

A staff arm for the Board, called the Secretariat, was also set-up to carry out the programs, basic administrative duties and any investigations required by the Board. Currently, the MRBB Secretariat consists of one staff member, based in Yellowknife, Northwest Territories.

The MRBB is not a regulatory or licensing board, and has no legal or policy basis to regulate resource use in any of the jurisdictions.

However, the Board may influence regulatory decisions made in the various jurisdictions by providing factual material, such as the State of the Aquatic Ecosystem Reports, to inform development decision makers, or by participating in and influencing pre- or post-regulatory processes, such as planning, regional or cumulative environmental impact assessment processes.

The MRBB conducts business, shares information, and provides guidance to Board Committees and the Secretariat through a series of formal Board Meetings. Government Board Members typically submit Member agency reports during face to face meetings. These reports provide a mechanism for sharing water-related information amongst the jurisdictions and with Aboriginal Groups, and can support prior notification commitments. Aboriginal Members also share information about First Nation concerns within each jurisdiction.

MRBB Meetings also typically include updates from the Board Committees and the Secretariat. The Board also conducts annual Business Planning. Board Meetings provide a forum to share information on specific issues or projects.

The Environment Canada Board Member has chaired MRBB Meetings by consensus of the other Board Members since the Board's inception. The MRBB Secretariat is responsible for recording and distributing meeting minutes.

Finances

Under the Master Agreement, Environment Canada is responsible for managing the expenditures of the Board, the costs of which are shared equally by the parties. MRBB costs include staffing and operation of a Secretariat office, to provide working-level support for the Board, and ensuring effective Aboriginal participation by paying MRBB-related expenses.

Status of Bilateral Water Management Agreements

The MRBB identified the completion of bilateral water management agreements as a priority. The completion and implementation of bilateral water agreements is one of the most effective ways to protect the aquatic ecosystem of the Mackenzie River Basin.

Peel River Watershed:

Northwest Territories/Yukon: The bilateral agreement was completed in 2002. Planning related to the management of transboundary water resources continued through the development of the Northwest Territories Water Stewardship Strategy and the Peel River Watershed Planning Commission. This agreement will be revisited after the current round of bilateral negotiations have been completed.

Peace, Athabasca, and Slave River Watersheds:

British Columbia/Alberta: The British Columbia/Alberta bilateral agreement will cover all of the watersheds shared by British Columbia and Alberta in the Mackenzie River Basin, with the main focus of negotiations on the Peace River.

Alberta and British Columbia met several times in fiscal year 2012-2013. Alberta and British Columbia have shared information, discussed their respective interests, and initiated discussions on components for each section of the Bilateral Water Management Agreement. Each jurisdiction convened technical teams, who held discussions on transboundary water classifications, learning plans, and criteria for moving water bodies between risk classifications and initiating the associated management actions. The water management areas being addressed include Surface Water Quality, Surface Water Quantity, and Groundwater.

Alberta/Northwest Territories: The Alberta/Northwest Territories bilateral agreement will cover all watersheds shared by the Northwest Territories and Alberta in the Mackenzie River Basin.

Alberta and the Northwest Territories met several times in fiscal year 2012-2013. Alberta and the Northwest Territories have shared information, discussed their respective interests, and initiated discussions on options for each section of the Bilateral Water Management Agreement. The water management areas that are being addressed include Surface Water Quality, Surface Water Quantity, Groundwater, and the Biological Component.

Alberta/Saskatchewan: The Alberta/Saskatchewan bilateral agreement will cover all watersheds shared by Saskatchewan and Alberta in the Mackenzie River Basin.

Alberta and Saskatchewan met several times in fiscal year 2012-2013. Alberta and Saskatchewan have shared information, discussed their respective interests, and initiated discussions on options for each section of the Bilateral Water Management Agreement. Each jurisdiction convened technical teams, which have held discussions on transboundary water classifications, learning plans, and criteria for moving water bodies between classifications and initiating the associated management actions. The water management areas being addressed include Surface Water Quality, Surface Water Quantity, and Groundwater.

Multilateral Meetings: Jurisdictions are aware of the value of consistency between the agreements and acknowledge the need for differences between the agreements to address circumstances unique to each jurisdiction.

The jurisdictions convened one multilateral meeting in fiscal year 2012-2013. In addition, they established several multilateral working groups to advance technical issues shared amongst the jurisdictions; however, work is now proceeding at bilateral-specific tables.

