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TO À	Name of addressee - Nom du destinataire LOUIE AZZOLINI	Organization - Organisation MACKENZIE VALLEY ENVTL IMPACT REVIEW BOARD
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MESSAGE

Louie
Mr. Azzolini:

As requested, attached are NRCan's comments on the draft Terms of Reference and Work Plan for the environmental assessment of the Snap Lake Diamond Project.

Regards,

John
John Ramsey
Senior EA Officer
Office of Environmental Affairs

RECEIVED

AUG 03 2001

MACKENZIE VALLEY
ENVIRONMENTAL IMPACT
REVIEW BOARD

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John Ramsey
Signature

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RES-1177 (83-11)



Natural Resources
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Ressources naturelles
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Ottawa, Canada
K1A 0E4

3 August 2001

Louie Azzolini
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
Box 938
Yellowknife NT X1A 2N7

Dear Mr. Azzolini:

**Re: Draft Terms of Reference and Work Plan - Snap Lake Diamond Project
Environmental Assessment**

As requested in your July 4, 2001 correspondence, Natural Resources Canada (NRCan) has reviewed the Draft Terms of Reference and Work Plan for the environmental assessment (EA) of the Snap Lake Diamond Project. This draft is an excellent start. Our comments are summarized under three main headings - Explosives, Timelines, and Other.

Explosives

Section 1 "Introduction" of the Terms of Reference lists "explosives factory" as one of the developments identified in the Land Use Permit and Water Licence applications filed before the Mackenzie Valley Land and Water Board; this differs from statements made thereafter where the document only refers to explosives storage (e.g. section 2 - Development Description, Snap Lake Diamond Project, # 1). This ambiguity concerns NRCan for, as you are aware, our Department's status in this review changes considerably depending on whether an explosives factory licence is required. If not, our role is then likely limited to that of "expert department". If a factory licence is required, we would likely assume "responsible minister" status in this EA. The draft Terms of Reference should be clear on this; hence the need for De Beers to specify, as soon as possible, how it intends to blast rock at the Snap Lake site.

Timelines

We think it is inappropriate to list specific milestone dates (e.g. submission of Final EIS to the Review Board, November 23, 2001), as the timing of some of these dates is largely driven by the proponent. It would be more useful if the timelines listed the number of days associated with a particular milestone without assigning a specific calendar date(s).

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This also illustrates the need for the Review Board to maintain timelines that are sufficiently flexible to accommodate any changes in circumstances that might lead to slippage in the review process (e.g. where the Review Board may identify deficiencies during the latter stages of the EA process).

If the Review Board were to rule in favour of holding public scoping hearings for this EA (as opposed to simply relying on written submissions), two to three months would have to be added to the front end of current draft timelines. This further illustrates the need to treat the timelines as a "living thing" which can be modified accordingly as events dictate.

We question the need for aspects of the Review Board's internal process to be included in the timelines (e.g. Review Board's determination of conformity); this makes the document more complex/convoluted than necessary. The timelines should, therefore, focus on major decision points - what parties have to file and when.

Finally, the timelines were difficult to follow; in particular, the Excel sheet (sent July 10, 2001) which was also difficult to print out.

Other

- Listing elements of the Snap Lake Advanced Exploration Program under section 1 "Development Description", gives the impression that it is part of the Snap Lake Project, when it is not. The advanced exploration program was a separate project that has already been assessed. We would, however, assume that the Snap Lake EA would include an evaluation of the cumulative effects that are likely to result from the proposed project in combination with the Snap Lake Advanced Exploration Program and other identified developments (e.g. BHP Ekati Diamond Mine and its proposed expansion).
- Community meetings should be built into the Terms of Reference.
- The information contained in Table 1 - Milestones is presented twice (i.e. subsections 4.1 and 4.2).
- The development description is also listed twice (i.e. section 2 and subsection 5.3.2). The two lists differ slightly with respect to the explosives component (item 1), with subsection 5.3.2 including associated roads. Section 2, item 29 lists "winter road" whereas, subsection 5.3.2 lists "Lupin and mine access winter road". The Review Board may wish to consider being less prescriptive regarding specific developments, as this opens the possibility for omissions, for example, waste disposal area(s).
- The deliverable in subsection 4.1.1 inadvertently uses the term "responsible authority".

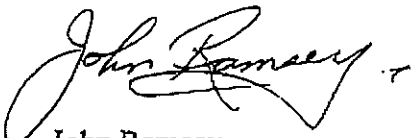
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- With respect to acid-generating rock, the Terms of Reference should consider that an effluent treatment process or plant may be needed to deal with the issue of ammonia generation and possibly acid drainage and metal leaching. This would depend on further work to determine the quantity and sulphuric concentration of potentially acid-generating material.

In conclusion, NRCan looks forward to working the Mackenzie Valley Environmental Impact Review Board and other parties involved in this review. If you have any questions, please contact me at (613) 947-1591.

Yours truly,



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