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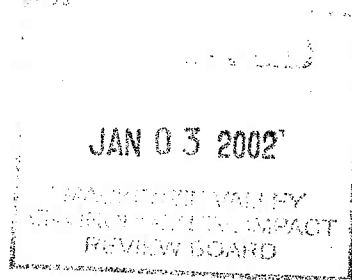
PO Box 1500
Yellowknife, NT X1A 2R3

January 3, 2002

Your file - Votre référence

Our file - Notre référence

Frank Pope
Alternate Chair
Mackenzie Valley Environmental Impact Review Board (Review Board)
Box 938
200 Scotia Centre, 5102-50th Ave
Yellowknife, NT X1A 2N7
Facsimile: 920-4761



Dear Mr. Pope:

Re: December 24th Letter from the Review Board Concerning Consultation on Measures #13 and #15, #16, and #17

I appreciate your comment on the need to allow for effective discussions by being informed in advance of INAC's and the GNWT's concerns about Measures #13, #15, #16, and #17. We understand that the NEB may wish to discuss Measure #14 and that DFO may want to discuss Measures #7 and #8. As you already know the foregoing issues and other relevant matters regarding the Review Board's Report have previously been identified to your staff.

In general terms, INAC's concerns focus on (but are not limited to) Measures #13, #15, #16 and #17 for the following reasons:

- (1) It is not clear to us that these measures prevent or mitigate any significant adverse impacts identified in the Review Board's *Report of Environmental Assessment On the Paramount Resources Ltd. Cameron Hills Gathering System and Pipeline Development* ("the report"). We will therefore be discussing that the measures be modified or re-worded to be in terms of a suggestion rather than a requirement.
- (2) Canada Benefits Plans are commitments by developers to provide for training, business and employment opportunities. The Benefits Plan for this project meets the requirements of the Canada Oil and Gas Operations Act and the Canada Petroleum Resources Act, and has been recently approved by our Minister. We have no legislative basis to unilaterally amend the plan once approved. Moreover, the Review Board has identified that there is an alternative in the form of a wildlife harvesting compensation plan, to amending the Benefits Plan and we understand that the developer is interested in pursuing this protocol.

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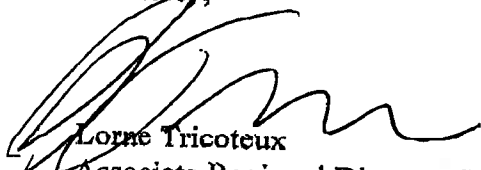
We are concerned about any confusion that may have arisen through the Review Board's letter of December 24, 2001 and January 3, 2002, regarding the participation of other parties to this consultation. It is our view that the provisions of the Mackenzie Valley Resource Management Act (Act) provide that the federal Minister and the responsible ministers are to consult with the Review Board regarding its Report. Following consultation with the Review Board, a decision will be made by the federal Minister and the responsible ministers. The decision will also be distributed by the federal Minister in accordance with the Act.

INAC and other responsible ministers do not agree to the inclusion of other parties to our consultations as we believe this would be inconsistent with the requirements of the Act and with the process followed during previous consultations with the Review Board. The Review Board can utilise its public registry to inform the general public of the progress of these consultations.

INAC and other responsible ministers fully recognize the importance of clarifying consultation procedures. However, we feel that revising consultation procedures in the context of a specific project is inappropriate; we suggest instead that there be future discussions with the Review Board (outside the forum of project specific environmental assessments) on this topic.

I hope the foregoing helps to set the basis for our scheduled discussions on January 4th, 2002.

Sincerely,



Lorne Tricoteux
Associate Regional Director General
Northwest Territories

cc: Julie Dahl, Department of Fisheries and Oceans
Guy Delisle, National Energy Board
Bob Bailey, Government of the Northwest Territories
Vern Christensen, Mackenzie Valley Environmental Impact Review Board