Remaining Bilateral Agreements:

Bilateral agreements remain to be completed between: British Columbia and the Northwest Territories; British Columbia and Yukon; and Saskatchewan and the Northwest Territories. These agreements will be developed following completion of the current three bilateral agreements under negotiation.

Mackenzie River Basin Board Meetings April 1, 2012 - March 31, 2013

The MRBB met twice during the period April 1, 2012 to March 31, 2013.

MRBB Meeting 41 was held in Edmonton, AB on May 31 and June 1, 2012. The MRBB reviewed Fiscal Year 2011-2012 activities and expenditures, discussed and approved a work plan and the budget for Fiscal Year 2011-2012. A surplus was made possible by the Board's actions to reduce operating expenses, not having to cover office leasing expenses, and the deferral of some expenses related to MRBB deliverables into 2012-2013. The Board developed work-planning priorities for fiscal year 2012-2013.



The Board was briefed on the status of the Bilateral Water Management Negotiations. Members presented their respective Member Agency reports. The Board provided direction to the Secretariat on the structure of the MRBB 2007-2012 Report to Ministers. Board Members were briefed on a proposed Traditional Knowledge Best Practices Report that was being championed by the Traditional Knowledge and Strengthening Partnerships Committee. Board Members were also briefed on the status of the Mackenzie River Basin hydrology model. In addition, Board Members learned about the Integrated Monitoring Plan for the oil sands.

MRBB Meeting 42 was held in Vancouver, BC on November 21 and 22, 2012. The Traditional Knowledge and Strengthening Partnerships Steering Committee briefed the Board on the key messages of a Traditional Knowledge Best Practices Report it had commissioned. The Board discussed the development of an outreach strategy for Aboriginal Communities. The Board also discussed strategies that could be developed to ensure that Traditional Knowledge was effectively incorporated into the next State of the Aquatic Ecosystem Report.

The Board was briefed on the status of the Bilateral Water Management Negotiations. Members presented their respective Member Agency reports. The Board provided direction to the Secretariat on the structure of the 2007-2012 Report to Ministers. The Board reviewed the

status of the Mackenzie River Basin Hydrology Model and decided that any further work on the model should be led by the jurisdictions. The Board directed the SOAER Steering Committee to begin planning the next State of the Aquatic Ecosystem Report. In addition, BC Hydro briefed the Board on the status of the Peace River Site C Project. The Board identified short and medium term work-planning priorities.

MRBB Committees

In order to administer the Master Agreement, the MRBB created a number of working committees. The committees are comprised of members of the Board, or their appointed delegates, selected to promote and lead these activities and support specialists from jurisdictions and federal agencies to assist with the work of the committees. Each committee is tasked with specific responsibilities. The activity level of individual committees varies over time according to need.

