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Organization: Joe Acorn MVEIRB,  
 Fax: 920-4761  
 Phone:  
 Date: Jan 8/01  
 Subject: CAMERON Hills - TOR'S  
 Pages: 5, including cover Comments

Pl. see attached

ENVIRONMENT AND CONSERVATION  
 INDIAN AND NORTHERN AFFAIRS CANADA  
 BOX 1500  
 YELLOWKNIFE, NT X7A 2R3  
 TELEPHONE: (867) 669-2589  
 FACSIMILE: (867) 669-2701

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Indian and Northern  
Affairs CanadaAffaires indiennes  
et du Nord Canada

Environment and Conservation  
P.O. Box 1500  
Yellowknife, NT, X1A 2R3

*Your file: Votre référence*

January 8, 2001

*Our file: Notre référence*

Joc Acorn  
Environmental Assessment Officer  
Mackenzie Valley Environmental Impact Review Board  
Box 938  
Yellowknife, NT, X1A 2N7

**RE: Cameron Hills Drilling Project - Draft Terms of Reference and Draft Workplan:**

Please accept the attached document as the finalized DIAND response to the Draft Terms of Reference and Draft Workplan for the Cameron Hills project. (An e-mailed document was sent to the MVEIRB on January 5<sup>th</sup> to meet the required deadline as a preliminary version).

I want to note that DIAND is disappointed that our request for an extension for the review of these documents was not considered by the MVEIRB. Since the request for review was received over the holiday period when many agencies (including the GNWT and most Band offices) had shut down for Christmas, I know that DIAND is probably not the only agency who had difficulty meeting the deadline. I respectfully suggest that if the MVEIRB is interested in obtaining full value for their consultation efforts, that consideration be given to such issues in future consultation exercises.

Please do not hesitate to contact me for any assistance DIAND may be able to provide during this current assessment. Thank you for the opportunity to comment.

Sincerely,

Maric Adams  
Environmental Specialist

Canada

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**Cameron Hills Drilling Project - Environmental Assessment  
DIAND Comments - Draft Terms of Reference and Draft Workplan**

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**General Comments:**

DIAND supports the MVEIRB's decision to define the scope of assessment to those issues raised in the referral.

What is somewhat unclear is the MVEIRB's letter of December 11, 2000 to Paramount and its relationship to this EA. It is noted that certain requirements of this letter appear to be supplemental to what is requested in the current draft Terms of Reference while others are included in the current TORs. Discussions with Board staff have indicated that the letter was in part intended to address not only this EA but potential expansion of Paramount's activities in the region.

Does the Board have information with regard to a potential expansion of this project? If so, it is suggested that the proponent be advised that it is in their best interest to declare this at the outset and thereby enable a consolidated EA of all its operations in the area. The current indications are that Paramount has decided to withdraw for the time being from continuing this development. If this is the case, the EA should be postponed till the company finalizes future plans for development.

On the other hand if there is no indication of expansion at this point, the scope of assessment and the terms of reference will necessarily need to be confined to reflect current activities and should not be expanded to include the likelihood potential future (as yet unknown) activities.

A couple of minor points are: Section 5 of the TORs - EA decision process. This would seem to fit more appropriately in the Workplan as it speaks to 'process' rather than actual directions to the proponent.

Similarly, in the Workplan, is the description of the development necessary given that the purpose of the workplan is to lay out the process of the EA.

**1. Approach to completion of the EA**

The overall approach seems reasonable (to scope the assessment to the issues that were raised in the referral).

**2. Directions to developer in the Terms of Reference (TOR)**

**Section 2 - Scope of Development**

It is recommended that the last bullet under principal development be deleted. It doesn't seem appropriate for the scope to include the ten future wells whose location we do not know at this time. It seems likely that the proponent would have to apply for another land use permit to

develop these wells, and that they should be assessed at that time.

Section 4.1.1 - Some of the information required seems onerous. For example, what is the purpose of knowing the individual responsibilities of the people managing the project ?

Section 4.1.2 - the MVEIRB refers to surface interests the company intends to secure through the Land Use Permit and/or other tenure arrangements. It should be understood that a land use permit is not a surface interest, nor does it provide any tenure. It is a permit. It allows an activity otherwise prohibited in law.

Section 4.1.5 - It would be useful to have a list of any concerns raised as well as how these would be addressed. Add word "concerns and" before "how any concerns ..." to this provision.

Section 4.1.6 - alternatives. Caution should be exercised when providing examples which seem to reflect a bias, since the examples given seem to call into question the Legal Principle 1.1(ii), appended to the accompanying Work Plan, which is a rule against pre-judging a case. The suggestion is to simply ask the developer to provide information on consideration of alternatives for mitigating potential impacts and justifications for the choices made.

Section 4.1.7 - This section needs work as some of the requested information seems onerous while other information requests need to be more clearly articulated. This section should be written in close consultation with the NEB, who has the technical expertise in relation to flaring and venting issues. Specific comments on this section include:

#1 - This point seems to pose questions the answers to which are the purpose of the project. Although Paramount can, for existing wells, provide records of gas chemistry, and perhaps flow rates - although these last may be proprietary secrets - it does not seem reasonable to be asking for estimates of emission rates of as yet undrilled wells. Clearly, the purpose of drilling the wells is to discover, in part, the flow rate and flow recovery rate of the gas discovery. Estimates today would appear to be unreliable and unnecessary.

#4 - what does "atmospheric stability" refer to ?

#6 - This point should be expanded to include a more clear description of what area the "region" includes and the types of parameters that should be included in the baseline data.

#8 - The proponent should also be asked to predict the significance of the potential impacts.

Section 4.1.8 - The proponent should be asked to predict the significance of the cumulative impacts (although if this is included in the Interim Guide, perhaps it does not need to be explicitly stated in the Terms of Reference).

### 3. Comments on Workplan

P. 13/14, Preparation and Submission of EA Report

The items to be included in the EA Report that are listed on p. 14 seem to be more appropriate in the Terms of Reference for the EA report. It is noted that most of these items have not been included in the TOR for this development. The suggestion is that they should be included in the TORs unless already submitted as part of the original preliminary screening in the Environmental Screening Report for the project.

Section 5.2, p. 16, Table 3 - timing of EA Report submission

How can the proponent submit their EA Report with all the new data required on the same day that the information requirements for that report are issued in the Terms of Reference? This does not seem reasonable, even if the proponent has been aware of the likely requirements and has been doing some data collection in advance. The dates should all be amended that for that step to reflect realistic timeframes, and subsequent dates revised.