



February 9, 2026

Impact Assessment Agency of Canada

200-1801 Hollis Street
Halifax, Nova Scotia B3J 3N4

**RE: COMMENTS ON MARSHDALE NATURAL GAS POWER GENERATION
PROJECT PROPOSED BY THE NOVA SCOTIA INDEPENDENT ENERGY SYSTEM
OPERATOR (IESO) *Sipekne'katik First Nation Initial Comments***

Disclaimer - (*Impact Assessment Act, s. 12*)

This submission provides interim comments and observations from Sipekne'katik First Nation concerning the Marshdale Natural Gas Power Generation Project, as submitted for initial review to the Impact Assessment Agency Canada (IAAC) by the Nova Scotia Independent Energy Operator (IESO).

These comments **do not represent Sipekne'katik's final position or decision on the Project, nor do they constitute consent.** The project has not yet been formally under the Sipekne'katik Governance Initiative (SGI), which is the sole process recognized by Sipekne'katik First Nation for conducting consultation with its community members.

Accordingly, these comments must not be relied upon by the Proponent or any regulatory authority as evidence or satisfaction of the Crown's Duty to Consult under Section 35 of the *Constitution Act, 1982*, nor should they be treated as part of any formal consultation record involving Sipekne'katik First Nation.

Sipekne'katik First Nation expects that IAAC will duly consider the comments provided below as part of its review of the Project.



Concern with the Engagement Process - (*Impact Assessment Act, s. 12 & s. 22(1)(c)*)

Before any further review, it is essential to distinguish between Rights holders and stakeholders clearly. Indigenous peoples are not merely another group of stakeholders; they are Rights holders with Aboriginal and Treaty Rights affirmed and protected under section 35 of the *Constitution Act, 1982*.

As such, federal departments acting on behalf of the Crown have a legal obligation to engage in meaningful consultation with affected First Nations before the release of public-facing project materials, regulatory documents, or assessment documentation. In this case, Sipekne'katik First Nation was not meaningfully engaged prior to the publication of project information online.

The absence of early, Rights-holder-specific engagement raises concerns regarding the adequacy of consultation to date and the Crown's ability to properly understand and assess potential impacts on Aboriginal and Treaty Rights. This deficiency supports the need for a federal Impact Assessment process that includes early planning and meaningful engagement with Sipekne'katik as a Rights holder.

Furthermore, and contrary to the Proponent's statement, engagement with the Office of L'nu Affairs does not constitute, nor should it be represented as, consultation with the Mi'kmaq of Nova Scotia or with individual Mi'kmaq Rights-holding Nations.

Environmental impacts - (*Impact Assessment Act, s. 22(1)(a), (c), (g) & (i)*)

- SGI understands that the IEOS proposed the Marshdale Natural Gas Power Generation Project to supplement the electricity supply and reduce the province's reliance on coal. Although the project may help reduce coal use specifically, it represents an additional investment in alternative fossil fuel-based infrastructure (e.g., natural gas and light fuel oil), which is inconsistent with federal and provincial climate commitments and long-term objectives to increase reliance on clean and renewable energy sources.
- The proponent indicated that the Project is required to meet an urgent energy demand in Nova Scotia that cannot be addressed through renewable sources. However, public statements by the Province have highlighted Nova Scotia's relatively low peak domestic electricity demand compared to its significant renewable energy potential, particularly offshore wind.



In this context, it is unclear whether the Project is being justified primarily to meet domestic energy needs or to support broader energy export objectives. Any renewable energy development in Nova Scotia should prioritize domestic needs and minimize environmental and climate-related impacts. Given the Project's anticipated greenhouse gas emissions and its role within broader provincial and interprovincial energy planning, a federal impact assessment is warranted to examine the Project's justification, reasonable renewable alternatives, and cumulative climate effects in a transparent and coordinated manner.

- The proponent has stated that renewable energy sources “*do not provide the new capacity required to support the phase out of expensive and carbon-intense coal-fired facilities nor do they provide the quick response required to support the significant build-out of variable production renewable resources*”, and that investment in natural gas is therefore necessary. Sipekne'katik questions whether provincial and federal resources would be more appropriately directed toward advancing technologies that improve the reliability, storage, and grid integration of renewable energy, particularly given that the proposed facility is expected to operate only approximately 25% of the year. A more comprehensive assessment of sustainable alternatives, including a cost-benefit analysis of proceeding with or without this project, is required.
- The Environmental Assessment Registration Document (EARD) asserts that the project will reduce greenhouse gas (GHG) emissions in Nova Scotia; however, such reductions depend on the comparison tool used. While the project is anticipated to reduce GHG emissions by approximately 52.8% when compared to conventional coal-fired generation, it represents a substantial increase in emissions when compared to renewable energy sources such as wind and solar. The project will produce 56 tonnes of carbon dioxide equivalent (CO₂e) during construction, and 326 kilo tonnes of CO₂e annually during operations. This represents approximately 2.4% of Nova Scotia's total emissions and 0.05% of Canada's emissions. These increases are significant at a time when governments should be making concerted efforts to reduce overall reliance on fossil fuels.
- The proponent has stated that “*Given the size of the Project and the localization of effects to environmental components, the Project is not anticipated to have any adverse environmental effects outside of Nova Scotia.*” While direct, localized environmental



impacts may not extend beyond provincial boundaries, the project’s GHG emissions will contribute to global climate change and have broader, cumulative, and transboundary effects that should be considered within the assessment.

- The EARD notes that the facility “*will be able to be retrofitted to include alternative fuels such as hydrogen or renewable diesel*”. However, insufficient information has been provided regarding the feasibility of such retrofits. Detailed information is required, including timelines, expected costs, technological limitations, and regulatory considerations. A clear commitment and pathway toward transitioning away from fossil fuel use should be identified and assessed as part of the Project description.

