

Developing the Development Description
for the
BHP Diamonds Inc.
Ekati™ Diamond Mine Expansion

prepared by:
The Mackenzie Valley Environmental Impact Review Board
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prepared for:
BHP Diamond Mines Inc.
#1102, 4920-52nd Street
Yellowknife, NT
X1A 3T1

Reference Number
EA99-003

Date
July, 1999

WORK PLAN
for the
BHP Diamonds Inc.
Ekati™ Diamond Mine Expansion
ENVIRONMENTAL ASSESSMENT

prepared by:
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Purpose of the Work Plan

The work plan fulfills the purpose of Part V of the *Mackenzie Valley Resource Management Act*:

- to establish the Mackenzie Valley Environmental Impact Review Board (Review Board) as the main instrument for the environmental assessment of developments in the Mackenzie Valley;
- to ensure that the impact on the environment of proposed developments receives careful consideration before actions are taken in connection with them; and
- to ensure that the concerns of aboriginal people and the general public are taken into account in that process.

Guiding Principles

The following principles guide the work plan and the Mackenzie Valley Environmental Impact Review Board (Review Board).

- The environmental assessment process shall be carried out in a timely and expeditious manner and shall have regard to the protection of the environment from the significant adverse impacts of proposed developments; and
- the protection of the social, cultural and economic well-being of residents and communities in the Mackenzie Valley.

Background

The Ekati™ Diamond Mine (Ekati™) proposes to develop three additional kimberlite pipes (Beartooth, Pigeon and Sable). Ekati's™ development proposal was referred to environmental assessment by the Northwest Territories (NWT) Water Board. The NWT Water Board prepared a joint preliminary screening with DIAND Lands, DIAND Water Resources Division, the Department of Fisheries and Oceans and Environment Canada. The preliminary screeners concluded there was a lack of baseline data, potential unknown cumulative impacts, public concerns about loss of fish habitat, and the need for a "broader review."

There have been two other diamond mining related environmental assessments in the Northwest Territories: The BHP Diamonds Inc. (BHP) Panel Review under the *Environmental Assessment and Review Process Guidelines Orders* (EARPGO), and the Diavik Comprehensive Study under the *Canadian Environmental Assessment Act*.

Scope of the Work Plan

This medium scale development is expected to take about 18 months to complete. The Review Board through its executive director will direct and manage the environmental assessment. Aboriginal people and the general public should have meaningful consultation and participation opportunities. Government will contribute to the environmental assessment guidelines, provide expert advice and pertinent information. The Review Board will provide the Minister of the Department of Indian and Northern Affairs (DIAND) its written reasons report. The Minister will distribute the written reasons report and communicate with the Review Board as needed.

Objectives of the work plan are:

Assessment Team

The Mackenzie Valley Environmental Impact Review Board and its staff would be organized effectively and efficiently to manage the delivery and completion of the Ekati™ Diamond Mine expansion environmental assessment.

