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Mackenzie Valley Environmental Impact Review Board
PO Box 938, 200 Scotia Centre
5102 - 50th Avenue
Yellowknife, NT
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Attention: Mr. Todd Burlingame, Chairman

Dear Todd:

Thank you for the opportunity to provide comments on the Mackenzie Valley Environmental Impact Review Board's (MVEIRB) December 18, 2003 Draft Work Plan for the Environmental Assessment of the Mackenzie Valley Gas Pipeline Project (the draft Work Plan). In commenting on the draft Work Plan, I wish to highlight two concerns and recommend ways to address these concerns.

Process to Determine Significant Public Concern

The draft Work Plan proposes a multi-month process, including public hearings, to determine if significant public concern exists to refer the proposed Mackenzie Gas Project (the proposed Project) to a panel review. While Imperial Oil Resources Ventures Limited (Imperial), designated operator of the proposed Project, understands the MVEIRB's need to determine if significant public concern exists to warrant such a referral, Imperial believes sufficient evidence of such concern already exists. By way of example, letters to the Mackenzie Valley Land and Water Board regarding the July 2003 Camsell Bend Development applications, and records of the proceedings of the regional workshops of the proposed Project's environmental impact statement illustrate significant public concern about the proposed Project. This correspondence and these records are available to the MVEIRB.

Should the MVEIRB find it necessary to gather additional evidence of significant public concern or to corroborate such evidence, Imperial believes this can be done in a more timely manner by soliciting written comments from the public.

The timeliness of the process used by the MVEIRB is important. The draft Work Plan estimates that the Phase 1 portion of the MVEIRB's environmental assessment will take six to seven months commencing from the date of referral to the MVEIRB for an environmental assessment. This is in marked contrast to the June 2002 Cooperation Plan's statement that

"within 60-90 days of referral for environmental assessment and with input from the Mackenzie Valley communities, the MVEIRB will evaluate the Project for public concern".

Our concern over timeliness and commitment to the Cooperation Plan is further heightened by the observation that, in total, the review and assessment of the Camsell Bend Development applications under the Mackenzie Valley Resource Management Act could take twice as long as the eight months identified in the Cooperation Plan. The resultant delay in the issuance of the environmental impact statement Terms of Reference would delay the filing of regulatory applications for the proposed Project. In turn, it could delay the start of natural gas production by possibly a year if a winter construction season is missed.

Scope of the Development

The second concern we have with the draft Work Plan is the description of the scope of development for the proposed Project. We believe that it is too broadly defined on two accounts.

First, the scope of development should expressly exclude preliminary and investigative activities required to support the design of the proposed Project. In describing the proposed Project in the Mackenzie Gas Project Preliminary Information Package, the proponents explicitly excluded "environmental field studies and other activities of a preliminary investigative or evaluative nature". In our opinion this would include, for example, environmental and traditional knowledge field studies, geotechnical work and trencher trials, engineering surveys, geophysical surveys, bathymetric surveys, and the like.

Second, the scope of development in the draft Work Plan includes activities and developments "within the Mackenzie Valley as well as outside the Mackenzie Valley". The MVEIRB should confine its assessment to those facilities, undertakings and activities occurring within the Mackenzie Valley. Other environmental and regulatory agencies have authority over facilities, activities and impacts outside of the Mackenzie Valley.

While these are our principal comments and recommendations on the draft Work Plan, additional comments on specific aspects of the draft Work Plan are attached to this letter.

We appreciate the opportunity to provide comments on the draft Work Plan and trust our comments will be helpful to the MVEIRB.

Yours truly,
Imperial Oil Resources Ventures Limited

Peter D. Grout
Manager, Regulatory Affairs

Enclosures

