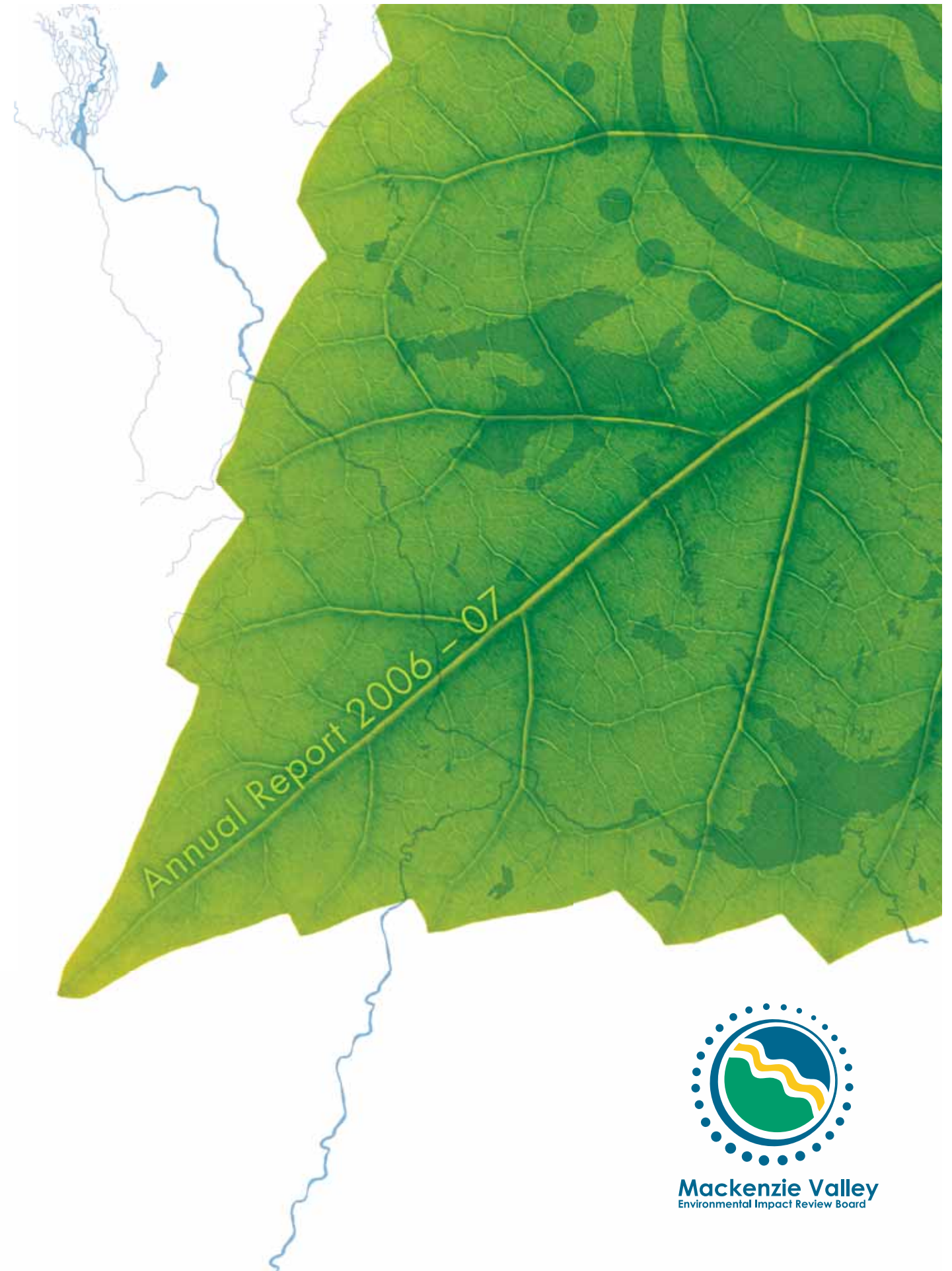




**Mackenzie Valley**  
Environmental Impact Review Board

Box 938, 200 Scotia Centre,  
5102-50th Avenue,  
Yellowknife, NT. X1A 2N7  
Phone: (867) 766-7050  
Fax: (867) 766-7074  
Toll Free: 1-866-912-3472 (NT/NU/YT only)  
[mveirb.nt.ca](http://mveirb.nt.ca)



**Mackenzie Valley**  
Environmental Impact Review Board

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## OUR VALUES

- Relationships based on mutual respect, trust and honesty
- Acting with integrity, objectivity and fairness
- Accountability, quality and efficiency in our work
- Consensus decision-making
- Transparency, accessibility and openness in our processes
- The diversity of the Mackenzie Valley










## Gabrielle Mackenzie-Scott

*Ms. Mackenzie-Scott was originally nominated to the Review Board by the Dogrib Treaty 11 Council. She has been a board member since November 2003. She was appointed Chairperson in March 2005. Ms. Mackenzie-Scott currently lives in Yellowknife.*



# MESSAGE FROM THE CHAIRPERSON



I am pleased to present the Mackenzie Valley Environmental Impact Review Board's Annual Report for 2006 - 07. The Review Board has continued its drive to produce quality environmental impact assessments (EIA) and has reached many milestones over the 12 month period from April 2006 to March 2007.

Review Board members, as well as staff, are keenly aware of our important role in the north at this time of intense development pressure and strong environmental concerns. As I watch my grandchildren begin their life long exploration of what the world has to offer, I am glad we are committed to producing quality environmental impact assessments that protect the environment for future generations and enable the best of opportunities yet to come.

At the start of the 2006 - 07 fiscal year, the Federal and responsible Ministers approved the Review Board's recommendation to reject the New Shoshoni proposed development. The Review Board had eight other active environmental assessment files for much of the year. Two Reports of Environmental Assessment are with the Minister of Indian and Northern Affairs Canada awaiting consideration.

One environmental assessment was ordered by the Review Board to environmental impact review. This is only the second time that the Review Board has taken the step of ordering a proposed development to the highest level of EIA. The first environmental impact review ordered was the proposed Mackenzie Gas Pipeline Project.

This second environmental impact review was ordered to examine the proposed DeBeers Gahcho Kue Diamond Mine. The developer challenged our decision through a Judicial Review in the NWT Supreme Court. After a period of about 8 months, the court upheld the Review Board's decision; confirming that the necessary care and diligence was exercised by the Review Board. The Court also elaborated on the flexibility that the Review Board is granted by the *Mackenzie Valley Resource Management Act* in carrying out its EIA obligations. This clarification creates greater certainty regarding the EIA process in the Mackenzie Valley for all stakeholders.

Some environmental assessments were delayed this fiscal year as developers re-evaluated the timing and scope of their respective developments.

Demonstrating leadership in EIA and increasing participation in the EIA process have continued to be priorities in 2006 - 07. Review Board and staff have been active participants in the NWT Board Forum. The Board Forum addresses common issues of the various resource management boards in the NWT. Recent initiatives have included developing common strategic and business planning guidelines for Board Forum members, delivering much needed training events and creating a common website portal for boards and the public to readily access information about the EIA and regulatory regime in the NWT.

The Review Board continues to forge good trans-boundary working relationships with neighbouring jurisdictions. A cooperation agreement was signed with the new Yukon Socio-economic

and Environmental Assessment Board. Initial discussions were held with both the Alberta Environment and the Canadian Environmental Assessment Agency about joint assessment of transboundary projects.

After two years of work, we completed *Socio-Economic Impact Assessment Guidelines* for EIA in the Mackenzie Valley. These guidelines are the first of its kind given the uniquely broad mandate of the Review Board. The *Socio-Economic Impact Assessment Guidelines* complement the general *Environmental Impact Assessment Guidelines* and the *Guidelines for Incorporating Traditional Knowledge in Environmental Impact Assessment*.

The Review Board also produced an “EIA Guidelines: Overview” document intended for people not so intimately involved in the EIA process, as well as, a short article on the “History of the MVEIRB” describing the evolution of the *Mackenzie Valley Resource Management Act* and the Review Board as an outcome of land claims negotiations in the Mackenzie Valley.

The Review Board made a concerted effort again this fiscal year to work with the Department of Indian and Northern Affairs Canada to address the issue of unstable and insufficient funding for the Review Board. This issue remains under study by the department and underscores the capacity issues that exist, not just for the Review Board but also for other stakeholders. For example, communities and aboriginal groups require the necessary funding to participate in the Review Board’s EIA processes in an effective and timely manner; capacity is also required to document and interpret traditional knowledge to assist the EIA process; resources are required to ensure federal departments can address their consultation obligations with Aboriginal people pursuant to Section 35 of

the *Constitution Act* (1980) in a timely manner; and resources are required to implement much needed monitoring, reporting and evaluation of measures recommended by Reports of Environmental Assessment; and regional land use plans are needed to guide developers and assist the EIA process as well. When these capacity issues are addressed all stakeholders will be in a much better position to achieve quality and timely EIA envisioned by the *Mackenzie Valley Resource Management Act*.

Presentations have been made at numerous events to raise awareness and keep stakeholders informed of the Review Board responsibilities and its process. We conducted another highly successful EIA Practitioner’s Workshop in February this year. Participants from government, industry, communities, resource management boards and neighbouring jurisdictions attended. The theme of the workshop was “Do Early Work” stressing the need for early and meaningful communication to facilitate timely EIA.

These are only some of the highlights of our work in 2006 - 07. A fuller description of the results of the Review Board efforts over the past year is given in the following pages of this annual report. It has been a very busy and a very rewarding year.

