

File: EA1314-02

May 21st, 2014

Mr. Simon Toogood Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board 200 Scotia Centre Box 938, 5102-50th Ave Yellowknife, NT X1A 2N7

Re: Government of the Northwest Territories Technical Report DeBeers Canada Inc. Snap Lake Environmental Assessment – EA1314-02

Please find attached the Government of the Northwest Territories' (GNWT) technical report for EA1314-02. GNWT has fully participated in each step of the regulatory and environmental assessment (EA) of this project to date. We look forward to providing further information to the Mackenzie Valley Environmental Impact Review Board (the Review Board) and the Mackenzie Valley Land and Water Board (MVLWB) for their reviews of the project.

On December 10, 2013, DeBeers Canada Mining Inc. (De Beers) filed an application with the MVLWB for various water licence amendments, including proposing changes to total dissolved solids (TDS)-related water licence limits. Since the currently regulated limits for TDS originate from measures recommended by the Review Board in the 2003 Report of Environmental Assessment of the Snap Lake Diamond Mine and approved by the Responsible Ministers, the MVLWB referred the application to the Review Board on January 22, 2014. The scope of the development for this environmental assessment is limited to the proposed increase in TDS and related constituents in Snap Lake and the downstream environment. Additional amendments included in the December application, as well as amendments related to TDS and its constituents, will be addressed during the regulatory process pending the outcome of the EA.

Due to the narrow scope of this EA, the two GNWT Departments engaged in the EA are Environment and Natural Resources (ENR) and Lands. The primary ENR divisions participating in the review are Environment and Water Resources. However, other divisions and departments have been kept apprised of the project and concerns that have arisen in the review process to date. For example, ENR-Wildlife has considered the issue raised during the technical sessions regarding potential impacts to wildlife and has provided comments in Appendix 3 of the GNWT Technical Report. The North Slave Regional Office in the Department of Lands has also participated in the GNWT's review process.

As part of this EA review process, GNWT retained MacDonald Environmental Services Limited to provide technical review and to participate in the public hearing. The expert's report, Development of Water Quality Objectives for Total Dissolved Solids and Chloride in Snap Lake, Lockhart River, and Associated Receiving Waters is provided as Appendix 1 and curricula vitae of retained experts are provided in Appendix 2.

The Minister of Aboriginal Affairs and Northern Development Canada has delegated to the GNWT Minister of Lands certain powers, duties and functions under Part 5 of the *Mackenzie Valley Resource Management Act (MVRMA)*. As requested during the May 13, 2014 pre-hearing conference, the GNWT confirms that these delegations apply to this environmental assessment. Specifically, the Minister of Lands will receive and distribute the Report of Environmental Assessment under the *MVRMA* paragraph 128(2)(a), will participate in and distribute decisions made under paragraphs 130(1)(a) and (b) and subsections 130(3), 130(4) and 130(4.01), and will have the power to extend time limits under subsections 128(2.2) and 130(4.03). The GNWT further confirms that the GNWT Minister of ENR has the delegated authority to approve the water licence amendment under the *MVRMA* section 72.13, pending the outcome of the environmental assessment.

If you have any questions or require any additional information, please contact Lorraine Seale at (867)765-6786 or Lorraine_Seale@gov.nt.ca. The GNWT looks forward to participating in the public hearing.

Sincerely,

Terry Hall

Director, Land Use and Sustainability