Minister of Indian Affairs and Northern Development



Ministre des Affaires indiennes et du Nord canadien

Ottawa, Canada K1A 0H4

FED 27 2002

Chief Lloyd Chicot Ka'a'gee Tu First Nation PO Box 4428 c/o Kakisa Lake HAY RIVER NT X0E 1G3



Dear Chief Chicot:

Thank you for your letter of December 13, 2001, concerning the Mackenzie Valley Environmental Impact Review Board's (MVEIRB) Environmental Assessment (EA) Report on the Cameron Hills Gathering System and Pipeline Project. I regret the delay in my reply.

Indian and Northern Affairs Canada (INAC) received the Cameron Hills EA Report from the MVEIRB on December 3, 2001. INAC and other responsible authorities reviewed the MVEIRB's assessment and recommendations presented in the Cameron Hills EA Report. As a result, further consultations were held between the responsible authorities and the MVEIRB in January 2002 on the EA Report recommendations.

I understand that Mr. Alan Landry, Councillor with the Ka'a'gee Tu First Nation (KTFN), Mr. Mel Benson, consultant to the KTFN and Ms. Constance McIntosh, legal counsel to the KTFN, also participated in the EA Report "consult to modify" session on January 4, 2002. The other Responsible Ministers and I reviewed the Cameron Hills EA Report and it was approved on January 11, 2002.

Your letter indicates several concerns that you have regarding technical, operational, emergency response and abandonment plans for the gathering system and pipeline. I would suggest that you contact the National Energy Board in regard to these matters.

With respect to providing financial resources to the KTFN to support its participation in the Cameron Hills energy developments, I would encourage the KTFN to continue to pursue contracting opportunities with Paramount Resources and its contractors. I am aware that funding has been provided to the KTFN through INAC's Resource Access Negotiations program in support of efforts to date.

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In closing, I would urge you to continue discussions with INAC officials in the Indian and Inuit Services Directorate, other potential funding agencies, and other potential business partners in regard to enhancing the KTFN's participation in future oil and gas development in the Northwest Territories.

Again, thank you for writing.

Yours sincerely,

Robert D. Nault, P.C., M.P.

c.c.: The Honourable Ethel Blondin-Andrew, P.C., M.P. The Honourable Jim Antoine, M.L.A. Grand Chief Michael Nadli, Deh Cho First Nations Mr. Frank Pope, MVEIRB