Mahsicho,



Gabrielle Mackenzie-Scott  
Chairperson



# ABOUT THE REVIEW BOARD

The Review Board is an independent administrative tribunal established when the *Mackenzie Valley Resource Management Act* came into effect in 1998. The Review Board conducts environmental assessments and environmental impact reviews in the Mackenzie Valley of the Northwest Territories (this excludes the Inuvialuit Settlement Region in the north and the Wood Buffalo National Park in the south.) The Review Board is responsible for ensuring that environmental impacts, and the concerns of Aboriginal people and other members of the public, are considered carefully during the environmental impact assessment (EIA) of a proposed development. *Environment includes the biophysical, social, economic and cultural features that a proposed development may impact.*



Fig 1. Map of the Mackenzie Valley, Northwest Territories

Back row (LR): Jerry Loomis, John Ondrack, John Stevenson, Richard Edjericon, Charlie Snowshoe  
Front row (LR): Danny Bayha, Chairperson Gabrielle Mackenzie-Scott, Nora Doig



# MEMBERSHIP

The Review Board consists of nine members appointed by the Minister of Indian and Northern Affairs Canada. The Chairperson is typically appointed on the nomination of the Review Board directly, whereas the eight regular board members are appointed in equal numbers from nominees submitted by either the territorial or federal government and land claimant organizations. As a result, the Review Board is called a “co-management” board, made up of half land claimant nominees and half government nominees.



*John Stevenson, Vern Christensen and John Ondrack at Prospectors and Developers Association of Canada Conference, March 2007*

During the 2006 - 07 fiscal year, there were a number of departures, reappointments and one new person joining the Review Board.

Mr. Percy Hardisty's term expired on October 26, 2006. Mr. Hardisty had not participated directly in board business since the summer of 2004, the time of his appointment to the Joint Review Panel, which is conducting the environmental impact review of the proposed Mackenzie Gas Project. Mr. Hardisty was originally nominated to sit on the Review Board by the Dehcho First Nations. To date, the Dehcho First Nations has not submit-

ted a nomination to replace Mr. Hardisty on the Review Board.

Ms. Bernadette Stewart's term expired on October 26, 2006 and she chose not to be considered for reappointment. As Chairperson of the Board Governance Committee, Ms. Stewart was instrumental in developing governance and accountability framework to guide the Review Board as well as a structured professional development and training approach for board members.

Mr. Danny Bayha of Déline was reappointed for a third three year term to the Review Board commencing October 20, 2006. Mr. Bayha is also a member of the Human Resources Committee of the Review Board. Mr. Bayha was nominated by the Sahtu Secretariat Incorporated.

Mr. Jerry Loomis of Norman Wells and Mr. John Ondrack of Yellowknife were also reappointed to the Review Board for a second three year term commencing March 15, 2007. Both Mr. Loomis and Mr. Ondrack were nominated by the Government of the Northwest Territories. Mr. Loomis is the Chairperson of the Review Board's Finance Committee while Mr. Ondrack chairs the Board Governance Committee.

Finally, Mr. Richard Edjericon of Dettah, a newcomer to the Review Board, was appointed on March 13, 2007 to a three year term. Mr. Edjericon is a federal government nominee and a former Chief of the Yellowknives Dene First Nation.

At present, the Review Board has only one vacancy; that being a nominee from the Dehcho First Nations. The Review Board continues to work with Indian Affairs and Northern Affairs Canada to ensure Review Board vacancies do not give rise to quorum issues which could delay board business.





*Gabrielle Mackenzie-Scott, Chairperson and Richard Edericon, Board Member at Review Board headquarters in Yellowknife*



*Bernadette Stewart, outgoing Board Member 2006 - 07*



*William Koe of Fort McPherson, Charlie Snowshoe, Board Member & James Andre of Fort McPherson during a community visit to Fort McPherson, July 2006*



## STAFF MOVEMENTS

Tawanis Testart was appointed to a second one year term as Environmental Assessment Assistant in March 2007. Tawanis will be part of the support team for the Panel conducting the environmental impact review of the proposed DeBeers Gahcho Kué diamond mine at Kennady Lake. She will also be covering for certain staff that are away on parental leave during 2007 - 08.

In April 2006, Alison Blackduck joined the Review Board staff as the Planning and Communications Advisor. Alison was returning to her roots in the Northwest Territories after having worked in various positions as a news reporter and communications coordinator in Ontario, Nunavut and the Yukon, following her graduation with a BA in Journalism in 2001.

As a final note, the Review Board refocused the scope of the work undertaken by Renita Jenkins (Schuh), the Review Board's Environmental Assessment Community Liaison Officer to be more focused on raising awareness of the Review Board's environmental assessment process at the community level and how individuals and organizations can participate more effectively in environmental assessments that are starting and are related to their particular community. Renita's position title is now Community Environmental Assessment Advisor.



*Martin Haefele, Environmental Assessment Officer, facilitating the Gahcho Kué Environmental Assessment issues scoping session in Dettah*

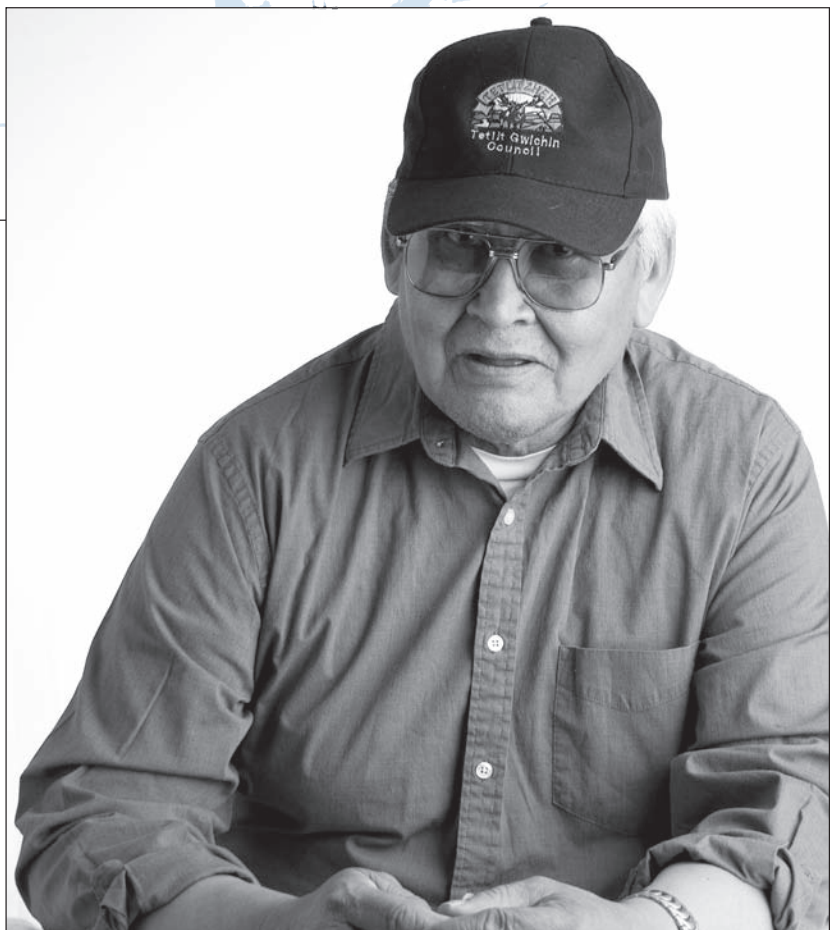


*Jerry Loomis and Alison Blackduck at the Mining Exploration Round Up Trade Show, Vancouver, January 2007*



## Charlie Snowshoe

*Mr. Snowshoe was nominated to the Review Board by the Gwich'in Tribal Council. He has been a board member since the Review Board was established in 1999. Mr. Snowshoe lives in Fort McPherson.*



# PRELIMINARY SCREENING

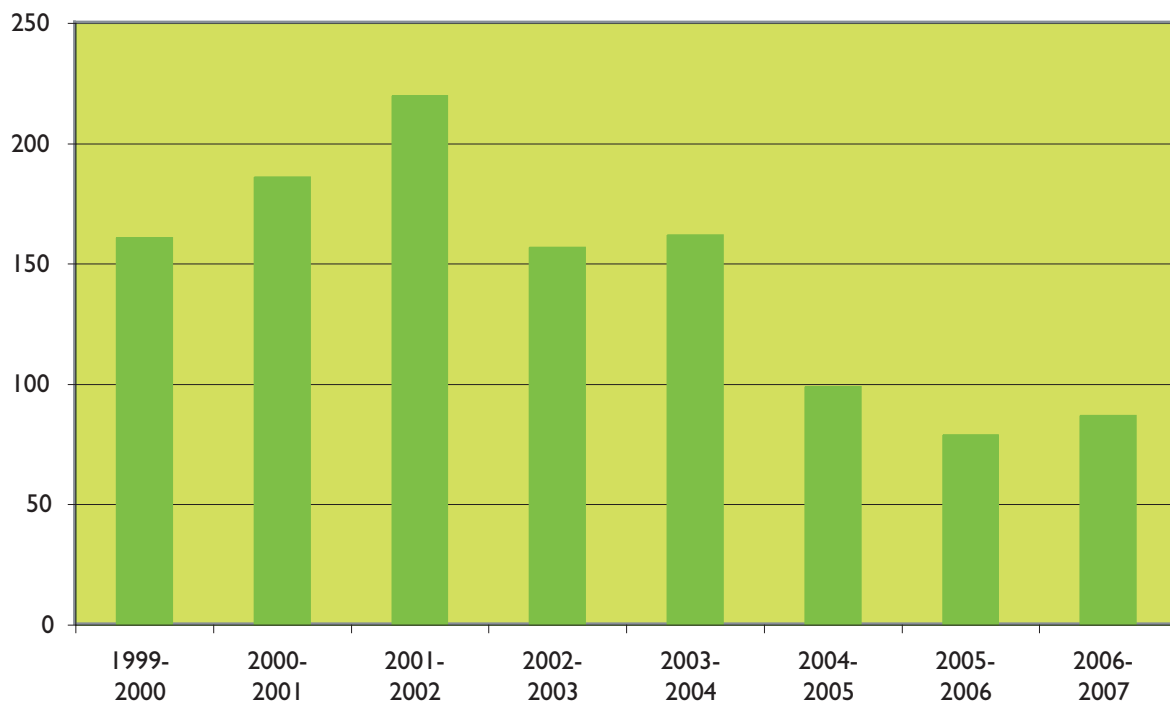
During the 2006 - 07 fiscal year, the Review Board received 87 notifications for preliminary screenings. An additional seven notifications were for activities that did not require a preliminary screening.