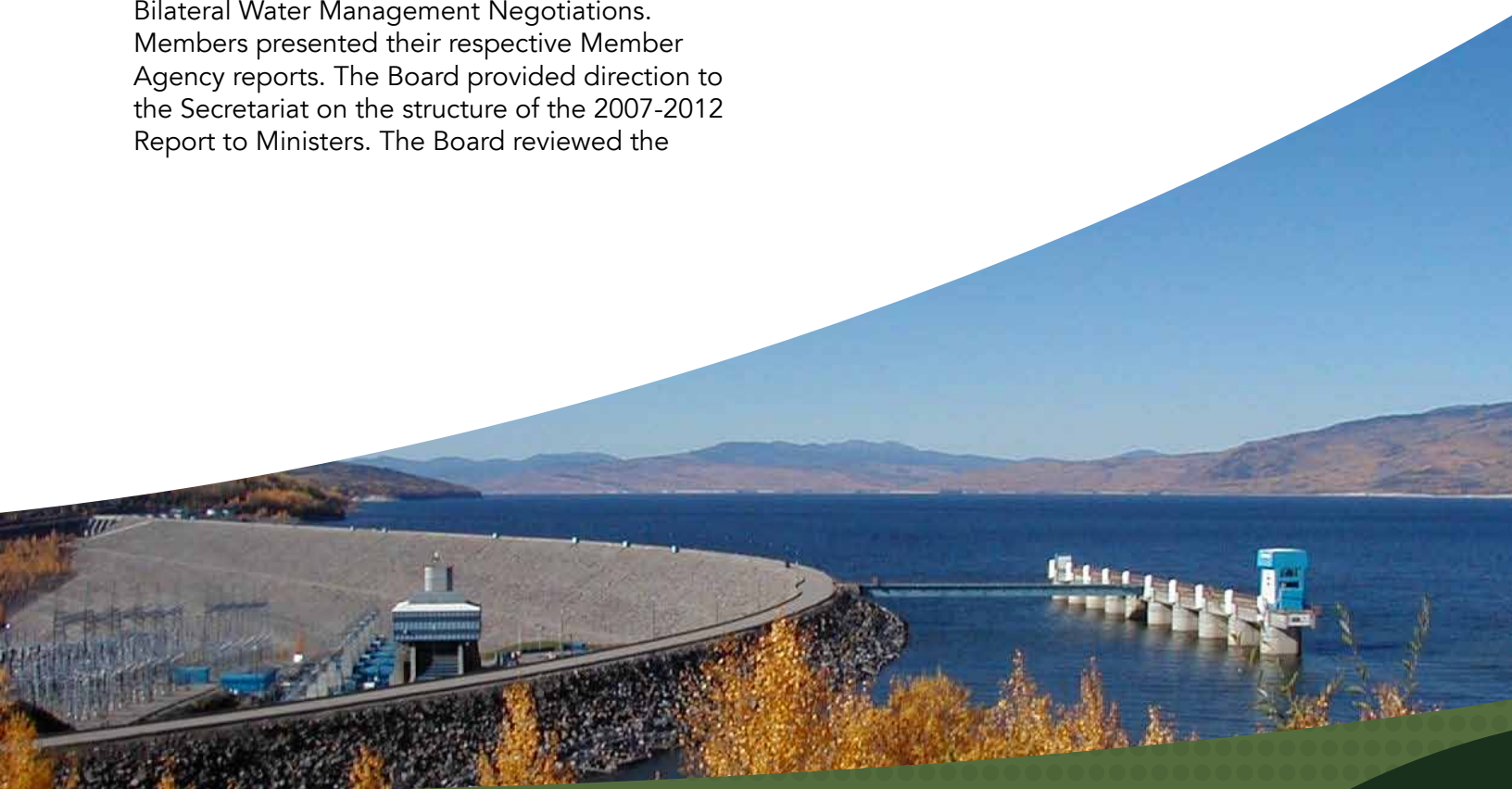


Table 1: Mackenzie River Basin Board Committees and Mandates

Committees	Responsibilities
State of the Aquatic Ecosystem Report (SOAER) Steering Committee	• Manage information • Determine options for format of SOAER • Establish process for report preparation and subsequent updates • Determine recommendations for content of report • Prepare and review SOAER reports
Traditional Knowledge and Strengthening Partnerships Steering Committee	• Provide Traditional Knowledge oversight • Incorporate Traditional Knowledge into MRBB operations
Communications Committee	• Develop a communication strategy • Prepare the annual report • Arrange public forums as required • Prepare presentation materials and literature for public consumption
Technical Committee	• Manage information • Assess existing data • Prepare study reports for consideration by the Board • Oversee the development of the Mackenzie River Basin Hydrology Model

MRBB State of the Aquatic Ecosystem Report Steering Committee

The MRBB State of the Aquatic Ecosystem Report (SOAER) Steering Committee met by teleconference three times during Fiscal Year 2012-2013.

The SOAER Steering Committee recommended that the next SOAER be completed by 2017 and developed a timeline to achieve this goal.

The SOAER Steering Committee scoped the intent of the next SOAER. The report's intent is to describe how the Basin is doing as a whole by summarizing available information and its analysis. The report should enable readers to identify key issues that the Board should be tracking, and should enable an assessment of the adequacy of management efforts in the Basin. It will enable jurisdictions to see how the Basin has been managed, and identify issues that need to be flagged for attention. The SOAER will not assess how the bilateral water management agreements, which are anticipated to be completed by this time, are

being implemented. The Steering Committee also recognized the need to engage the MRBB Traditional Knowledge and Strengthening Partnerships Steering Committee in the writing process, to ensure that Traditional Knowledge is effectively incorporated into the SOAER.

The Steering Committee assessed previous SOAER reports and the processes by which they were written. In addition, Committee Members evaluated other “State of” reports for scope, content, and process which could be used to inform the next SOAER. The SOAER Steering Committee recommended that the SOAER 2017 will build on the work of SOAER 2003.

