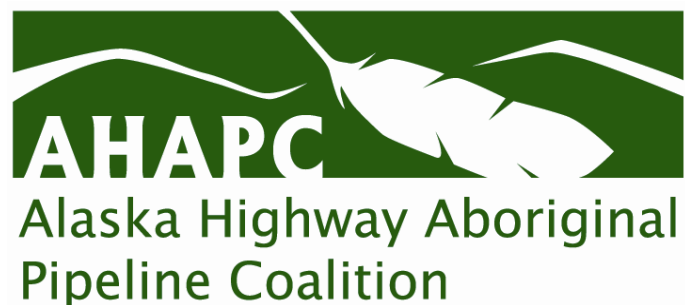


The Original Foothills (TransCanada) Alaska Highway Pipeline Project Regulatory Reviews and Facilitating Legislation



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Table of Contents

Introduction (1.0)	-2-
Original Pipeline Project Regulatory Hearings (2.0)	-3-
Project Origins (2.1)	-3-
National Energy Board Hearings (2.2)	-3-
Alaska Highway Pipeline Environmental Assessment Review Panel (2.3)	-3-
Alaska Highway Pipeline (Lysyk) Inquiry (2.4)	-4-
<i>Northern Pipeline Act</i> and Route Right-of-Way (3.0)	-5-
The <i>Northern Pipeline Act</i> (3.1)	-5-
Certificate of Public Convenience and Necessity: Yukon Terms and Conditions (3.2)	-5-
Deviations between the <i>Northern Pipeline Act</i> and National Energy Board and Environmental Recommendations (3.3)	-6-
Foothills' (TransCanada) Right-of-Way and First Nation Lands (4.0)	-8-
Self-Governing First Nations (4.1)	-8-
Non Self-Governing First Nations (4.2)	-9-
Resources and Further Reading (5.0)	-10-

Introduction (1.0)

The construction, operation, and maintenance of a natural gas pipeline are subject to legal, socio-economic, and environmental regulatory processes. In the case of the Alaska Highway pipeline currently proposed to get Alaska's North Slope gas to market, many of these processes were begun in the 1970s, and focused on a pipeline built by Foothills Pipe Lines, now wholly owned by TransCanada Pipelines. These undertakings included international and domestic facilitating legislation, National Energy Board hearings, an inquiry into potential socio-economic effects, and a multi-year environmental review process. Foothills (TransCanada) subsequently deemed the project uneconomical at the time and suspended work. However, there is now significant renewed interest in such a project, and an understanding of the regulatory processes previously begun will assist affected Yukon First Nations engage meaningfully with the project in its current form.

Last year saw two major developments in the proposed Alaska Highway natural gas pipeline project. In August, Foothills (TransCanada) received an *Alaska Gas Inducement Act* (AGIA) license granting the company preferred status in Alaska. As well, Foothills (TransCanada) has been joined in the pursuit of the pipeline by Denali, a partnership of major natural gas leaseholders ConocoPhillips and BP. Denali is pursuing the project outside AGIA. An intra-Alaska state (all-Alaska) pipeline option is also under review. It would carry North Slope natural gas through Alaska to the port of Valdez. There the gas would undergo liquefaction to produce liquefied natural gas (LNG), be loaded onto tankers and shipped to primarily Asian markets. This option is considered less likely to come to fruition.

This paper details the original Foothills (TransCanada) preparatory work undertaken. It also examines potential developments with respect to these historical regulatory hearings and recommendations and Aboriginal rights in the Yukon today. It is part of a series of discussion and background papers that the Alaska Highway Aboriginal Pipeline Coalition (AHAPC) will produce. It is based on past and new information on the proposed Alaska Highway gas pipeline project and highlights issues of interest to AHAPC First Nation members. This and other documents are available on the AHAPC website at: www.ahapc.ca.