As in previous years, land and water boards, particularly the Mackenzie Valley Land and Water Board conducted the majority of screenings. The Oil and Gas sector doubled the number of developments from last year's 12 to 25, while the mineral sector dropped to 18 developments from 31.

This year's report lists remediation projects separately for the first time with five developments.

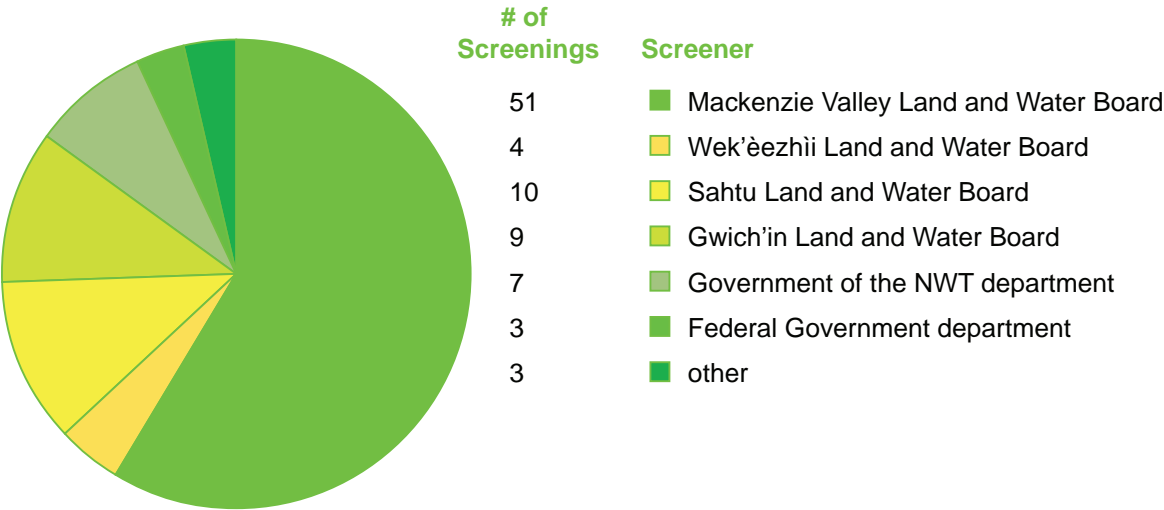
After eight years, we can start looking at the number of screenings over time and find that after a high in 2001 - 02 the number of screenings dropped significantly but appears to have stabilized.

## Trend (total number of screenings)

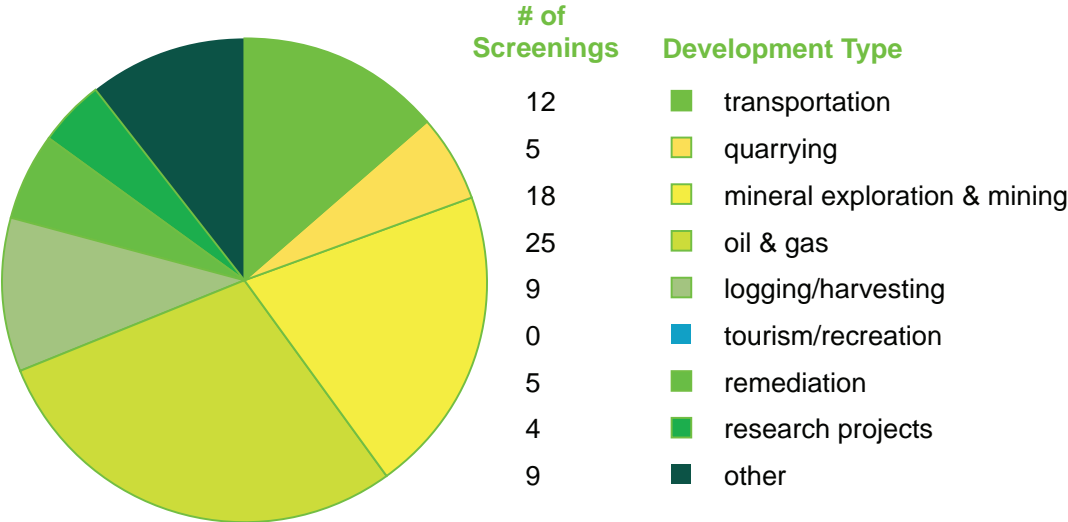




# By Screener



# By Development Type



# STRATEGIC PLAN SUMMARY

## Mission:

To conduct quality environmental impact assessments that protect the environment and the social, economic and cultural well being of residents of the Mackenzie Valley and all Canadians

## Vision:

Excellence in environmental impact assessment that reflects the values of our residents for a sustainable Mackenzie Valley

## Goal:

Leadership in Environmental Impact Assessment

Promote the Review Board's Mandate

Continually Improve EIA Processes, Procedures and Reporting

Continually Improve the Implementation of the MVRMA

Strengthen Relationships

## Goal:

Increasing Participation in the Environmental Assessment Process

Building Stakeholder Awareness and Understanding

Promote Community Participation

## Goal:

Building our Capacity

Maintain Best Practices

Secure Sufficient Funding to Meet Base Needs

Maintain a Quality Work Environment

## Objectives



## Nora Doig

*Ms. Doig was nominated to the Review Board by the Tlicho Government. She has been a board member since November 2005. Ms. Doig lives in Yellowknife*







## John Stevenson

*Mr. Stevenson was nominated to the Review Board by Indian and Northern Affairs Canada. He has been a board member since August 2002. Mr. Stevenson lives in Yellowknife.*

# ENVIRONMENTAL ASSESSMENTS

During 2006 - 07, the Review Board managed ten environmental assessments and one environmental impact review. Of the environmental assessments:

- Three were new referrals, of which one was ruled to be an “invalid environmental assessment”
- Six were carried forward from the previous year
  - after completing one of the environmental assessments, the Review Board referred the proposed development to environmental impact review
  - the Federal and responsible ministers accepted the Review Board’s recommendation to reject one of the proposed developments that underwent environmental assessment in the 2003 - 04 fiscal year
  - final Ministerial approval for two of the environmental assessments are pending and the Review Board is carrying these on-going environmental assessments forward into the 2007 - 08 fiscal year

## Environmental Assessments in Progress

### EA0506 – 004: Tyhee NWT Corporation – Yellowknife Gold Project

In May 2005, the Mackenzie Valley Land and Water Board determined that the proposed development might have a significant adverse impact on the environment and referred this development to the Review Board for an environmental assessment. The Review Board subsequently held scoping



Overview

sessions and issued a Terms of Reference to the developer in August 2005.

This environmental assessment has remained in its initial stages while the developer examines options and feasibility for moving from an underground mine to an open pit mine. The Review Board is waiting to receive additional information from the developer regarding any potential changes to the existing project description. To date, there has not been a Developer's Assessment Report produced by the developer.

#### **EA0506 – 005: Consolidated Goldwin Ventures – Drybones Bay Exploratory Drilling**

In September 2005, the Review Board found evidence of public concern and referred this proposed diamond-exploration development to environmental assessment. The developer took a long time in responding to outstanding information requests and the Review Board finally received information request responses from the developer in November 2006. A public hearing was subsequently held in Yellowknife, April 3rd and 4th, 2007.

#### **EA0506 – 006: Sidon International Resources Corporation – Exploratory Drilling at Defeat Lake**

In September 2005, the Review Board found evidence of public concern and referred this proposed diamond-exploration development to environmental assessment. The developer took a long time in responding to outstanding information requests and the Review Board finally received information request responses from the developer in November 2006. A public hearing was subsequently held in Yellowknife, April 3rd and 4th, 2007.

#### **EA0607 – 002: Tamerlane Ventures Inc. – Pine Point Pilot Project**

In June 2006, Environment Canada determined that this proposed development might have significant adverse environmental impacts and therefore referred the development for environmental assessment. Issues scoping sessions were held in Fort Resolution and Hay River in August 2006, and a final Terms of Reference was released October 2006. In January 2007, the Review Board found that the Developer's Assessment Report had deficiencies and as of year end the Review Board was still waiting for an updated and completed Developer's Assessment Report.



*Alistair MacDonald, Environmental Assessment Officer for the Review Board presenting at the EIA Practitioner's Workshop, February 2007*

#### **EA0607 – 003: UR Energy Inc. – Screech Lake**

In September 2006, the Mackenzie Valley Land and Water Board found evidence of public concern and referred this proposed uranium-exploration development to environmental assessment. The Review Board determined that the project description was detailed enough to move forward to the information request phase and information requests were issued in October 2006. A community hearing was held in Lutsel K'e in January 2007 and the public record closed at the end of February 2007. At year end, the Review Board had not yet released its Report of Environmental Assessment.

## Completed Environmental Assessments Awaiting Ministerial Approval

### **EA03 – 009: Imperial Oil Resources Ventures Ltd. – Dehcho Geotechnical Investigation**

In February 2004, the Review Board determined that this proposed development might be a cause of public concern and referred it to environmental assessment. In December 2005, the Review Board held community hearings in Samba K'e and Pehdzeh Ki and a public hearing in Fort Simpson. The Review Board submitted its Report of Environmental Assessment to the Federal minister on February 2005.

The Federal and responsible Ministers initiated a consultation with the Review Board in June 2005, and as of the end of the March 2007, the consult-to-modify process was still on going.