MRBB Traditional Knowledge and Strengthening Partnerships Steering Committee

The MRBB Traditional Knowledge and Strengthening Partnerships Steering Committee met twice during Fiscal Year 2012-2013.

At the May 30, 2012 meeting, the Steering Committee reviewed the plan to develop a Traditional Knowledge Best Practices Report and provided guidance to the Contractor on the priorities that should be met within the report. The Steering Committee also reviewed its work-plan and discussed ways to deal with upcoming changes in Membership. At the November 20, 2012 meeting, the Steering Committee reviewed the content of the Traditional Knowledge Best Practices Report, entitled *Towards a New Current of Thought: Best Practices for Gathering and Incorporating Traditional Ecological Knowledge into Environmental Monitoring and Assessment*. The Steering Committee discussed how to best share the information with the MRBB. The MRBB agreed to post the report on the MRBB Website (<http://www.mrbb.ca/information/39/index.html>)

The Steering Committee also identified the following work-planning priorities: (i) develop a strategy to collect TK information for the next State of the Aquatic Ecosystem Report; and (ii) develop an outreach strategy to raise awareness of the Board’s goals and objectives within Aboriginal communities and organizations.

MRBB Communications Committee

The MRBB Communications Committee was able to complete its work by e-mail and phone in Fiscal Year 2012-2013.

The Communications Committee oversaw the completion of the *MRBB 2007-2012 Report to Ministers*. The Committee helped develop responses to six inquiries to the Board. The Committee also guided the maintenance of the MRBB Website.

MRBB Technical Committee

The MRBB Technical Committee met twice by teleconference during Fiscal Year 2012-2013.

The Technical Committee developed a work-plan to follow up on the Mackenzie River Basin Hydrology Model workshop held in 2011-2012. At the November 2012 MRBB Meeting, the Board delegated the responsibility for further work on the Mackenzie River Basin Hydrology Model to Alberta and the Northwest Territories, given that the focus of work on the model related to the Peace, Athabasca, and Slave River Watersheds. These jurisdictions could invite additional participants at their discretion. The Board thanked the Technical Committee for their work and asked the Committee to stand down until further notice.

Appendix I: Financial Report

Mackenzie River Basin Board Financial Report April 1, 2012 to March 31, 2013

		Comments
Budget	\$280,000.00	As specified in the Master Agreement
Carry Forward	\$187,385.00	2011-2012 carry forward
Total	\$467,385.00	
MRBB Expenditures		
Personnel	\$134,442.00	Wages and benefits for the Executive Director
Service Contracts	\$ 25,887.00	Honoraria and Expenses for Aboriginal Members
Transportation and Telecommunications	\$ 6,608.00	Travel, transportation, postage and telecommunications
Information Services	\$ 2,838.00	Publishing/Printing services, information IM/IT
Professional Services	\$ 31,790.00	Operational Contracts
Rentals	\$ 0.00	Facilities, vehicles and equipment
Purchased materials, parts	<u>\$ 2,330.00</u>	Miscellaneous and supplies
Total 2012-2013 Expenditures:	\$203,895.00	
2012-2013 Carry Forward:	\$263,490.00	

Appendix II: Board Membership on March 31, 2013

Alberta

Member: Robert Harrison
Alternate: Brian Yee
Aboriginal Member: Vacant

Northwest Territories

Member: Ray Case
Alternate: Meghan Beveridge
Aboriginal Member: Sonny MacDonald

Yukon

Member: Jon Bowen
Alternate: Robert Truelson
Aboriginal Member: Sharon Peter

Health Canada

Member: Ward Chickoski
Alternate: Bryan Haggerty

British Columbia

Member: Lynn Kriwoken
Alternate: Pieter Bekker
Aboriginal Member: Vera Nicholson

Saskatchewan

Member: Bob Carles
Alternate: Gary Neil
Aboriginal Member: Don Deranger

Environment Canada

Member: Mike Norton
Alternate: Mike Renouf

Aboriginal Affairs and Northern Development Canada

Member: Kathryn Bruce
Alternate: Robert Jenkins



Mackenzie River Basin Board
P.O. Box 2310 Yellowknife, NT X1A 2P7
867 669-4701
Website: www.mrbb.ca