

December 13, 2001

The Honourable D. Robert Nault, P.C. M.P.
Minister, Indian Affairs and Northern Development
MINISTER'S OFFICE
10 Wellington St. North Tower
Hull, Quebec K1A 0H4

Dear Minister Nault:

Thank you for your letter of December 12, 2001 in which you request clarification of the Mackenzie Valley Environmental Impact Review Board's determination with respect to its *Environmental Assessment (EA) Report on the Cameron Hills Gathering System and Pipeline Development proposed by Paramount Resources Ltd.*

The Review Board's December 3, 2001 EA Report speaks to this issue on pages 16 through 18 and outlines the Board's interpretation of paragraph 128(1)(b) of the *Mackenzie Valley Resource Management Act* (MVRMA). Our reasons for decision indicate the Review Board's view that subparagraph 128(1)(b) must be interpreted in a manner consistent with paragraph 24.3.5 (a) of the *Gwich'in Comprehensive Land Claim Agreement* (paragraph 25.3.5 (a) of the Sahtu Land Claim is the same). This interpretation results in an expanded scope for the Review Board to make recommendations under subparagraph 128(1)(b)(ii) of the Act.

Pursuant to our interpretation of the MVRMA and the land claims, the Review Board made its determination on the Paramount development under the expanded scope of subparagraph 128(1)(b)(ii). As we indicated in our reasons, it is our view that you, as the federal Minister, and responsible ministers, should consider a response to our report under subsection 130(1) and the National Energy Board as the Designated Regulatory Agency should consider their response under subsection 131(1) of the MVRMA.

I trust that the nature of the Review Board's determination on the Paramount Environmental Assessment Report has been clarified to your satisfaction.

Yours truly,


Frank Pope
Alternate Chair MVEIRB

cc. Lorne Trichoteux, Assoc. RDG DIAND Yellowknife
Ms. Shirley Maaskant, Paramount Resources Ltd.
Mr. Michel Mantha, National Energy Board