*Deline Translator Workshop (LR): Edith Mackeinzo, Irene Betsidea, Dora Blondin, Jimmy Dillon*

### **EA0506 – 007: Paramount Resources Ltd. – SDL 8/2D Geophysical Program**

Indian and Northern Affairs Canada referred this proposed development for an environmental assessment in November 2005. A scoping hearing was held in February 2006, followed by information requests and responses between April and October 2006. The Review Board submitted its

Report of Environmental Assessment to the Federal minister in November 2006. As of the end of March 2007, the Review Board was still waiting for a decision from the Federal and responsible Ministers on acceptance of the report.

## Completed Environmental Assessments

### **EA03-004: New Shoshoni Ventures – Drybones Bay Mineral Exploration**

The Mackenzie Valley Land and Water Board referred this proposed development to the Review Board in May 2003. Public concern about the development in Drybones Bay – an area of cultural, spiritual and environmental importance to the Yellowknives Dene – prompted the referral.

Through the environmental assessment process, the Review Board learned the area of the proposed exploration project was very culturally sensitive; therefore, the development's adverse effects would be substantial. Consequently, the Review Board recommended the Federal and responsible Ministers reject this development. The Review Board submitted its Report of Environmental Assessment to the Minister of Indian and Northern Affairs Canada in February 2004. The Federal and responsible Ministers accepted the Review Board's recommendation in April 2006.

### **EA0506 – 008: DeBeers Canada Mining Ltd. – Gahcho Kué Diamond Mine**

Environment Canada referred this proposed development to the Review Board for environmental assessment in December 2005. During March and April 2006, the Review Board held numerous scoping workshops as well as a techni-





cal and community issues scoping hearing. In June 2006, the Review Board completed its Report of Environmental Assessment, in which it ordered this proposed development to an environmental impact review.

In July 2006, DeBeers applied to the Supreme Court of the NWT for a judicial review of the Review Board's order to conduct an environmental impact review. The judicial review hearing took place in November 2006. In April 2007, the NWT Supreme Court issued its decision upholding the Review Board's decision to order an environmental impact review.

## Cancelled Environmental Assessments

### **EA0607 – 001: Miramar Con Mine – Amendment to existing Water License**

In April 2006, the City of Yellowknife referred the proposed development to environmental assessment. Upon detailed analysis of this application, the Review Board found that section 157.1 ("grandfathering" provision for licensed developments prior to June 21, 1984) of the *Mackenzie Valley Resource Management Act* applies to the Miramar application and that the doctrine of issue estoppel was inapplicable. As a result, the Review Board ruled that it had no authority to conduct an environmental assessment of the Miramar application and the environmental assessment was cancelled.

## Environmental Impact Reviews

### **EIR0405 – 001: Imperial Oil Resources Ventures Ltd. – Mackenzie Gas Project**

The Review Board established the Joint Review Panel (JRP) – in cooperation with the federal

Minister of Environment and the Inuvialuit Game Council of the Inuvialuit Settlement Region – to review the proposed Mackenzie Gas Project. The JRP began its formal review in 2005 - 06.

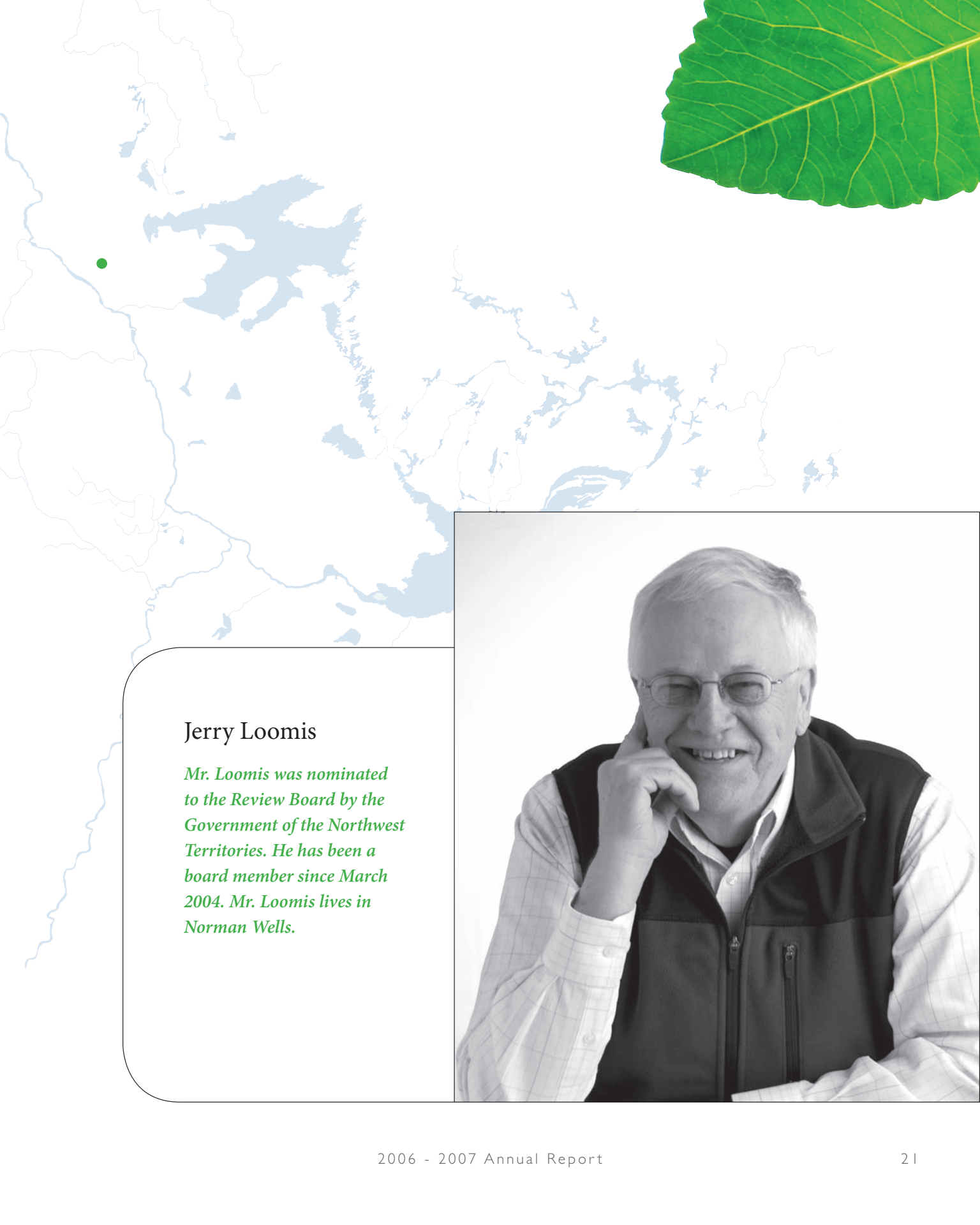
JRP hearings and deliberations continued throughout 2006 - 07. Further hearings are scheduled during 2007 - 08. The Review Board is paying for one-third of the JRP budget. Environment Canada's Canadian Environmental Assessment Agency recovers the remaining two-thirds from the proponent Imperial Oil Resources Ventures Limited.



*South Slavey Translator's Workshop (LR): Elizabeth Hardisty and Eleanor Bran*

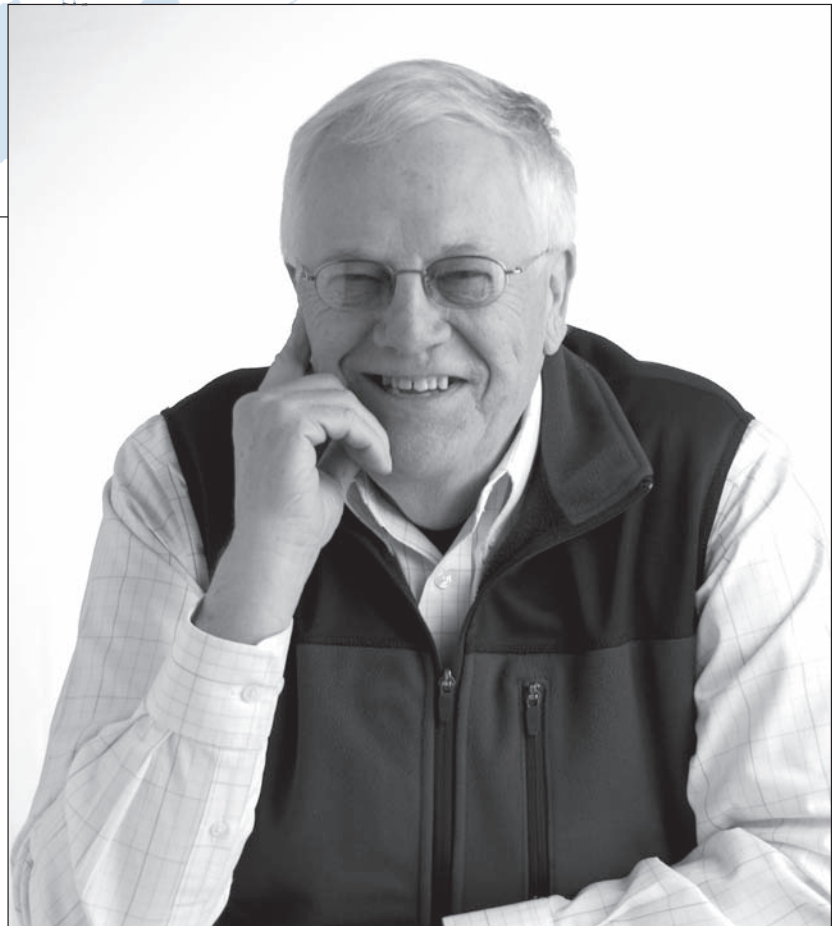
### **EIR0607 – 001: De Beers Canada Mining Ltd. – Gahcho Kué Diamond Mine**

