Environment and Conservation Renewable Resources and Environment 4914-50th Street, 10th Floor Bellanca Building P.O. BOX 1500 YELLOWKNIFE, NT X1A 2R3

February 5, 2004

Kimberley Cliffe-Phillips Mackenzie Valley Environmental Impact Review Board 5102-50th Avenue, P.O. BOX 938 YELLOWKNIFE, NT X1A 2N7

Dear Ms. Cliffe-Phillips:

Re: Indian and Northern Affairs Canada Responses to the Mackenzie Valley
Environmental Impact Review Board's Information Requests #1.2.136, and #1.2.137
for the Paramount Cameron Hills Extension Environmental Assessment (EA03-005)

Please find attached Indian and Northern Affairs Canada's (INAC's) response to the noted information requests. I trust that the information provided will be of assistance to the Mackenzie Valley Environmental Impact Review Board (Review Board) in it deliberations. If the Review Board has any questions or requires additional clarification with respect to the information provided, please do not hesitate to contact me at (867) 669-2587.

Sincerely,

Fraser Fairman
Environmental Scientist,
Environment and Conservation Division

Mackenzie Valley Environmental Impact Review Board Paramount Cameron Hills Extension Environmental Assessment (EA03-005) Indian and Northern Affairs Canada's Response Dated February 5, 2004

IR Number 1.2.136 and 1.2.137

Source: Fort Providence Metis Council

Ka'a'Gee Tu First Nation

To: Indian and Northern Affairs Canada

DAR Section: n/a

Terms of Reference: n/a

Preamble

Government agencies that issue authorizations must discharge the Crown's fiduciary duty in an effort to justify infringement of the FPMC and the KTFN's aboriginal rights in accordance with case law (e.g. *Powley*). The Supreme Court of Canada has established conditions that must be satisfied in this process such as ensuring that the FPMC and the KTFN receive economic benefits from the land and resources and that management decisions and processes about the land and resources must include significant FPMC and KTFN involvement, with the bare minimum being deep and meaningful consultation.

The key principles of consultation are set out in the attached Deh Cho Consultation Principles.

Request

Please provide the MVEIRB with the following information:

Please explain how your organization has fulfilled it fiduciary duty to the FPMC and the KTFN in relation to this project. Specifically, please explain how the Deh Cho Consultations Principles have been satisfied.

INAC RESPONSE

The Mackenzie Valley Resource Management Act ("MVRMA") has established institutions of public government to undertake environmental assessment and environmental impact review of developments. It is INAC's position that the Mackenzie Valley Environmental Impact Review Board, (Review Board) and the Mackenzie Valley Land and Water Board, (MVLWB) are the primary vehicles for effective environmental assessment consultation with First Nations and Metis groups impacted by proposed developments. The Review Board is to ensure that the concerns of Aboriginal people and the general public are taken into consideration during these processes, including an opportunity for participation in

the environmental assessment process.

Given that the Review Board's environmental assessment process for the Paramount Resources Limited project is currently underway and the regulatory process has not yet begun, INAC will await the conclusion of these processes before making any decision with respect to potential infringement and Aboriginal consultation related to this project.

Upon conclusion of the environmental assessment and regulatory processes, should a First Nation or Metis group assert an infringement of an Aboriginal or treaty right, it will be dealt with by INAC in accordance with its obligations as outlined by the Supreme Court of Canada relating to Aboriginal consultation.