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Original Pipeline Project Regulatory Hearings (2.0)

Project Origins (2.1)

Foothills (TransCanada) first approached the Government of Canada about building a natural gas pipeline in the mid-1970s. A project proposal was submitted to the National Energy Board, the federal agency charged with regulating the oil, gas, and electric utility industries in the Canadian public interest. Foothills (TransCanada) also applied to Indian and Northern Affairs for the land use easement necessary for constructing and operating the pipeline. National Energy Board hearings were begun in August, 1976; a final report was presented in June, 1977. Environmental and socio-economic studies were also undertaken during this time. The Alaska Highway Pipeline Environmental Assessment Review Panel began the environmental review process in March, 1977 and continued environmental studies and dialogue with Foothills (TransCanada) through 1982. The Alaska Highway Pipeline Inquiry, chaired by Kenneth Lysyk and known as the Lysyk Inquiry, commenced surveying the proposed project's potential socio-economic effects in April, 1977; a final report was submitted that July. Meanwhile, in 1977 and 1978, joint Canadian-American legislation and subsequent domestic legislation, including Canada's *Northern Pipeline Act* (NPA), were drafted to facilitate the construction of a pipeline. The *Northern Pipeline Act* is the pipeline project's primary regulating document, but, interestingly, does not conform to all the National Energy Board, socio-economic or environmental hearings' findings. These hearings, the *Northern Pipeline Act*, and departures between them are presented below.

National Energy Board Hearings (2.2)

Foothills (TransCanada) first submitted an Alaska Highway pipeline project application to the National Energy Board in March, 1975. This application joined other private applications suggesting various options for getting both Alaskan North Slope and Northwest Territory Mackenzie Delta natural gas to market. After an initial pre-hearing review, the Board determined in October, 1976 that Foothills' (TransCanada) application was sufficiently complete to join northern pipelines public hearings already in progress.¹ These extensive hearings considered, among other matters, the commercial and technical feasibility of an Alaska Highway pipeline, the pipeline's route, and potential socio-economic and environmental impacts. Following these hearings, the National Energy Board released its findings in 'Reasons for Decisions: Northern Pipelines.' The Board had found that Foothills' (TransCanada) proposal could effectively transport North Slope natural gas to markets in the United States lower 48, that the project as planned was "environmentally acceptable,"² and that the "social and economic impact of the ... project could be held to tolerable levels."³ In this way, a qualified endorsement was offered, dependent on adherence to socio-economic and environmental mitigative studies and requirements to be expanded on prior to full project approval. The Board specifically recommended that certificates of public convenience and necessity for the pipeline's right-of-way be withheld until these conditions were met.

Alaska Highway Pipeline Environmental Assessment Review Panel (2.3)

As the National Energy Board hearings reached their conclusion in March, 1977, the Alaska Highway Pipeline Environmental Assessment Review Panel (EARP) was established. The Panel was charged with identifying potential environmental effects and mitigative measures for the natural gas pipeline and completed its task in 1982. The Panel embarked upon this process by completing a preliminary review of

¹ National Energy Board. (1977). *Reasons for Decision: Northern Pipelines*, Section 1-20.

² National Energy Board. (1977). *Reasons for Decision: Northern Pipelines*, Section 1-154.

³ National Energy Board. (1977). *Reasons for Decision: Northern Pipelines*, Section 1-147.

Foothills' (TransCanada) project plans. Having determined that the project could be advanced in an acceptable manner, the Panel provided Foothills (TransCanada) with guidance for drafting a more detailed Environmental Impact Statement. Once submitted and subject to public hearings, this Environmental Impact Statement was found by the EARP to be inadequate. By 1982, additional information provided by Foothills (TransCanada) allowed the EARP to conclude that the preliminary environmental planning on the project was adequate. In their review, the Panel had found that the information necessary for project planning was largely available and that Foothills (TransCanada) and governmental technical agencies were aware of the project's challenges and potential solutions.