Impacts on Water Resources - (*Impact Assessment Act, s. 22(1)(a); s. 22(1)(c)*)

- Sipekne’katik has significant concerns regarding the project's high water demand and the lack of evidence demonstrating that local water resources can sustainably support this demand. The Water Resources Assessment itself recommends additional on-site testing to confirm withdrawal capacity and to further evaluate alternative technologies to reduce overall water use. Further information is required to assess potential effects on both surface water and groundwater, including consideration of climate change–related stressors such as prolonged dry periods and reduced water availability during Nova Scotia’s increasingly drier summer months.
- Further assessment is also required to evaluate the potential effects of water withdrawals on nearby wetlands and watercourses, including changes to hydrology, water levels, and flow regimes. Such changes may result in adverse effects on species of cultural importance to Sipekne’katik, including American Eel (*Anguilla rostrata*), Brook Trout (*Salvelinus fontinalis*), and Black Ash (*Fraxinus nigra*). Measures to avoid, mitigate, or offset potential effects on these species and their habitats must be clearly identified and assessed.



Impacts on Aboriginal and Treaty Rights - (*Impact Assessment Act, s. 22(1)(c),(l) & (m)*)

Archaeological and Cultural Heritage Resources

Mi'kmaw Nations, including Sipekne'katik First Nation, are Rights holders and stewards of Mi'kma'ki, with inherent responsibilities to protect, manage, and interpret cultural heritage in accordance with Mi'kmaw laws, knowledge systems, and governance structures. Archaeological sites, cultural landscapes, and heritage resources are integral to the continued exercise of Aboriginal and Treaty Rights protected under section 35 of the *Constitution Act, 1982*.

Historically, archaeological investigations and cultural resource management have frequently occurred without the meaningful involvement, consent, or leadership of Mi'kmaw communities, resulting in the loss, disturbance, or misinterpretation of culturally significant sites and materials. These past practices continue to inform current concerns regarding the adequacy of proponent-led archaeological assessments.

Sipekne'katik's archaeology expert and Consultation Director, Dr. Roger Lewis, has developed preventive archaeology principles that prioritize early identification, in situ assessment, and avoidance of archaeological resources, rather than excavation and artifact recovery as mitigation measures. At this stage, Sipekne'katik has not had sufficient opportunity to assess archaeological potential within the Project area, nor to evaluate whether the proponent's proposed approach aligns with these preventive principles. Further engagement is required to determine how cultural heritage will be identified, protected, and managed in a manner consistent with Mi'kmaw values and governance.

Traditional Land Uses

SGI understands that Cultural Resource Management Group Limited (CRM Group) was retained to conduct an Archaeological Resources Impact Assessment (ARIA), and that Membertou Geomatics Solutions (MGS) was contracted to complete a Mi'kmaq Ecological Knowledge Study (MEKS). Sipekne'katik notes that it was not engaged in the design or implementation of either study and possesses additional site-specific and community-held knowledge that has not been incorporated. As such, these studies should be considered incomplete from a Rights-holder perspective.

Insufficient consideration has been given to the Project's potential effects on the exercise of Mi'kmaw traditional land uses, including harvesting, travel, spiritual practices, and stewardship



activities. The Project is located within Mi'kma'ki, the unceded and ancestral territory of the Mi'kmaq. Each Mi'kmaw Nation holds Aboriginal and Treaty Rights to lands, waters, and resources used and occupied since time immemorial. Any activity that may interfere with the meaningful exercise of these Rights requires careful assessment and meaningful consultation. Given the scale and nature of the proposed activities, there is potential for adverse effects on the ability of Sipekne'katik members to continue exercising their Aboriginal and Treaty Rights. These potential impacts have not been adequately characterized or assessed and require further analysis within a federal Impact Assessment process.

Cumulative Effects - (*Impact Assessment Act, s. 22(1)(a) and s. 22(1)(c)*)

The cumulative effects assessment presented to date is insufficient. The Project is proposed within a landscape already influenced by existing infrastructure and ongoing or reasonably foreseeable industrial development. When considered in combination, these activities may result in cumulative effects on land use, water availability, habitat connectivity, and ecological integrity.

Of particular concern are cumulative increases in habitat fragmentation and water withdrawals, which may compound effects on culturally important species and ecosystems and further constrain the exercise of Aboriginal and Treaty Rights. At present, there is inadequate information to assess how the Project, in combination with other developments, may affect the sustainability of traditional land uses and the long-term ability of Sipekne'katik to exercise its Rights. A federal Impact Assessment is necessary to appropriately scope, assess, and manage these cumulative effects at a regional and temporal scale consistent with IAAC guidance.

Conclusion and Request for a Federal Impact Assessment - (*Impact Assessment Act, s. 22(1)(b)(c)*)

Given the potential for adverse environmental effects, the uncertainty surrounding impacts to water resources, archaeological and cultural heritage, traditional land use, and cumulative effects, and the potential for adverse impacts on Aboriginal and Treaty Rights, Sipekne'katik First Nation is of the view that the Marshdale Natural Gas Power Generation Project requires a federal Impact Assessment under the *Impact Assessment Act*.

SIPEKNE'KATIK
522 Church Street
Indian Brook, NS
B0N 2H0

Tel: 902.758.2049
Fax: 902.758.2017



Consistent with Canada's commitments under the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP), including the principles of Free, Prior, and Informed Consent, a federal Impact Assessment is necessary to ensure that impacts are fully assessed, meaningful consultation occurs, and decision-making respects the Rights, interests, and governance of Sipekne'katik First Nation.