



October 28, 2004

Distribution List

Dear Parties:

Re: Hay River Biotreatment Pad

As you may be aware the Town of Hay River applied to the Mackenzie Valley Land and Water Board (MVLWB) for an amendment to the Town's Water Licence (N1L3-0053) on April 22, 2004. The Town proposed to operate a biotreatment pad for hydrocarbon contaminated soil at its solid waste facility. The MVLWB conducted a preliminary screening on the proposed development and held a public hearing in Hay River on August 30 and 31, 2004.

During the screening proceedings the K'atlodeeche and the West Point First Nation raised several concerns and the Hay River Metis Government Council requested an Environmental Assessment. On September 13, 2004 the MVLWB determined that, in its opinion, all concerns had been adequately addressed by the town or its contractor. The MVLWB subsequently submitted an amended Type A Water Licence for the Town of Hay River to the Minister of Indian and Northern Affairs (INAC) for his signature.

On October 8, 2004 the K'atlodeeche First Nation submitted a request for an environmental assessment to the Mackenzie Valley Environmental Impact Review Board (MVEIRB). Concerns raised by the K'atlodeeche First Nation during the screening proceedings include a lack of consultation, close proximity of site to the Hay River with resulting concerns over water contamination, and a potential for fumes to escape from the site. For more information please refer to the relevant documents available from the MVEIRB's office or the online public registry at www.mveirb.nt.ca.

Following a review of this request and relevant documents on the MVLWB public registry, the MVEIRB determined that it may have the option to conduct an environmental assessment on its own motion according to section 126(3) of the Mackenzie Valley Resource Management Act (MVRMA). The MVEIRB is now soliciting comments from the parties to the water licencing proceedings on the following questions:

1. In your opinion, does the MVEIRB have the authority to conduct an environmental assessment on its own motion (MVRMA s.126(3)), given that the MVLWB has already submitted the Water Licence to the Minister for signature?

- 2. In your opinion, did the Town of Hay River, its contractor HAZCO, or other agencies adequately address the technical issues in their submissions to the preliminary screening proceedings?
- 3. In your opinion, is an environmental assessment necessary or warranted? If so, please provided a detailed description of your concerns and list the issues an environmental assessment would need to examine.

Please submit your answers to above questions to the MVEIRB by fax (867) 766-7074 or e-mail mhaefele@mveirb.nt.ca by 4 pm local time Wednesday November 10, 2004. If you have any questions regarding these proceedings or require fax copies of public registry documents, please contact Martin Haefele by phone at (867) 766-7053, fax (867) 766-7074, or e-mail at mhaefele@mveirb.nt.ca.

We are also sending this letter to the Minster of INAC and request that his office inform the MVEIRB if the amendment to Water Licence N1L4-0053 has been signed and to give any advice that may be relevant from the Minister's perspective to the questions raised in this letter.

Sincerely

Mary Tapsell

Manager, Environmental Impact Assessments