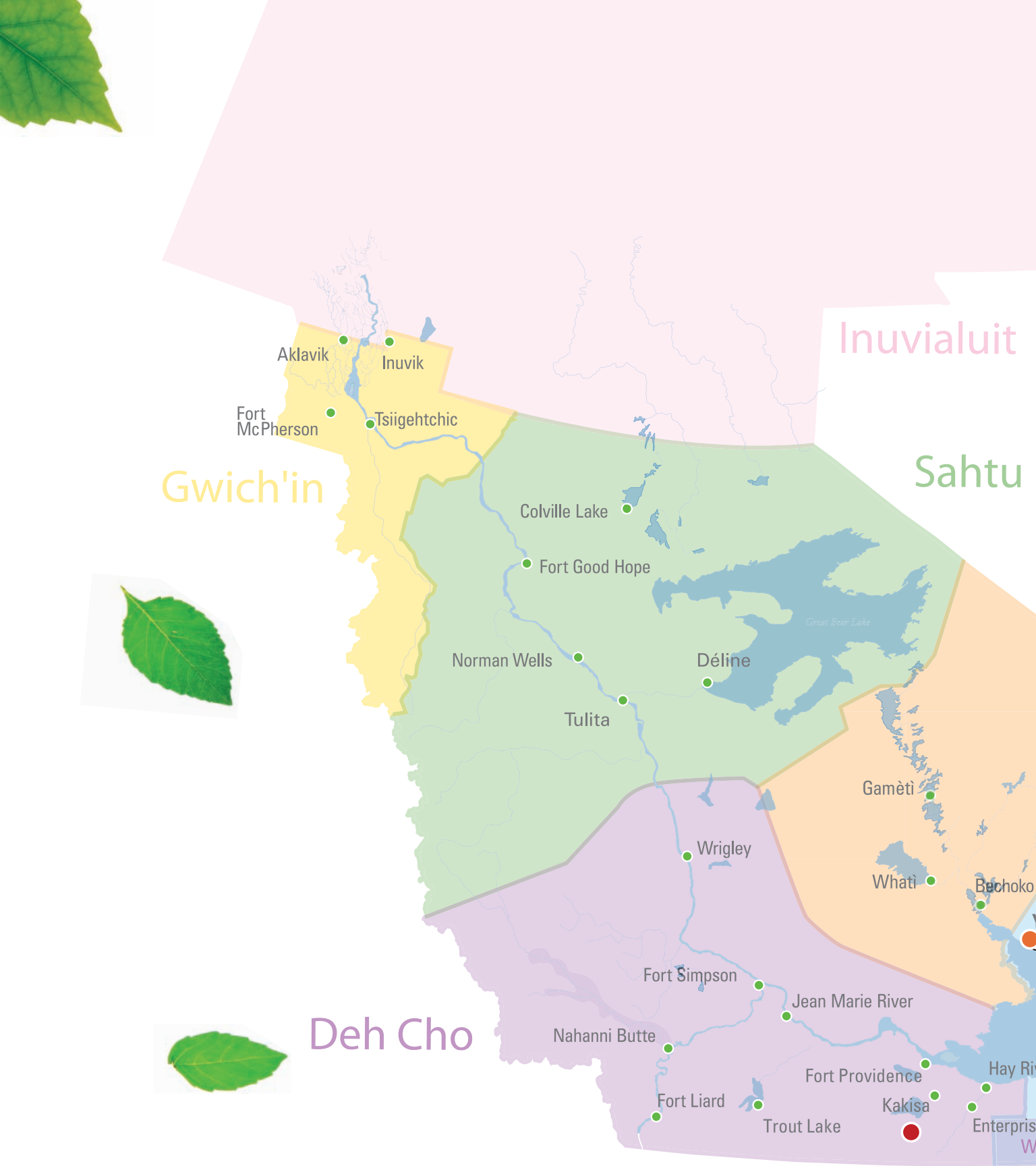
In June 2006, the Review Board completed its Report of Environmental Assessment, in which it ordered this proposed development to an environmental impact review. In July 2006, DeBeers applied to the Supreme Court of the NWT for a judicial review of the Review Board's order to conduct an environmental impact review. The judicial review took place November 2006 and in April 2007, the NWT Supreme Court decision upheld the Review Board's decision to order an environmental impact review.



## Jerry Loomis

*Mr. Loomis was nominated to the Review Board by the Government of the Northwest Territories. He has been a board member since March 2004. Mr. Loomis lives in Norman Wells.*





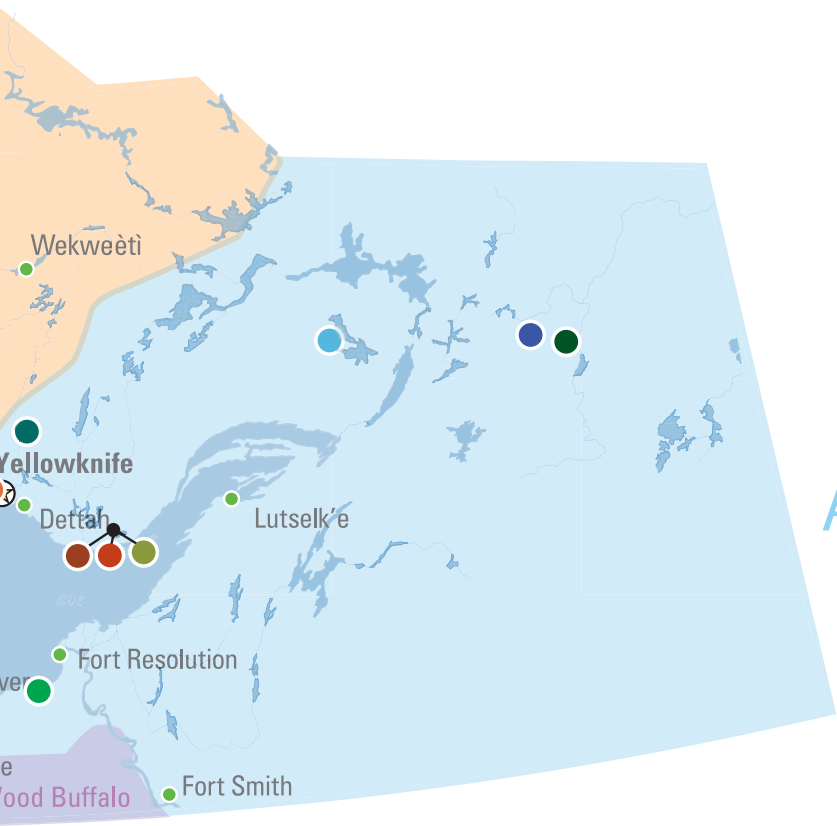


# 2006 - 07 YEAR IN REVIEW

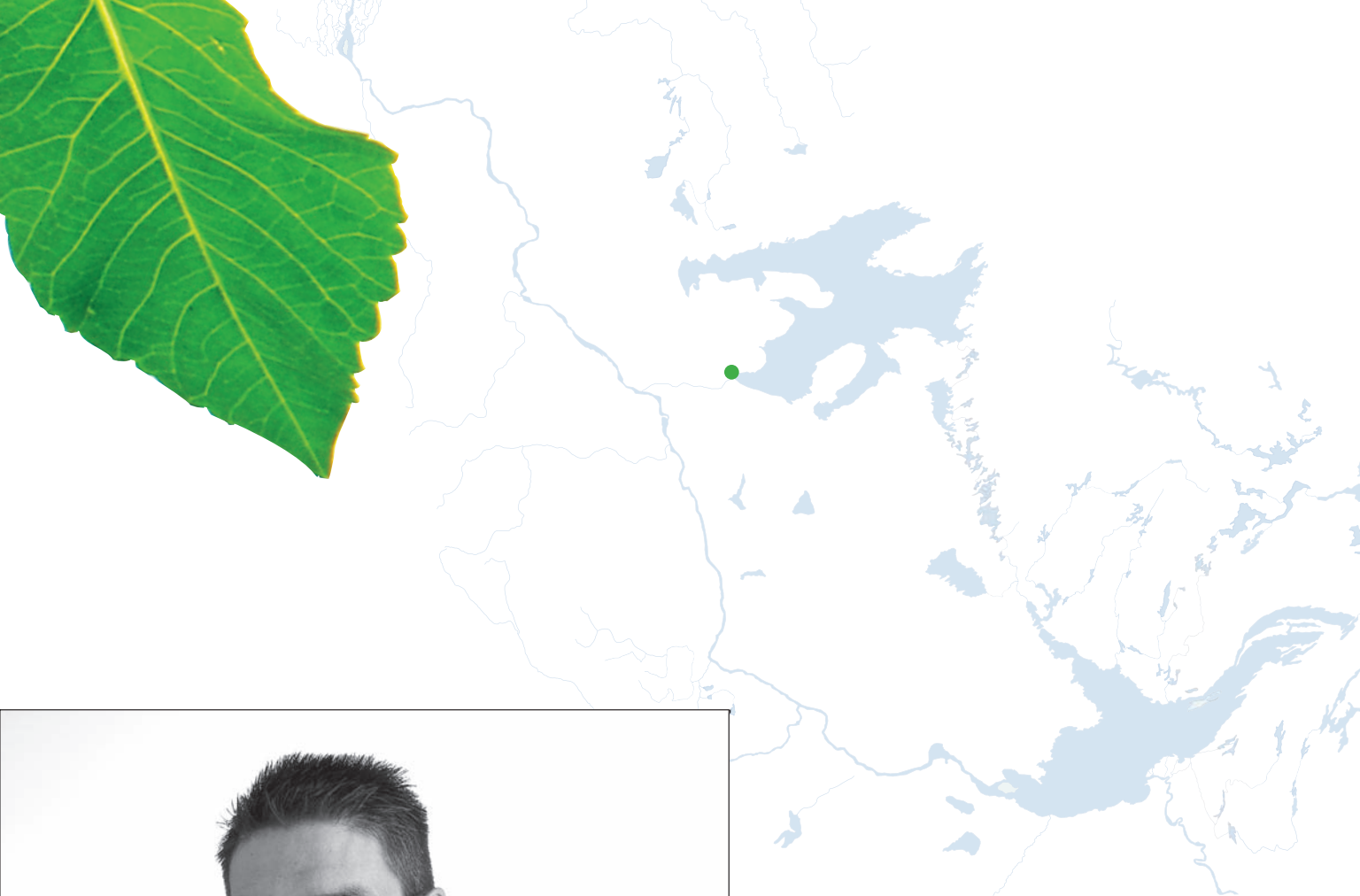
Fig. 2 Map of Environmental Assessments 2006 - 07  
Mackenzie Valley, Northwest Territories