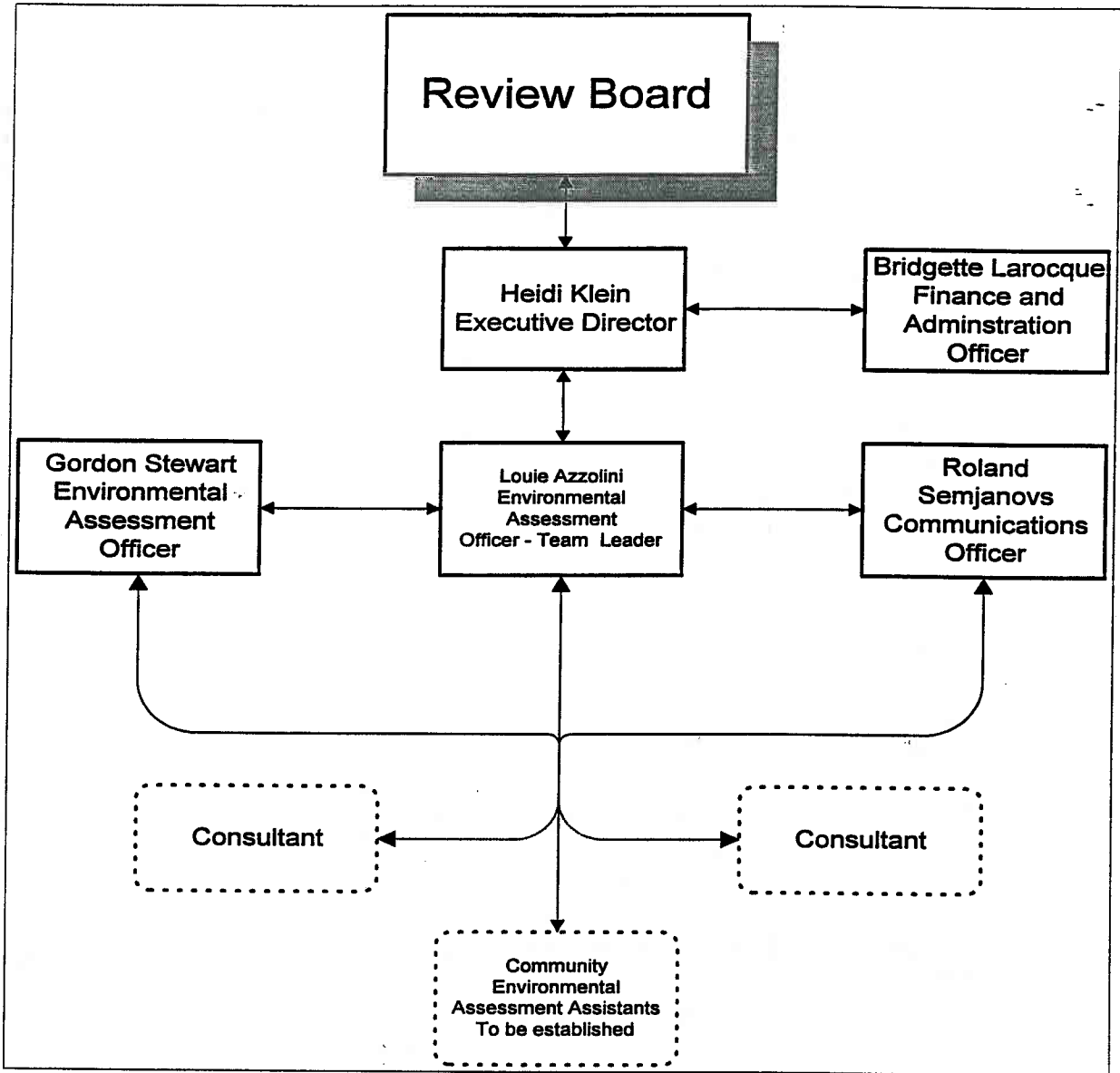


Figure 1
Organization Chart
Environmental Assessment
BHP Ekati™ Diamond Mine Expansion

by the Review Board's staff and the preparation of a suitable development description by the developer.

The guidelines phase concludes with instructions to the developer, and perhaps government, about the contents of the environmental assessment report.

The completed environmental assessment report is checked to make sure it conforms with the guidelines. When the conformity check is finished, the analysis of the environmental assessment report is done.

After the analysis of the environmental assessment report, the Review Board prepares its written reasons regarding the decision it takes on the proposed development.

Phase One - Start-up

Starting the Environmental Assessment

At the start of the environmental assessment the developer, government and the communities in the Mackenzie Valley are informed of the referral. The notification lets people know that while the development is in the environmental assessment process, no licence, permit or other authorization can be issued by government. As part of the referral, staff opened a public registry on the development and started tracking development issues. Public, and government notification of the referral was done by:

- Written submission - the preliminary screening report
- News release
- Newspaper advertising

The Review Board will provide staff its initial observations on BHP's development description and direct staff to prepare a work plan for the Review Board's consideration and approval.

Tasks involved in starting the environmental assessment are listed below.

- Open case file
- Open public registry and registry log
- Public notification of referral
- notify regulatory authorities of the referral
- Review Board notifies the developer of the referral
- Initial regulatory authority and expert advisor identification

Duration: About one month

Deliverable: Public registry, public notification, government notification, developer notification, issue tracking, expert advisor identification.

Pre-Consultation

Pre-consultation is used to identify and inform stakeholders about the environmental assessment process. Community, First Nation, government and experts would be identified and contacted.

The initial consultation would parallel BHP Diamonds Inc. preparing a revised development description and would conclude shortly after the Review Board issues its guidelines to the developer. Pre-consultation

Phase Two - Guidelines

Environmental Assessment Guidelines

The environmental assessment guidelines (guidelines) ensure the Review Board and stakeholders receive the information they need to understand the environmental consequences and benefits of the proposed development. The guidelines are the Review Board's instructions to the developer.

Staff will coordinate public, First Nation, community, government and expert involvement in the preparation of the draft guidelines. After the Review Board's consideration and adoption the guidelines, they are issued to the developer.

Duration: About three months

Deliverable: Draft and final guidelines, public/stakeholder consultation, direction to the developer including confirmed scope of development and associated scope of assessment, identification of "key" issues, effects, baseline data requirements, and desired results of research, and suggested environmental assessment report table of contents.