Current Validity of the EARP Process

Given that the original environmental review panel tabled its approval in 1982, more than a quarter-century before the pipeline project's current incarnation, the validity of this dated process is questionable. Specifically, the legislation covering this sort of pipeline project has been considerably updated. In 1992, the *Canadian Environmental Assessment Act* (CEAA) received royal assent, becoming the umbrella legislation for federally managed, including cross-border, development projects. The Act was written to limit projects' adverse environmental effects and provides processes for public participation and co-operation between federal, provincial, and First Nation authorities. If a new pipeline proposal were submitted, it would be subject to this current legislation before receiving certificates of public convenience and necessity. In addition to the enactment of the Canadian Environmental Assessment Act governing international pipelines, the *Yukon Environmental and Socio-economic Assessment Act* (YESAA) was put in place to regulate development projects within the Yukon. Enacted in 2003, it met an *Umbrella Final Agreement* requirement to create a consistent assessment process for all lands in the Yukon. One of YESAA's stated goals, then, is to "protect and promote the well-being of Yukon Indian persons and their societies."⁴ Given these developments in environmental assessment legislation, the question may be asked if this refurbished project should be retroactively subject to CEAA and YESAA.

Alaska Highway Pipeline (Lysyk) Inquiry (2.4)

At the same time the Alaska Highway Pipeline Environmental Assessment Review Panel began its work, Kenneth Lysyk was appointed chair of the Alaska Highway Pipeline Inquiry, formed to investigate the proposed project's socio-economic effects. The Inquiry's task was two-fold: to report on the project's social and economic impacts and, further, to assess the attitude of Yukon residents toward the project.⁵ Lysyk released his report in July, 1977, having found that Yukon residents were generally supportive of Foothills' (TransCanada) proposed natural gas pipeline. This public support was conditional on the implementation of several recommendations to prevent possible undesirable effects. The recommendations included:

- An advance payment of \$50 million from the monetary compensation that Yukon First Nations would receive for the settlement of land claims,
- Establishment of a \$200 million Yukon Heritage Fund, supplemented by future payments of a portion of the Foothills pipeline property tax to provide compensation for Yukoners adversely affected by the pipeline,
- Establishment of a single planning and regulatory agency in Yukon to make decisions in respect of engineering, social, economic and environmental aspects of the pipeline, and
- A delay in the commencement of pipeline construction at least to the middle of 1981.

⁴ *Yukon Environmental and Socio-economic Assessment Act* (2003), Section 5.2.

⁵ *Alaska Highway Pipeline Inquiry*. (1977). Letter to the Minister.

Lysyk concluded that the Government of Canada should not give Foothills (TransCanada) approval for its proposed pipeline project through Yukon until these conditions were met.

Just as any pipeline project suggested today must be considered in light of *Canadian Environmental Assessment Act* and *Yukon Socio-economic and Environmental Assessment Act* review processes to consider its environmental effects, it would also be subject to a new socio-economic review under YESAA.

Northern Pipeline Act and Route Right-of-Way (3.0)

The Northern Pipeline Act (3.1)

A northern pipeline was first legislatively addressed in 1977's *Canadian-American Agreement on Principles Applicable to a Northern Gas Pipeline*, which commits both countries to facilitating the transportation of Alaskan natural gas to the continental United States. The *Agreement* is the initial document addressing the pipeline's route and a variety of other regulatory and logistical issues, and it spawned American and Canadian pipeline legislation. In the US, the *Agreement* gave birth to the *Alaska Natural Gas Transportation Act* which specified the American portion of the route. Within Canada, the *Northern Pipeline Act* (1978) was passed, giving domestic legal standing to the *Agreement* and stating as its objective the "efficient and expeditious planning and construction of the pipeline."⁶ This objective is to be achieved while maximizing the economic benefits accruing to the region and minimizing adverse social and environmental effects; general requirements for this are mentioned. The *Act* also outlines the pipeline's route⁷ and names Foothills Pipe Lines, now wholly owned by TransCanada Pipelines, as the pipeline builder. In recognition of a general sense of urgency at the time, as well as the logistical scale of the project, the *Act* also created a single federal agency to oversee the undertaking: the Northern Pipeline Agency.

