

Indian and Northern
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Your file Votre référence

Our file Notre référence

July 6, 2006

Ms. Sharon Pellisey
Executive Director
Pehdzeh Ki First Nation
General Delivery
WRIGLEY NT X0E 1E0

Dear Ms. Pellisey:

**Re: Dehcho Interim Land Withdrawal Agreement and Report of
Environmental Assessment on the Imperial Dehcho Geotechnical
Program**

We have recently received copies of June 26, 2006 letters to Ria Letcher, Dehcho First Nations Assistant Negotiator, from Tim Lennie and yourself, confirming the Pehdzeh Ki First Nation's support for the Dehcho Interim Land Withdrawal Agreement. This Agreement, recently negotiated between Canada and the Dehcho First Nations, is a successful and important step forward in the Dehcho process.

As you are aware, Imperial Oil Limited has proposed a geotechnical research program, including a small drilling program in the area of the Blackwater River. The geotechnical program, including proposed work in the Blackwater River area, was assessed by the Mackenzie Environmental Impact Review Board, which determined that the project could proceed subject to a number of mitigative measures.

With respect to recommended Measure 13 in the Review Board's *Report of Environmental Assessment and Reasons for Decision* for the proposed geotechnical program, Indian and Northern Affairs Canada has reviewed it in light of the Interim Land Withdrawal Agreement.

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- 2 -

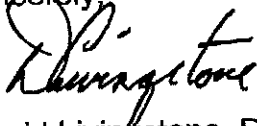
Together with the other Responsible Ministers for this development (Environment Canada, Fisheries and Oceans Canada and the Government of the Northwest Territories), we have determined that the wording originally proposed by the Review Board is inconsistent with the terms of this Agreement. In order to respect the understanding reached between Canada and the Dehcho First Nations, we propose the following wording for Measure 13 instead:

In order to prevent significant adverse social and cultural impacts on the people of the Pehdzeh Ki First Nation in the Blackwater River area and in recognition of the interim land withdrawals negotiated between Canada and the Dehcho First Nations, Imperial shall conduct that portion of its proposed development described in Imperial Oil Resource Ventures Limited's October 27, 2003 Application for Land Use Permits and in the Mackenzie Valley Environmental Impact Review Board's February 18, 2005 *Report of Environmental Assessment and Reasons for Decision* as Borrow Site 9.044B, Borrow Site 9.044A and the Blackwater River Crossing Site, wholly within the pipeline study corridor (subsurface-only withdrawal) negotiated in the Interim Land Withdrawal Agreement.

Several of the other measures proposed for adoption will also contribute to the modification of significant environmental impacts in the Blackwater River area; I would note in particular that Measure 6, as modified, will require Imperial to fund Pehdzeh Ki First Nation to hire its own Community Environmental Monitors, who will conduct field observation prior to work beginning and be able to make reports for Imperial's consideration in planning and managing the geotechnical work. I have attached a list of the proposed measures for your information.

If you have any concerns with the proposed wording above for Measure 13, I would appreciate you advising us accordingly and would ask that you respond no later than July 15, 2006. If you would like to discuss this matter further, please do not hesitate to contact me at 867-669-2647.

Sincerely,



David Livingstone, Director
Renewable Resources and Environment

cc. Gabrielle Mackenzie-Scott, Chair,
Mackenzie Valley Environmental Impact Review Board

FACSIMILE TRANSMISSION

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Comments:

