

From Fracking Conflicts to Innovation Generation: a Case Study of Water Governance in Northeastern B.C.

Principal Investigator – Dr. Michele-Lee Moore, University of Victoria, 2013-2015

Challenge

The Horn River Basin overlaps with the Fort Nelson First Nation (FNFN) traditional territory, and has been an active site of hydraulic fracturing development. This has increased the demand for water in the Basin. While it is well established that effective water governance requires collaboration from a wide array of actors, barriers to including Indigenous Nations in water governance remain as a legacy of Canada's colonial history. The Province's approach to involving Indigenous Nations in water governance has largely been limited to consultation and accommodation and slow government-to-government negotiations. This approach has yet to yield significant collaboration.

Research partner, the Fort Nelson First Nations (FNFN) Lands Department, has been both formally and informally engaged in ongoing negotiations with government, and with industry on various issues related to the hydraulic fracturing and water use for hydraulic fracturing in the Horn River watershed. Governance innovation was needed to break the deadlock, and it was clear that a social learning process would be necessary if industry, government, and FNFN were going to establish a shared vision for future water governance arrangements.

As part of their efforts, the FNFN Lands Department began a community consultation process to develop their own FNFN water management strategy, and sought research to better understand the range of possible organizational structures that would support a more acceptable governance arrangement. Therefore, this study aimed to explore the existing conditions for social learning in the Horn River Basin, support the FNFN approach to developing a water management strategy through research on social learning and community-based planning processes, and to examine possible alternative governance models.

Project

Impact Benefit Sharing Agreements between industry and Indigenous Nations have offered an alternative method of ensuring various Nations receive a portion of the economic benefits from resource extraction activity in their territory. However, this approach falls short of including Indigenous Nations in a governing role. In partnership with the Fort Nelson First Nations (FNFN), our research investigated alternative governance models and examined whether the conditions for social learning processes – ones that could bring together the knowledge of government and industry with Indigenous ways of knowing - could lead to the generation of innovative governance arrangements. Using a combination of a grounded theory approach and decolonizing methodologies, research team members spent time working in the Lands Department office and collected data through interviews, participant observation at community meetings, and document analysis of Environmental Appeal Board hearing transcripts. The study findings illuminate the specific ways in which

the legal requirements surrounding the duty to consult Indigenous Nations significantly constrains the conditions for social learning processes to take place. The findings also highlighted that governance innovation is emerging led by partnerships between industry and Indigenous Nations.

The results reveal:

- 1) The legal duty to consult Indigenous Nations creates significant barriers to social learning.
- 2) Governance “leapfrogging” has occurred with an Industry-Indigenous innovation that “leapfrogs” past government (i.e. government is not involved), and which could shift power, financial resource flows, and provide additional, albeit limited, authority to FNFN.
- 3) While scholarly and practitioner interest is growing in co-governance models that move beyond token consultation, research from this project shows that it remains unclear that co-governance will resolve the roots of the existing problems.

Outputs

This research has been disseminated through several presentations:

- Shaw, K. “How can BC reconcile resource extraction with environmental and economic concerns?” Presented and panelist at IdeasFest, University of Victoria, March 2014.
- Moore, M-L., Breiddal, R., Lowe, L. Keynote speaker at 'Cumulative environmental, community and health effects of multiple natural resource developments in northern British Columbia.' January 2014.
- Breiddal, R. Presentation of major research findings to Water Sustainability Branch of the Ministry of Environment. March 2015.
- “What’s the Fracking Point? The Disenchantment of 'Meaningful' First Nations Engagement in the Horn River Basin.” Presented at the Geography Graduate Symposium, December 2013.
- “What’s the Fracking Point? The Disenchantment of 'Meaningful' First Nations Engagement in the Horn River Basin.” Presented at Water Initiative Futures (WATIF) Conference in Kingston, ON, May 2014.
- Moore, M-L. "Stormwatching or Opportunity Seeking? Making the case for governance innovation research." Presented at DRIFT Institute, Erasmus University, Rotterdam. November 2014.
- Garvie, K., Shaw, K. "Taming the Industry? Consultation on unconventional gas in NE British Columbia." Presented at the Canadian Political Science Association Annual Conference, University of Victoria, June 5.

This research project has held and attended several key end-user oriented workshops and webinars:

- "The First Nation Shale Gas LNG Summit: Striking a balance." (April 2014). Fort Nelson First Nation.
- Pacific Institute for Climate Solutions' workshop on "A Natural Gas Research Agenda."

- Shaw, K. “Looking upstream: Ecosystem impacts of hydraulic fracturing in northeast B.C.” Invited speaker at BC’s Liquefied Natural Gas Ambitions: An Energy Forum Public Dialogue, Vancouver, BC, 15 April.

This research has resulted in scholarly journal publications and end-user reports:

- Garvie, Kathryn H., Lana Lowe and Karena Shaw, “Shale Gas Development in Fort Nelson First Nation Territory: Potential Regional Impacts of the LNG Boom.” *BC Studies*: Vol. 184 (Winter 2014/2015): 51-77.
- Anticipated Plain Language Primer.

Outcomes

Outcomes include:

- This study highlights the need for a better understanding of the role of private industry in water governance in Canada, increasing the opportunities for future research.
- Strengthened relationships with researchers, as this project seeded ideas for a broader Canadian Water Network project that involved a greater number of scholars and research partners.
- Relationships built through attending workshops, participant observation (participating in FNFN’s consultation meetings), and conducting interviews with members of the Provincial Government working in water governance, all contributed to strengthened relationships with end-users and within the University of Victoria community.
- Increased knowledge to inform debates about hydraulic fracturing, water governance, and Indigenous co-governance with policy-makers. Although a specific policy change cannot yet be attributed to the results of this research, the knowledge gained will lead to new ways of understanding amongst key decision-makers, including industry and government.
- Increased knowledge. This study has increased the knowledge of HQP, co-PIs, and research partners about the challenges associated with water governance, hydraulic fracturing, collaborative governance, and social learning. This knowledge has ripple effects as this knowledge is disseminated through research team member’s classrooms, conferences, meetings with communities, government, and in future research partnerships.

Research Team and Partners:

Research Team:

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Partners:

Fort Nelson First Nation

Highly Qualified Personnel (HQP):

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