An essential stage in a pipeline development in any given jurisdiction is the attainment of the certificates of public convenience and necessity, which give a company the initial approval to own, build, extend or expand a pipeline over a given route. In Canada, such certificates are usually awarded by the National Energy Board under the *National Energy Board Act*. In the United States, these certificates are usually granted by the Federal Energy Regulatory Commission under the *Natural Gas Act*. However, consistent with an environment of urgency during that time, these certificates were granted under specially-passed legislation in both countries. In Canada, the *Northern Pipeline Act* provided certificates in the five jurisdictions the pipeline would cross (south Yukon, north British Columbia, south British Columbia, Alberta, and Saskatchewan), with specific terms and conditions addressing the unique circumstances in each area. These terms and conditions for the south Yukon jurisdiction are discussed below.

Certificate of Public Convenience and Necessity: Yukon Terms and Conditions (3.2)

The Yukon certificate of public convenience and necessity is subject to two volumes of draft environmental and socio-economic requirements produced by the Northern Pipeline Agency. These drafts were written for distribution to Yukon residents. Public hearings were to be held and comments received on these terms and conditions, as well as on Foothills' (TransCanada) Environmental Impact Statement, were to be then

⁶ *Northern Pipeline Act* (1978), Section 4.

⁷ Annex 1 of the *Northern Pipeline Act* states "In Canada, the Pipeline will commence at the Boundary of the State of Alaska and the Yukon Territory in the vicinity of the towns of Border City, Alaska and Boundary, Yukon. From the Alaska-Yukon border, the Foothills Pipe Lines (South Yukon) Ltd. portion of the Pipeline will proceed in a southerly direction generally along the Alaska Highway to a point near Whitehorse, Yukon, and thence to a point on the Yukon-British Columbia border near Watson Lake, Yukon where it will join with the Foothills Pipe Lines (North B.C) Ltd. portion of the Pipeline."

incorporated in the final terms and conditions. These terms and conditions never proceeded beyond the draft phase and this incomplete status, combined with their outmoded 1978/ 1979 vintage, raises questions as to their validity today.

Yukon Socio-Economic Terms and Conditions, Alaska Highway Pipeline

The requirements presented in the Northern Pipeline Agency's *Yukon Socio-Economic Terms and Conditions, Alaska Highway Pipeline*, published in October, 1978, were designed to maximize economic benefits accruing to Yukon residents from the pipeline project. The terms and conditions first address basic requirements for this maximization. Consultation and liaison by Foothills (TransCanada) with governments, communities, and First Nation organizations are mandated as ongoing processes.⁸ As well, information is to be made available to all those affected by the pipeline in language understandable to the public. Having thus laid a foundation for a project that informs Yukon residents and is responsive to their needs, the Northern Pipeline Agency then specified training and northern hiring requirements. Foothills (TransCanada) is obliged to provide training opportunities to northerners, and northerners are to be given clear preference in the hiring process. Of note is that Foothills (TransCanada) is to develop an Opportunity Measures Plan to "facilitate the hiring of qualified and interested native people and, to the extent possible, establish... working conditions suited to their particular needs (traditional fishing, hunting, and trapping)."⁹ As well, Foothills (TransCanada) is also to facilitate the engagement of northern businesses, particularly First Nation enterprises.

Yukon Environmental Terms, Conditions and Related Guidelines, Alaska Highway Gas Pipeline

The *Socio-Economic Terms and Conditions* complementary volume, *Yukon Environmental Terms, Conditions and Related Guidelines, Alaska Highway Gas Pipeline* was subsequently drafted in February, 1979. Designed to minimize the adverse environmental effects of the pipeline, these guidelines, like the *Socio-Economic Terms and Conditions*, were to be distributed in draft form to Yukon residents in preparation for public hearings informing final versions of these documents. This guide requires a variety of mitigating measures, including that pipeline effects on land and water are to be generally minimized, and locations of right-of-ways, roads, and facilities be chosen in light of other existing or potential uses of the area. Disturbances to animals, local hunting, trapping, fisheries and cultural and recreational areas are to be minimized, and Foothills (TransCanada) is to rehabilitate any damage inflicted on the land. These environmental conditions, based on 1979 standards, are unlikely to be accepted wholesale thirty years later. In fact, even for the time they were drafted, their authority was hindered by the fact that "generally accepted environmental standards are not yet fully developed."¹⁰

In this way, the Yukon certificate of public convenience and necessity carries general terms and conditions forward from the Northern Pipeline Act. These general requirements are then clarified and amplified by the specific socio-economic and environmental requirements found in *Yukon Socio-Economic Terms and Conditions, Alaska Highway Pipeline* and *Yukon Environmental Terms, Conditions and Related Guidelines, Alaska Highway Gas Pipeline*.

⁸ Northern Pipeline Agency Canada, *Yukon Socio-Economic Terms and Conditions, Alaska Highway Pipeline* (1978), Section D.

⁹ Northern Pipeline Agency Canada, *Yukon Socio-Economic Terms and Conditions, Alaska Highway Pipeline* (1978), Section I.

¹⁰ Northern Pipeline Agency Canada, *Yukon Environmental Terms, Conditions, and Related Guidelines, Alaska Highway Gas Pipeline* (1979), Introduction.

Deviations between the *Northern Pipeline Act* and National Energy Board and Environmental Recommendations (3.3)

The Alaska Highway natural gas pipeline project, as first advanced by Foothills (TransCanada) in the 1970s, enjoyed regulatory reviews substantively different from standard pipeline regulatory processes. Normally, such a project would be subject to the ultimate authority of the National Energy Board. The Board would review and guide the project. Specifically, the National Energy Board would have the authority to issue or withhold the certificates of public convenience and necessity designating the pipeline's right of way. Instead, this project received its own facilitating legislation in the *Northern Pipeline Act*. The *Northern Pipeline Act* circumvented the usual National Energy Board process by granting Foothills (TransCanada) these certificates, pronouncing that "a certificate of public convenience and necessity in respect of the pipeline is hereby declared to be issued" (and) that such a certificate is "deemed to be a certificate issued pursuant to section 52 of the *National Energy Board Act*."¹¹ As well, it should be noted that the *Northern Pipeline Act* granted these certificates prior to environmental or socio-economic reviews being undertaken.

The *Northern Pipeline Act* also deviated from National Energy Board route and project assessment requirements. In its qualified findings, the Board recommended a pipeline route different from Foothills' plans and different from that eventually legislated in the *Northern Pipeline Act*. Instead, the National Energy Board recommended a realignment of the Foothills' (TransCanada) pipeline through Dawson City, facilitating the eventual marketization of Mackenzie Delta natural gas.¹² From Dawson City, the pipeline would roughly follow the Klondike Highway southeast, only aligning itself with the Alaska Highway near Whitehorse. Conversely, the *Northern Pipeline Act* specified a route entirely following the Alaska Highway, entering the Yukon near Beaver Creek and leaving it near Watson Lake. This route brings the pipeline through the traditional territories of nine First Nations:

- White River First Nation,
- Kluane First Nation,
- Champagne and Aishihik First Nations,
- Ta'an Kwäch'än Council, Kwanlin Dun First Nation,
- Carcross/ Tagish First Nation,
- Teslin Tlingit Council,
- Kaska Dena Council, and
- Liard First Nation.

By crossing into the Yukon farther north, the National Energy Board route would bypass the traditional territories of White River First Nation and Kluane First Nation, and only skirt Champagne and Aishihik First Nations. Instead, the pipeline would be rerouted through the traditional territories of Tr'ondëk Hwëch'in First Nation, Nacho Nyak Dun First Nation, Selkirk First Nation, and Little Salmon/ Carmacks First Nation.