Developer	EA #	Description
<span style="color: #8B4513;">●</span> New Shoshoni Ventures Ltd.	EA03-004	Mineral Exploration
<span style="color: #008080;">●</span> Tyhee NWT Corporation	EA0506-004	Gold Mine
<span style="color: #D2691E;">●</span> Consolidated Gold Win Ventures Inc.	EA0506-005	Mineral Exploration
<span style="color: #808000;">●</span> Sidon International Resource Corp.	EA0506-006	Mineral Exploration
<span style="color: #DC143C;">●</span> Paramount Resources Ltd.	EA0506-007	Oil and Gas Seismic
<span style="color: #6495ED;">●</span> DeBeers Canada Mining Ltd.	EA0506-008	Diamond Mine
<span style="color: #FF8C00;">●</span> Miramar Con Mine	EA0607-001	Water License Renewal
<span style="color: #4169E1;">●</span> Uravan Minerals Inc.	OBD0607-001	Mineral Exploration
<span style="color: #32CD32;">●</span> Tamerlane Ventures Inc.	EA0607-002	Lead-Zinc Mine
<span style="color: #006400;">●</span> UR Energy Inc.	EA0607-003	Mineral Exploration

Wek'èezhìi



Akaitcho



## Danny Bayha

*Mr. Bayha was nominated to the Review Board by the Sahtu Secretariat Incorporated. He has been a board member since October 2000. Mr. Bayha lives in Deline.*

# STRATEGIC PLAN INITIATIVES

## GOAL #1 LEADERSHIP IN ENVIRONMENTAL IMPACT ASSESSMENT

### Objective 1.A: Promote the Review Board's Mandate

#### The Review Board & Consultation Requirements

The Review Board is currently consulting with aboriginal organizations on a draft reference bulletin regarding the Review Board's approach to interpreting its obligations to consult Aboriginal people pursuant to section three of the *Mackenzie Valley Resource Management Act* and recent amendments arising from the Tlicho land claim agreement. The Review Board continues to have on-going discussions and dialogue with Indian and Northern Affairs Canada to clarify roles and responsibilities related to consultation during environmental impact assessment.

#### The Review Board on the Road

The Review Board attended six annual assemblies of aboriginal organizations and six trade shows & conferences while promoting its roles, responsibilities and achievements. The Review Board was also represented at the Tulita Unity Accord celebrations held in February 2007.

#### The Review Board History Article

The Review Board published an article for general distribution on the how the Review Board came to be; in particular, how the *Mackenzie Valley Resource*



Gabrielle Mackenzie-Scott talking to Leslie Nielsen during Tulita Unity Accord Celebrations in Tulita, 2007

#### Mackenzie Valley Environmental Impact Review Board

##### The History of the Mackenzie Valley Environmental Impact Review Board

###### Historical setting

The Mackenzie Valley Environmental Impact Review Board (MVEIRB) traces its roots back to the political coming-of-age of Mackenzie Valley Aboriginal groups that began in 1970 with the establishment of the Indian Brotherhood of the Northwest Territories (later the Dene Nation) and the Métis and Non Status Indian Association (later the Métis Nation).



Securing access to the Athabasca Tar Sands in northern Alberta and oil in the Sahlu spurred the Government of Canada to make treaties 8 and 11 with the Aboriginal people of the Mackenzie Valley in 1899 and 1921, respectively. Here Major D.L. McKean is sampling oil from an Imperial Oil Well in Fort Norman, NWT June 1921

Photo copyright Canadian Department of the Interior

These groups argued that even though aboriginal people signed treaties with the Government of Canada, they never ceded ownership of their lands. In 1973, Justice Morrow supported this view after listening to Dene elders throughout the Mackenzie Valley after Chief Francois Paulette, on behalf of Dene chiefs, placed a caveat on approximately 650,000 square kilometers of land in the Mackenzie Valley.

Subsequently in 1976, the Government of Canada agreed to negotiate land claims with the Aboriginal people of Canada when it adopted a "Comprehensive Land Claims Policy."

Building on the premise that they were still the rightful owners of the land, Aboriginal politics focused on resolving issues related to development on the land without their permission.

Traditionally, Aboriginal people had close ties to the land. The forests, wildlife and bodies of water of the NWT were the basis of their livelihood of hunting, fishing and trapping, and their cultural and spiritual identity. They worried that non-renewable resource development such as drilling for oil and gas or mining would destroy the land, threatening their traditional life-style and their identity as a people. They were also concerned that development was not providing benefits to the Dene.

By the 1970s, the land in the Mackenzie Valley had already been impacted by mining and hydrocarbon exploration/development—all done without the participation of the Dene/Métis.



Charlie Snowshoe, Freddie Greenland, Betty Menicocche and Louis Blondin in 1976 at a Yellowknife hearing during the Berger Inquiry into the proposed Mackenzie Valley Pipeline. Charlie's been an MVEIRB member since the Board began in 1998.

Photo copyright R. Fumoleau

A proposal to construct a major gas pipeline along the length of the Mackenzie Valley, and the subsequent appointment in 1973 of Justice Thomas Berger to conduct a hearing into the proposal, became the rallying point for the budding Aboriginal political movement.

*Management Act* arose from aboriginal land claim negotiations in the late 80's and 90's. The article is intended to raise the awareness of Mackenzie Valley residents about where the Review Board came from and the important part Aboriginal people played in the early development of the *Mackenzie Valley Resource Management Act*.

## Objective I.B: Continually improve EIA Processes, Procedures and Reporting

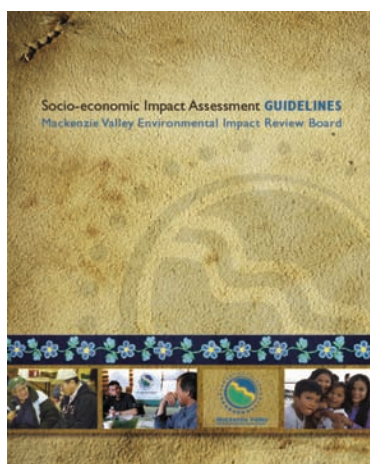
### The D.E.W. (Do Early Work) Line of EIA

The Review Board hosted its 4th Environmental Impact Assessment (EIA) Practitioners' Workshop in Yellowknife. The focus of the workshop was the theme "Do Early Work." This theme was chosen to encourage early and active engagement from developers and others involved in assessing proposed developments. By obtaining informa-

tion in the early stage of a proposed development, solutions can be found early in the process, versus issues backlogging at the final stages of an assessment. There was a wide range of participants in this workshop including approximately 140 representatives from various resource management boards, regulatory boards, aboriginal organizations, federal and territorial governments, communities, non-government organizations, consultants and developers.

### EIA Guidance Documents

The Review Board published *Socio-Economic Impact Assessment Guidelines*. These guidelines were produced after a very intensive and thorough consultation period with residents of the Northwest Territories. The Review Board also produced an "EIA Guidelines Overview" document as a condensed version of the EIA Guidelines.





## Professional Interactions

The Review Board made a number of presentation at various conferences and other venues over the past year to share its experiences in EIA in the Mackenzie Valley and lessons that are being learned and emerging best practices.

Presentations by board members and staff included:

- *Guidelines for SEIA in the Mackenzie Valley*; Canadian Institute of Mining, Vancouver, BC; May 14-16, 2006.
- *Roles and Responsibilities of the MVEIRB*; Keepers of the Watershed Gathering, Fort Simpson, NT; September 6, 2006.
- *New Developments and Objectives in the Environmental Review Process and Social Impacts in the North*; 8th Annual Far North Oil & Gas Forum, Calgary, AB; September 28, 2006.
- *Towards Effective and Efficient Board Operations – Current Challenges and Solutions*; Central (federal government) Agencies Tour to the North; Yellowknife, NT; October 17, 2006.
- *The MVEIRB*; A presentation to the Mackenzie River Basin Board; Yellowknife, NT; October 24, 2006.
- *Traditional Knowledge / Inuit Qaujimajatuqangit within the Environmental Assessment Process in the Canadian North*; Joint presentation with the Nunavut Impact Review Board to Canadian Aboriginal Minerals Association; Ottawa, ON; November 5-7, 2006.

- *Introducing the MVEIRB's SEIA Guidelines*; NWT Geoscience Forum; Yellowknife, NT; November 23, 2006.
- *The Role of the MVEIRB*; Technical Workshop on Uranium and the North – NWT Board Forum; Yellowknife, NT; February 20-21, 2007.
- *MVEIRB – Walking through the TK Guidelines*; Yamoza Kue Society TK Workshop: Integrating Traditional Knowledge in Environmental Assessments and Regulatory Process in the NT; Hay River Dene Reserve, NT; March 21-23, 2007.
- *Assessing the Impacts of Industrial Development on Aboriginal Communities: The Mackenzie Valley Perspective*; Aboriginal Oil & Gas Partnerships Conference; Calgary, AB; March 20-22, 2007.

## Clarifying words . . .

The Review Board understands that to get a high level of input into its processes, people must have a good understanding of the words used in environmental impact assessment. The Review Board finalized a Reference Bulletin on important EIA terminology, specifically: “public concern”; “significance”; “adverse”; “might” and “likely”.



