



Canadian Northern Economic  
Development Agency

Agence canadienne de développement  
économique du Nord

MAY 26 2015

Simon Toogood  
Mackenzie Valley Environmental  
Impact Review Board  
P.O. Box 938  
Yellowknife, NT, X1A 2N7

VIA EMAIL

Dear Mr. Toogood:

**RE: Response to IRs – Government of Canada: - Husky Oil Operations Limited – Chedabucto Mineral Exploration Project Environmental Assessment (EA1415-02)**

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Please accept the attached response to the 2<sup>nd</sup> round Information Request (#7) from the Tłıchǵ Government as directed to Canada.

If you have questions regarding this letter, please contact David Alexander, Project Manager (867-669-2595; david.alexander@cannor.gc.ca).

Sincerely,

Matthew Spence  
Director General  
Northern Projects Management Office  
Canadian Northern Economic Development Agency

cc: Mohan Denetto, Regional Director General, Northwest Territories Region,  
Aboriginal Affairs and Northern Development Canada  
Mark Cliffe-Phillips, Executive Director, Mackenzie Valley Environmental  
Impact Review Board  
Myra Robertson, Head, Western Arctic Unit, Canadian Wildlife Service,  
Environment Canada  
Sjoerd van der Wielen, Tłıchǵ Government  
Ken Hansen, Project Manager NWT, Husky Oil Operations Limited

Canada

**Government of Canada's Response to IR#7 from the Tłıchq Government  
Husky Chedabucto Mineral Exploration Project  
EA1415-02 (2015)**

**Tłıchq Government Information Request #7**

**Comment**

The Tłıchq Government has identified a concern with the four leases held by Husky that have been identified as key migratory bird habitat and as desirable for inclusion in the Dinàgà Wek'èhodì National Wildlife Area. The Tłıchq have concluded that there may have been a failure to properly consider these issues at the time of issuance of the mineral leases to Husky. For reasons of habitat and animal protection, Tłıchq have identified a need to include these leases as part of the Dinàgà Wek'èhodì National Wildlife Area.

**Recommendation**

Canada needs to inform on the consideration of the sensitivities associated with the issuance of these mineral leases to this area at the time of issuance of the leases.

**Response**

With the devolution of land and water management responsibility to the Government of the Northwest Territories ("GNWT") on April 1, 2014, Aboriginal Affairs and Northern Development Canada ("AANDC") no longer administers the mineral rights in question.

On June 2, 2010, the Canadian Wildlife Service of Environment Canada agreed to sponsor Dinàgà Wek'èhodì (formerly Kwet's ootla) as a candidate National Wildlife Area ("NWA") upon request by the Tłıchq Government and as part of the NWT Protected Areas Strategy ("PAS"). Environment Canada has an interest in advancing the creation of this NWA due to bird habitat associated with the north shore of the North Arm of Great Slave Lake. The objective of a NWA is to conserve nationally significant wildlife, particularly migratory birds and species at risk, and wildlife habitat for the purposes of conservation, research and/or interpretation. This designation also can afford protection to many other interests in the area, including the cultural resources and recreational values.

The Government of Canada started the process for an Interim Land Withdrawal for the Dinàgà Wek'èhodì area of interest in 2011, including public consultations conducted by Environment Canada in June of that year.

The mineral claims referenced in this information request were submitted by Husky Oil Operations Limited ("Husky") on December 21, 2011, for recording under the *Northwest Territories and Nunavut Mining Regulations* ("Mining Regulations"). In the mineral claim recording process, a review was conducted to determine whether the lands are open for prospecting and staking. Lands that are not open include those for which mineral rights or

interests have already been granted to third parties, those that have been withdrawn from disposal or set apart and appropriated by the Governor in Council, and those that are subject to a prohibition on prospecting or staking under an approved land use plan. The claimed areas for Husky's proposed Chedabucto Mineral Exploration Project (the "Project") met all of the Mining Regulation requirements and were recorded.

On September 27, 2013, following the recording of the mineral claims for the Project, lands partially overlapping with the Project area were withdrawn by the Governor in Council from disposal in order to facilitate the establishment of the Dinàgà Wek'èhodì NWA. The PAS process, now administered by the GNWT, explicitly respects existing third party rights and interests, including recorded mineral claims. As such, recorded mineral claims in the area were not included in the Interim Land Withdrawal. Upon devolution of land and water management responsibility, the GNWT extended the withdrawal of the lands in question to October 9, 2015. Land withdrawals do not apply to existing rights and interests, including the recorded claims for this Project.

Because the Project is located in the Wek'èezhìi Resource Management Area, Husky applied to the Wek'èezhìi Land and Water Board ("WLWB") for a land use permit necessary for the Project to proceed. Under the *Mackenzie Valley Resource Management Act* ("MVRMA"), the WLWB is responsible for screening such applications to determine whether they might have a significant adverse impact on the environment or might be a cause of public concern, and if so, to refer them for an environmental assessment ("EA"), as is the case of this Project.

It is then the responsibility of the Mackenzie Valley Environmental Impact Review Board ("MVEIRB") to assess the environmental impacts of the proposed Project, including any effect on land, water, air or any other component of the environment, as well as on wildlife harvesting, and including on the social and cultural environment or on heritage resources. On the completion of an EA, MVEIRB has several options, including recommending that a project be rejected, or that the approval of a project be made subject to the imposition of such measures as it considers necessary to prevent any significant adverse impacts on the environment. Any adopted measures must then be included in any licence, permit or authorization for the carrying out of the proposed Project.

Canada supports the current EA process being carried out by MVEIRB as the appropriate means to assess the possible environmental impacts and consider preventative measures for inclusion in any licences, permits or authorizations required for this Project to proceed. Canada encourages the Tłıchq Government to make their views known to MVEIRB and regulators with respect to their interests and concerns in the Project area.