

June 18, 2012

Richard Edjericon Chairperson Mackenzie Valley Environmental Impact Review Board Box 938 Yellowknife NT X1A 2N7

Dear Mr. Edjericon

Re: EA0809-001 [2008] Response to Review Board Information Request Round Three (Stable Funding Mechanism)

Alternatives North has reviewed the AANDC/GNWT response to the May 7, 2012 Information Request sent by the Review Board on a stable funding mechanism. Unfortunately, the response fails to answer the specific question of establishing a stable funding mechanism.

We note that AANDC has only marginally shifted its May 11, 2011 position (response to AN Round One IR#22) from an outright refusal to investigate funding options to "potentially propose a new funding mechanism" at some unspecified point before the final phase of the project, as much as 20 years in the future. The reliance on phased approval through the federal government budgetary process may be appropriate for the initial capital intensive portion of the project but it does not answer the concerns and interests of Yellowknifers in having some confidence that there is the capacity and resources for perpetual care of the site.

We had hoped for a firm commitment to examine and collaboratively develop and evaluate funding options, well in advance of completion of the active remediation by the project. A reasonable target date should be set for such an exercise, such as within a year of the completion of the environmental assessment.

Specifically, we seek an analysis and collaborative evaluation of financial models and approaches, beyond annual budgets, to begin to ensure funding for perpetual care requirements. Some of this analysis has already been completed by the Pembina Institute who, at the request of Alternatives North and the Yellowknives Dene First Nation prepared a submission on long-term funding options for perpetual care. This submission was filed with the Review Board on April 24, 2012:

http://www.reviewboard.ca/upload/project_document/EA0809-001_Giant_Mine_Perpetual_Care_Funding_Options.PDF Unfortunately, the Developers completely ignored this information, and did not acknowledge that the work was done. This is not a good sign and demonstrates that the Developers have not learned from the work or accommodated the interests of the parties to the ongoing environmental assessment. There also appears to be a lack of creativity and learning from experience in other jurisdictions. This sort of approach engenders little confidence in the capacity and commitment to properly plan for and ensure collaborative perpetual care of the site.

In addition, we had hoped that the Developers would recognize that long-term funding for the Giant Mine has a broader context, as part of a perpetual care plan that is required for the site. Such a plan would cover:

- Robust public reporting and disclosure of information, independent oversight and trust building measures that include formal apologies and compensation for past mistakes;
- Communicating with future generations around the site history, remediation activities and long-term care and maintenance;
- Conservation and preservation of site records using multiple media and locations;
- Site designations and markers that help build institutional and societal memory;
- Remediation options that minimize energy use, require low technology and work with natural processes, including ultimate failure;
- Creative planning including scenarios, using diverse interests and experiences;
- Development of an actual perpetual care plan that includes the transition of a site from active remediation to perpetual care.

The above elements are taken straight from our May 31, 2012 letter to the Commissioner of the Environment and Sustainable Development, copied to the Developers and submitted to the public registry on June 5, 2012:

http://www.reviewboard.ca/upload/project_document/EA0809-001_AN_letter_to_Commissioner_of_Environment.PDF

It appears that planning and preparation for perpetual care, including funding options, will be a major theme for the upcoming public hearing. Alternatives North will be there with ideas and approaches.

Finally, we note that the response again makes reference to the Site Stabilization Plan. We requested on March 8, 2012 that the Review Board compel the Developers to submit this document. Over three months later, we note that the Developers have yet to submit the Site Stablization Plan for the public registry. We again request that the Developers submit this Plan with supporting technical documents as soon as possible, and if not by June 18, 2012, that the Review Board compel the production of the Plan and supporting documents.

We would be pleased to discuss these matters with the other parties and your staff in an effort to resolve the outstanding issues in a constructive manner.

Sincerely,

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Kevin O'Reilly Alternatives North

cc. Chiefs, Yellowknives Dene First Nation Adrian Paradis, A/Manager, Giant Mine Team, AANDC Hon. Michael Miltenberger, Minister of Environment and Natural Resource, GNWT Gordon Van Tighem, Mayor, City of Yellowknife Yellowknife MLAs Willard Hagen, Chair, Mackenzie Valley Land and Water Board Scott Vaughan, Commissioner of the Environment and Sustainable Development