In addition to disregarding the National Energy Board's recommendation for a more northerly route, the *Northern Pipeline Act* did not attend to the Board's recommendations respecting environmental and socio-economic reviews of the project. Specifically, the *Northern Pipeline Act* took no notice of the Board's counsel to withhold right-of-way certificates until environmental and socio-economic reviews were complete. The *Northern Pipeline Act*, with its provisions regarding environmental considerations, was enacted before the

¹¹ *Northern Pipeline Act* (1978), Section 21.

¹² National Energy Board. (1977). *Reasons for Decision: Northern Pipelines*, Section 1-166.

Environmental Assessment and Review Panel approved Foothills' (TransCanada) preliminary environmental planning. Additionally, during the EARP's deliberations, the Panel had also recommended a change to Foothills' (TransCanada) proposed route through the Yukon's Ibex Valley; this route change is not part of the *Northern Pipeline Act*.

Foothills' (TransCanada) Right-of-Way and First Nation Lands (4.0)

Foothills (TransCanada) finally secured its right-of-way in 1983, having drafted and submitted detailed pipeline plans to the Government of Canada. This easement was subsequently registered at the Whitehorse Land Titles Office and comprehensive maps of the route may be viewed there. Since then, the right-of-way has been maintained by Foothills (TransCanada) through annual leasehold payments of \$30,400; \$10 000 is paid to the Government of Yukon and the remainder is remitted to the Northern Pipeline Agency. (As well, Foothills covers all operating expenses of the Northern Pipeline Agency, estimated at \$265 000 in 2008-2009.)¹³

Just as socio-economic and environmental assessment legislation has developed to include the *Canadian Environmental Assessment Act* and the *Yukon Environmental and Socio-economic Assessment Act*, there have been significant developments in Aboriginal land rights in the twenty-five years since Foothills (TransCanada) gained its easement. First Nation rights have been provided greater emphasis in federal legislation,¹⁴ asserted and specified in Yukon law,¹⁵ and weighed in various court cases. Additionally, self-government, although not yet comprehensive in the Territory, has been widely accomplished by Yukon First Nations. As a result, the political and legal landscape in which Foothills (TransCanada) would act on its right-of-way is much changed from that in which it was granted; this landscape varies somewhat depending on whether or not the easement lies on land subject to self-government.

Self-Governing First Nations (4.1)

The *Northern Pipeline Act* and its easement were included as an encumbrance in the *Umbrella Final Agreement* negotiated jointly with First Nations and the Governments of Yukon and Canada. For those First Nations that have since completed *Final Agreements*, the Foothills (TransCanada) easement is accommodated within the *Final Agreement*. Specifically, the right-of-way in the *Final Agreements* is for the pipeline route specified in the *Northern Pipeline Act*.¹⁶ Although ownership and jurisdiction of the easement land lies with the First Nation, the easement applies as if it were still Crown land. As well, maintenance of the easement remains a responsibility of the Government of Canada. (Administration could be transferred to the First Nation should the First Nation, Canada, and Foothills (TransCanada) all consent.) Although authority to maintain the existing easement lies solely with the Government of Canada and does not require consultation with the First Nation, Canada may not make any unilateral changes.¹⁷

Similarly, changes to the route by Foothills (TransCanada) may not be accommodated by the registered easement. This arises from the *Northern Pipeline Act's* explicit assertion of a specific route, as well as a specific pipeline company (Foothills), and the fact that the easement is granted pursuant to the *Northern*

¹³ Northern Pipeline Agency Canada, 2008-2009 Report on Plans and Priorities.

¹⁴ The *Constitution Acts* were amended in 1982 to include Sections 35 and 35.1 which assert that Aboriginal and treaty rights, including both treaty rights currently settled under land claims or those that may be settled in future, are recognized within the *Constitution*, and that no changes to the *Constitution* affecting such rights may be made without first consulting with First Nations.