## Objective I.C: Improve the Implementation of the MVRMA

### Amendments to the MVRMA

The Review Board has provided advice regarding amendments to the *Mackenzie Valley Resource Management Act* (MVRMA) that would provide needed clarity and certainty for the EIA process without changing the spirit and intent of the MVRMA. Indian and Northern Affairs Canada, the Government of the Northwest Territories and land claimant organizations are studying these suggested improvements for possible recommendation to the Minister of Indian and Northern Affairs Canada.

### Bilateral Discussions with Indian and Northern Affairs Canada

The Review Board has continued to meet with senior management in Indian and Northern Affairs Canada to address issues of on-going concern. The Review Board has also continued to respond to mandate issues raised by Indian and Northern Affairs Canada with respect to the Review Board's interpretation of the socio-economic impact assessment provisions of the MVRMA. These issues were not resolved in 2006 - 07.

Discussions also centered on capacity issues hampering the ability of the Review Board to achieve the quality and timeliness of the EIA process envisioned by the MVRMA and sought by stakeholders, in particular the need for a stable and responsive funding mechanism for the Review Board. This issue is still under study by Indian and Northern Affairs Canada.

Stakeholder capacity requirements, including those of government, were also identified to Indian and Northern Affairs Canada. The Review Board

highlighted the need for participant funding, the need for monitoring, reporting and evaluation of measures recommended in reports of environmental assessment, the need for streamlining the post reports of environmental assessment "consult to modify" process involving responsible ministers, and the need for direction and resources to implement regional land use plans to guide developers and assist the EIA process.

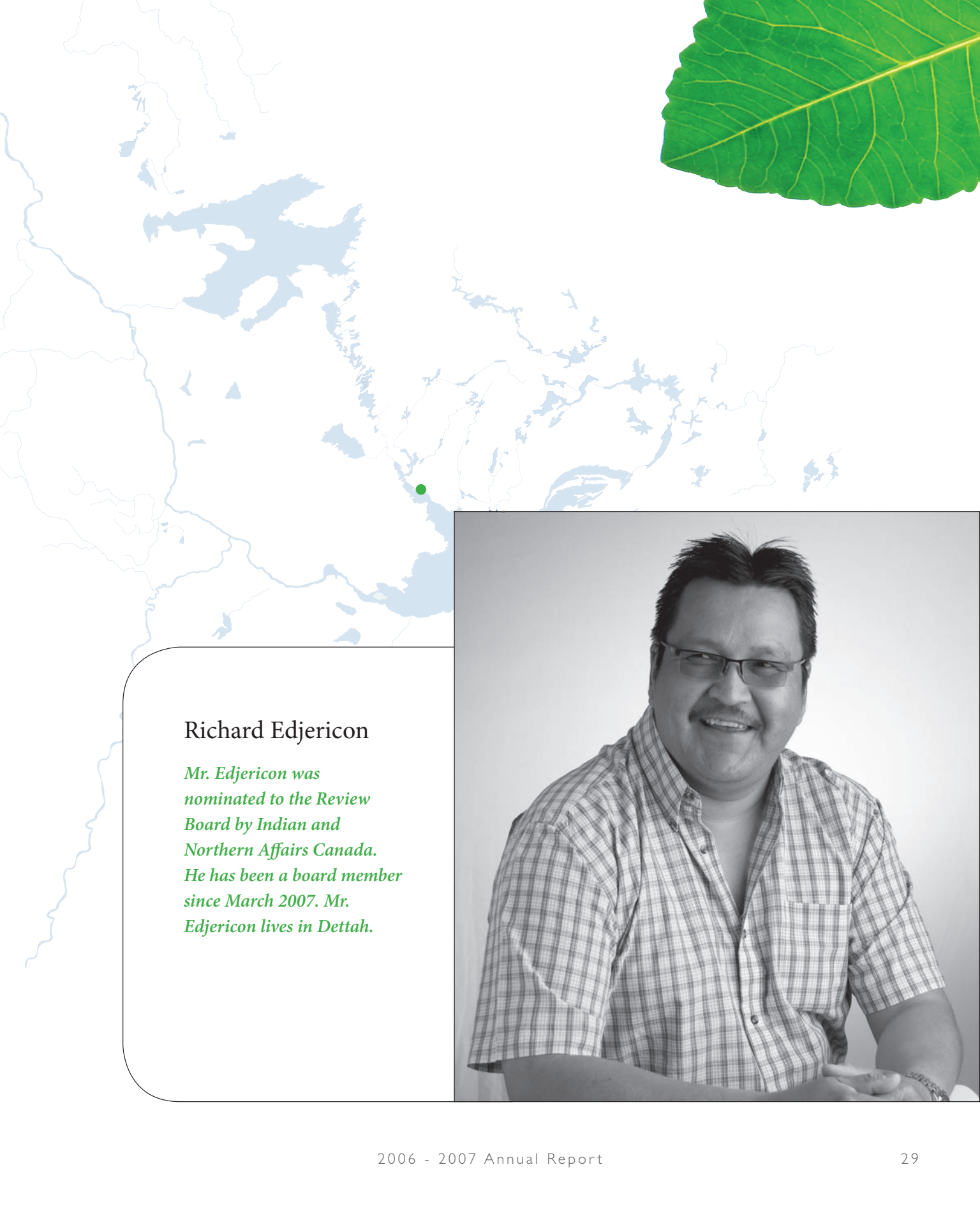
## Objective I.D. Strengthening Relationships

### NWT Board Forum

The Review Board has been very active in support of NWT Board Forum activities. Review Board Chairperson Gabrielle Mackenzie-Scott has kept the Board Forum members advised of the Review Board activities while staff have made presentations to the Board Forum on a number of topics including: communications planning; board governance, orientation and training; the Review Board's Reference Bulletin on key terms; and on the Review Board's *Socio-Economic Impact Assessment Guidelines*.



Chairperson Gabrielle Mackenzie-Scott meeting with Minister Prentice at the April 19-20, 2006 Board Forum in Yellowknife



## Richard Edjericon

*Mr. Edjericon was nominated to the Review Board by Indian and Northern Affairs Canada. He has been a board member since March 2007. Mr. Edjericon lives in Dettah.*





## John Ondrack

*Mr. Ondrack was nominated to the Review Board by the Government of the Northwest Territories. He has been a board member since March 2004. Mr. Ondrack lives in Yellowknife.*



The Review Board has also participated in the Board Forum Working Group assigned to coordinate follow up work directed by the Board Forum and on special committees to address the training, communications and strategic and business planning needs of Board Forum members.

Notably, the Review Board's recommendation to invite the renewable resources boards of the Northwest Territories to join the NWT Board Forum was well received by both the renewable resources boards and Board Forum members. It was the view of the Review Board that the renewable resources boards should be Board Forum members, as they are co-management boards and have the mandate to implement resource management plans governing important components of the environment not unlike the mandate of land use planning boards established under the *Mackenzie Valley Resource Management Act*.

### Cooperation Agreements

The Review Board continued to forge good transboundary working relationships with neighbouring jurisdictions in 2006 - 07. A cooperation agreement was signed with the new Yukon Socio-economic and Environmental Assessment Board and initial discussions were held with Alberta Environment on a relations document and memorandum of understanding document as well as with the Canadian Environmental Assessment Agency should joint assessment of transboundary projects become necessary at some point in the future.

## GOAL #2: INCREASING PARTICIPATION IN THE EA PROCESS

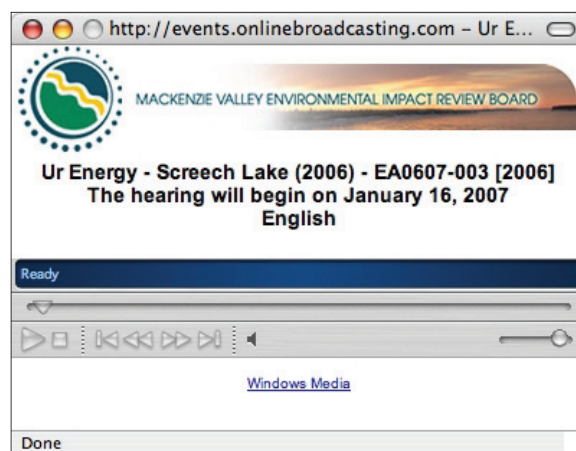
### Objective 2A & 2B: Increasing Participation in the EA Process and Promoting Community Participation

#### Talk to Me . . .

The Interpreter/Translator's Workshop initiative's goal this year was to train translators and develop standard socio-economic impact assessment terminology for the five main aboriginal languages in the Mackenzie Valley. 17 Translators and seven elders participated in seven workshops held in five different communities. A minimum of 80 words were translated in each workshop. The Government of NWT Health and Social Services was a co-sponsor of this year's workshop.

#### Going Live . . .

The Review Board is taking efforts to ensure its proceedings are available to a wide audience. This year the Review Board used web broadcasting and phone-in capabilities at a hearing held in Lutsel K'e.



## Call me ...

The Review Board also set up a toll free number to assist northerners in contacting the Review Board. **1-800-866-912-3472** (Available in NU / NT / YT only)

## Board Forum Communications

Review Board staff have participated in a leadership role on the NWT Board Forum Communications working group. In 2006 - 07, the working group developed a concept for a website communications portal for stakeholders and the public, as well as Review Board members themselves, to readily access relevant information about the EIA and regulatory system in the Northwest Territories.



## Taking Steps for the Future

The Review Board recognizes and supports career promotion and the training and employment of northerners in the field of environmental sciences. The Review Board has developed a framework for promoting careers in secondary institutions as well as a Summer Student Internship Program to support the hiring and development of residents who continue with post-secondary education.

## GOAL #3: BUILDING OUR CAPACITY

### Objective 3A: Maintain Best Practices

#### Assuring a Seamless Review Board Appointment Process

The Review Board has been successful in keeping nominating parties and Indian and Northern Affairs Canada aware four to six months, in advance of pending expiry of board member's terms. While two of the four board member appointments in 2006 - 07 did lapse before new appointments were made; the Review Board currently only has one vacancy. The single vacancy is the Dehcho First Nation nominee and they stated that they did not wish to make a nomination to the Minister of Indian and Northern Affairs Canada to fill this vacant position on the Review Board.