Phase Three - Environmental Assessment

Conformity Check

After receiving the developer's completed environmental assessment report the Review Board will ensure the developer has provided the information requested in the guidelines. Aboriginal, general public and government involvement will occur in the conformity check. The Review Board will decide conformity and direct the developer accordingly. The Review Board will notify stakeholders when the conformity check is complete.

Analysis and Adequacy of the environmental assessment

The Review Board's staff will coordinate the analysis of the environmental assessment. The aim is to provide opportunities for people (in government and communities) to participate and express their ideas, evidence and facts in ways that meet their needs (e.g., traditional knowledge holders and scientific experts). The more complete the analysis the better the environmental assessment.

The intent is to find and focus on unresolved or unclear issues, and to provide the Review Board information that will contribute to its decision. Some issues will be scientific, other traditional knowledge based, others personal and value based. Aboriginal, general public and government involvement would occur at community gatherings, elders' gatherings and technical sessions. All gatherings and sessions would be open to everyone always.

Developer Response to Analysis

The developer will have the opportunity of responding to the conformity check and analysis parts of the environmental assessment. BHP Diamonds Inc. can formally provide and present its views on the information brought to the Review Board's attention after submission of its environmental assessment report including any proposed amendments, additions or refinements to the development or the environmental assessment.

Duration: About 6 months to complete from date the environmental assessment is received by the Review Board.

Work Plan Schedule

The work plan provides an overview of the tasks, time lines and activities needed to complete the environmental assessment. It is summarized in the following figure and the Table 2 on the following page.

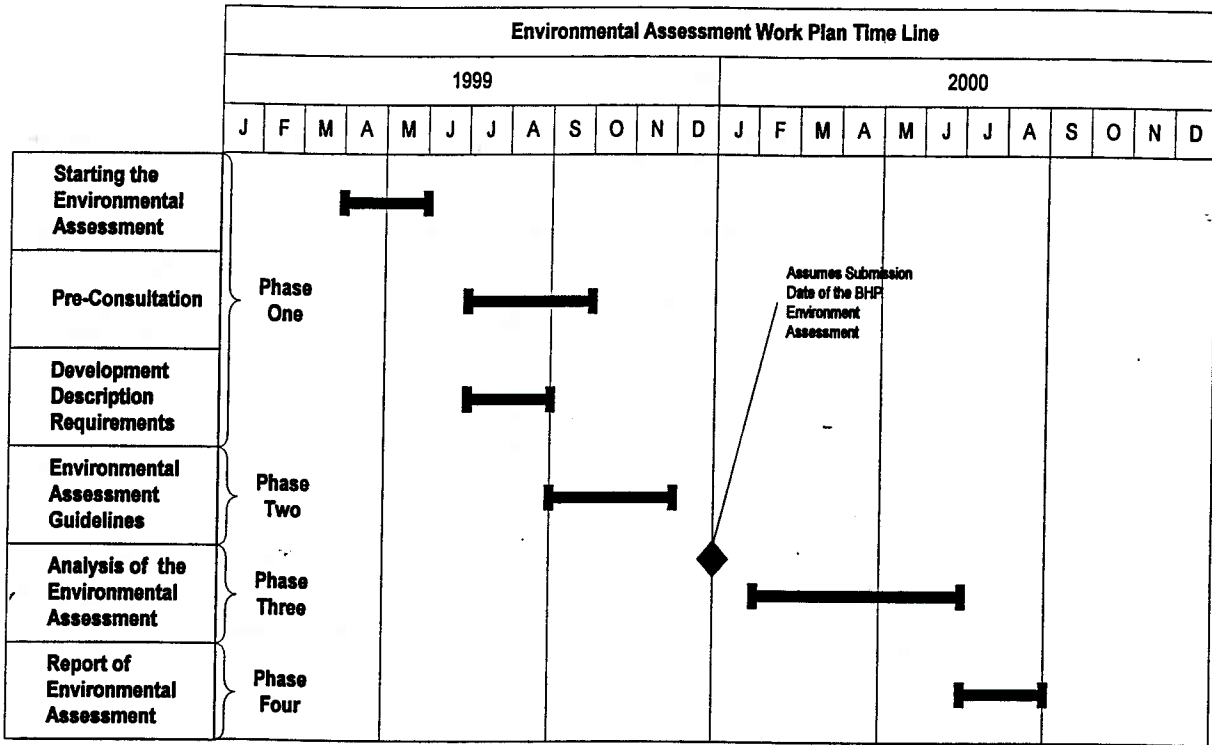


Figure 2