



NEB File: 2620-D-4-7
Review Board File: EA03-005
18 April 2005

Louise Mandell, Q.C.
Mandell Pinder
Barristers & Solicitors
500 – 1080 Mainland Street
Vancouver, BC V6B 2T4
Via Fax : 604-681-0959

Dear Ms. Mandell,

Subject: National Energy Board Proposed Modifications to the Mackenzie Valley Environmental Impact Review Board (Review Board) Recommendation on the Paramount Resources Ltd. (Paramount) Cameron Hills Extension Project (Project)

The National Energy Board (NEB) is responding to your letter of 13 December 2004 asking the NEB to consider recent Supreme Court decisions, withdraw modifications it is proposing to the Review Board's recommendation on the Project and include the Ka'a'Gee Tu First Nation in post-report decision making.

According to sections 114 and 115 of the *Mackenzie Valley Resource Management Act* (MVRM Act), a purpose of the MVRM Act is to establish an environmental assessment process that will:

- ensure that the concerns of aboriginal people and the general public are taken into account,
- have regard to the protection of the environment and of the social, cultural and economic well-being of residents and communities in the Mackenzie Valley, and
- be carried out in a timely and expeditious manner.

The Review Board has conducted an Environmental Assessment of the Project and has issued its report containing its recommendation. The NEB, as designated regulatory agency, must consider the report and make a decision on it as required by subsection 131(1) of the MVRM Act. By virtue of subsection 131(2), the NEB will be required to carry out, to the extent of its authority, any recommendation that it adopts.

.../2.

During this process, the NEB has sought input from the Ka'a'Gee Tu First Nation and other parties to the Environmental Assessment, has reviewed the comments made by those parties to the Review Board and by the Review Board to the NEB and has followed applicable judicial authority. The NEB has considered all of the concerns that have been raised and will be making its decision required by subsection 131(1) of the MVRM Act.

Yours truly,



T.M. Baker

Chief Conservation Officer

c.c.: Mr. Allan Landry, Ka'a'Gee Tu First Nation, via fax: 867-825-2002
Ms. Mary Tapsell, Mackenzie Valley Environmental Impact Review Board, via email:
MTapsell@mveirb.nt.ca
Mr. Fraser Fairman, Indian and Northern Affairs Canada, via email:
fairmanf@inac-ainc.gc.ca