¹⁵ See the *Umbrella Final Agreement* (1993), Section 5.4.2 and individual First Nation *Final Agreements*.

¹⁶ See *Final Agreements* Section 3.2. of Appendix A – Settlement Land Descriptions.

¹⁷ Council of Yukon First Nations Oil and Gas Secretariat, Yukon First Nations Backgrounder #1: The Alaska Highway Pipeline, March 13, 2002.

Pipeline Act. It is possible that, should Foothills (TransCanada) make substantive changes to its original proposal, or should another company wish to assume the easement, Parliament could amend the *Northern Pipeline Act* to preserve the easement's existence. However, this remains an academic question, as Foothills (TransCanada) has made no request to change the route, either within its *Alaska Gasline Inducement Act* (AGIA) license application or at any other time, and has avowed no intention of doing so. In Chapter 2 – Project Description, Section 2.1.1 Canada and, in Chapter 2.2 – Development Plan, Section 2.2.4.2 Rights-of-Way of the company's AGIA application, Foothills (TransCanada) discusses its pipeline's route in general and specifically asserts its existing Yukon easement. Given its accommodation in the *Umbrella Final Agreement* and individual First Nation *Final Agreements*, and given that Foothills (TransCanada) has made no application to change the pipeline's route, the legal standing of the original easement on self-governing First Nation land is established. The right-of-way is secured in the form specified by the *Northern Pipeline Act* and reinforced by the *Final Agreements*.

Non Self-Governing First Nations (4.2)

For those First Nations without *Final Agreements* and self-governing land rights, the status of the easement remains as asserted in the original *Northern Pipeline Act*. The *Northern Pipeline Act* asserts that the easement may not contravene existing Aboriginal rights and titles with respect to easement land, but it does not specify them.¹⁸ For legal clarity on non-settled land rights, the Council of Yukon First Nations Oil and Gas Secretariat, Yukon First Nations Backgrounder #1: The Alaska Highway Pipeline presents a number of sources.

- The 1870 Order, which is affixed to the Constitution, requires that Aboriginal claims to settlement land be adjudicated and completed fairly. It may be argued that the 1870 Order requires land claims to be settled prior to commencing this major project, but this is not seen as a strong argument.
- Conversely, the Supreme Court of Canada declared in *Delgamuukw v. British Columbia* (1977) that Aboriginal title can be infringed upon by federal and provincial legislation. Such infringement would have to be on behalf of a sufficiently important goal, and may only be pursued in the context of consultation with First Nations.
- The level of consultation and accommodation necessary for legislative infringement was explored by the B.C. Court of Appeal in *Halfway River First Nation v. British Columbia* (1999). The Court found that the degree of consultation depended on the extent of the infringement.
- The B.C. Court of Appeal again addressed the issue in *Taku River Tlingit v. British Columbia* (2002), asserting that aboriginal title need only be reasonably asserted, not legally proven, for the duty to consult to apply. In *Haida Nation v. British Columbia and Weyerhaeuser* (2002), the Court subsequently found that the duty to consult extended to development proponents requiring government approvals.

¹⁸ The *Northern Pipeline Act*, Section 25, states “Notwithstanding this Act, any native claim, right, title, or interest that the native people of Canada may have had prior to April 13, 1978 in and to the land on which the pipeline will be situated continues to exist until a settlement in respect of any such claim, right, title or interest is affected.”

Resources and Further Reading (5.0)

This brief draws on Council of Yukon First Nations Oil and Gas Secretariat, Yukon First Nations Backgrounder #1: The Alaska Highway Pipeline of March 13, 2002 and Kwanlin Dun First Nation, Foothills Pipeline Memorandum of June 15, 2001. Thanks are provided for the use of the material. Other useful resources include the *Northern Pipeline Act*, the *Umbrella Final Agreement*, individual First Nation *Final Agreements*, the registered Foothills easement, and Foothills' *Alaska Natural Gas Inducement Act* license application.

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