#### Maintaining a Comprehensive Records-Management System

The Review Board continues to maintain and improve its records management by using a modern electronic filing system. The new records management system improves the Review Board's ability to access, retrieve and track important Review Board documents.



*Records Coordinator, Therese Charlo hard at work*

## Outside Service Providers

The Review Board maintains standing-offer agreements with key service providers including legal counsel, computer network technical support as well as communications and financial accounting support.

## Objective 3B: Secure Sufficient Funding to Meet Base Needs

### Securing Long-Term Funding

The Review Board continues updating its Strategic Plan and Business Plan systematically to forecast and identify human resources and financial needs. Review Board members and staff meet with Indian and Northern Affairs Canada's Claims Implementation Branch representatives regularly to review the Review Board's resource requirements and shortfalls. Indian and Northern Affairs Canada has taken the Funding Options paper submitted

by the Review Board with its 2006 - 07 Business Planning submission and retained a consultant to further develop funding options that could apply to all northern resource management boards. The objective is to ensure the boards will have sufficient and stable funding that is also responsive to changes in the workload faced by boards from one fiscal year to the next. This study is still on-going.



*Mary Tapsell, Manager of EA, leading discussion at the 2007 EIA Practitioner's Workshop*











# FINANCIAL STATEMENTS

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## Auditors' Report

### **To the Board of Directors of Mackenzie Valley Environmental Impact Review Board**

We have audited the balance sheet of Mackenzie Valley Environmental Impact Review Board as at March 31, 2007 and the statements of operations - operating fund, and changes in property and equipment fund for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Yellowknife, Northwest Territories  
May 17, 2007

*Mackay LLP*

Chartered Accountants

## Statement of Operations – Operating Fund

For the year ended March 31,	Budget 2007	Actual 2007	Actual 2006 (restated)
<b>Revenue</b>			
Department of Indian Affairs and Northern Development - Claims Implementation	\$ 2,881,604	\$ 2,881,604	\$ 2,398,324
Department of Indian Affairs and Northern Development - Joint Review Panel	3,046,416	3,046,416	1,721,744
Department of Indian Affairs and Northern Development - Supplementary funding	-	-	525,000
Department of Indian Affairs and Northern Development - EA Practitioner's Workshop 50,000 50,000 -			
Government of the Northwest Territories - Translators Workshop	35,000	35,000	-
Other	-	37,782	-
Deferred contribution from prior year	351,822	377,015	331,219
	<b>6,364,842</b>	<b>6,427,817</b>	4,976,287
<b>Repayable surplus contribution</b>	-	-	(666,399)
	<b>6,364,842</b>	<b>6,427,817</b>	4,309,888
<b>Expenses</b>			
Administration	153,200	137,214	112,499
Communications	83,200	87,357	110,380
Canadian Environmental Assessment Agency - 1/3 share of Joint Review Panel costs	1,912,976	1,912,976	1,055,345
Honoraria	600,925	477,594	459,328
Office rent	162,720	158,751	150,897
Professional fees	559,540	400,416	345,441
Salaries, wages and benefits	1,174,705	1,360,168	1,263,482
Travel - board	412,786	297,040	303,928
Travel - staff	171,350	100,524	110,356
	<b>5,231,402</b>	<b>4,932,040</b>	3,911,656
<b>Excess of revenue over expenses before transfer</b>	<b>1,133,440</b>	<b>1,495,777</b>	398,232
<b>Transfer to property and equipment fund (Note 4)</b>	-	(20,941)	(21,217)
<b>Excess of revenue over expenses</b>	<b>1,133,440</b>	<b>1,474,836</b>	377,015
<b>Transfer to deferred contributions (Note 7)</b>	-	(1,474,836)	(377,015)
<b>Excess revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Statement of Changes in Property and Equipment Fund

For the year ended March 31,

2007

2006  
(restated)

Opening balance, as previously reported	\$ 96,176	\$ 164,588
Change in accounting policy (Note 3)	-	(42,151)
Opening balance, restated	96,176	122,437
Transfer from operating fund (Note 4)	20,941	21,217
Amortization	(53,841)	(53,263)
Repayment of financing agreements	-	5,785
Closing balance	\$ 63,276	\$ 96,176



# Balance Sheet

As at March 31,

2007

2006  
(restated)

## Assets

### Current

Cash	\$ 1,303,554	\$ 1,047,723
Accounts receivable (Note 5)	507,747	235,239
Prepaid expenses	13,377	6,958
	<b>1,824,678</b>	<b>1,289,920</b>

Property and equipment (Note 6)	<b>63,276</b>	<b>96,174</b>
	<b>\$ 1,887,954</b>	<b>\$ 1,386,094</b>

## Liabilities

### Current

Accounts payable and accrued liabilities	\$ 349,842	\$ 77,800
Contributions repayable	-	168,704
Joint Review Panel payable	-	666,399
Deferred contributions (Note 7)	1,474,836	377,015
	<b>1,824,678</b>	<b>1,289,918</b>

## Net Assets

Property and equipment fund	<b>63,276</b>	<b>96,176</b>
	<b>\$ 1,887,954</b>	<b>\$ 1,386,094</b>

Approved on behalf of the Board



Director - Gabrielle Mackenzie-Scott:



Director - John Stevenson:

# Notes to Financial Statements

March 31, 2007

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## 1. Organization and Jurisdiction

The Mackenzie Valley Environmental Impact Review Board (the “Board”) was established under the Mackenzie Valley Resource Management Act with a mandate to conduct environmental impact assessment in the Mackenzie Valley of the Northwest Territories.

The Board is exempt from income tax under section 149(1) of the Income Tax Act.

## 2. Accounting Policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

### (a) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the Board are either recognized or disclosed in the financial statements together with available information for a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair value of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

### (b) Fund accounting

The Board uses fund accounting to segregate transactions between its operating fund and property and equipment fund.

### (c) Property and equipment

Purchased property and equipment are recorded in the property and equipment fund at cost. Amortization is recorded in the property and equipment fund using the declining balance method and straight-line method at the annual rates set out in Note 6.

### (d) Recognition of contributions

The Board follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

### (e) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the updated amounts of revenues and expenses during the period. Actual results could differ from those estimates.

# Notes to Financial Statements

March 31, 2007

## 3. Change in Accounting Policy

During the year, the Board changed its accounting policy for amortization of computers from the declining balance method to the straight line method. The effect of the change from the declining balance method to the straight line method of amortization was to decrease the investment in capital assets fund as at March 31, 2006 by \$42,151 and to decrease the balance of capital assets by \$42,151 as at March 31, 2006. The effect on current year's operations has been to increase the accumulated amortization of the assets by \$11,425 and to increase amortization expense by \$11,425.

## 4. Interfund Transfers

Amounts of **\$20,941** (2006 - \$21,217) were transferred from the Operating Fund to the Property and Equipment Fund for the acquisition of assets.

## 5. Accounts Receivable

	2007	2006
Goods and Services Tax	\$ 16,464	\$ 19,770
Travel Advance Receivable	-	3,968
Other	491,283	211,501
	<b>\$ 507,747</b>	<b>\$ 235,239</b>

## 6. Property and Equipment

				2007	2006
	Rate	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	20%	\$ 105,164	\$ 83,481	\$ 21,683	\$ 23,624
Leasehold improvements	20%	92,475	66,481	25,994	32,494
Computer software	100%	17,098	17,098	-	5,061
Computer hardware	3 S/L	264,150	248,552	15,599	34,995
		<b>\$ 478,887</b>	<b>\$ 319,619</b>	<b>\$ 63,276</b>	<b>\$ 96,174</b>

# Notes to Financial Statements

March 31, 2007

## 7. Deferred Contributions

	2007	2006
DIAND - Claims Implementation funding	\$ 341,396	\$ 377,015
DIAND - Joint Review Panel funding	1,133,440	-
	<b>\$ 1,474,836</b>	<b>\$ 377,015</b>

Under Canadian Generally Accepted Accounting Principles for not-for-profit organizations, funding received for restricted purposes that has not been expended is required to be deferred. The commitments of the Board under the funding agreement have been met; any remaining balance will be applied towards the planning and carrying out of duties and responsibilities assigned to the Board under the Gwich'in Comprehensive Land Claim Agreements, Implementation Plan, and related Act(s) of Parliament.

## 8. Statement of Cash Flows

A statement of cash flows has not been prepared as, in the opinion of management, it would not provide additional meaningful information.

## 9. Commitments

The Board has entered into a lease agreement for its premises. The office lease expires in September 2010 with minimum lease payments of \$87,760 per annum up to September 2007 and of \$100,924 per year for the remaining term of the lease.

## 10. Related Party Transactions

During the year, honoraria and travel expenditures were paid to a member of the Board of Directors who is an immediate family member of one of the Board's managers. These expenditures were in the normal course of business.

## 11. Budget

The budget figures presented are unaudited, and are those approved by the Board.

## 12. Economic Dependence

The Board is dependant upon funding in the form of contributions from the Department of Indian Affairs and Northern Development. Management is of the opinion that if the funding was reduced or altered, operations would be significantly affected.



# Notes to Financial Statements

March 31, 2007

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## 13. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

## 14. Financial Instruments

Financial instruments consist of recorded amounts of accounts receivable which will result in future cash receipts, as well as accounts payable and accrued liabilities and deferred contributions which will result in future cash outlays.

The Board is exposed to the following risks in respect of certain of the financial instruments held;

### (a) Credit risk

Credit risk arises from the potential that an organization will fail to perform its obligations. The Board is exposed to credit risk from the concentration of accounts receivable with one organization.

### (b) Fair value

The Board's carrying value of cash, accounts receivable, accounts payable and accrued liabilities and deferred contributions approximates its fair value due to the immediate or short-term nature of these instruments.

