



Indian and Northern
Affairs Canada

affaires indiennes
et du Nord Canada

Box 1500

Yellowknife, NT X1A 2R3

June 07, 2001

Laurie Bruno

Mackenzie Valley Land and Water Board

7th Floor, 4910-50 Avenue

P.O. Box 2130

Yellowknife, NT X1A 2P6

Your file / Votre référence

Our file / Notre référence

Mackenzie Valley Land
& Water Board

File

JUN 15 2001

Application # MV2001L2-0004

Copied To MSILBI Reg

**Re: Comments on BHP Diamonds Inc., MV2001L2-0004, Sable Road
Construction, Ekati Minesite**

The Water Resources Division has reviewed BHP Diamonds application requesting a Class "B" Water Licence to withdraw water from Falcon Lake for the purpose of road watering. It is our understanding that the estimated maximum use of 100,000 m³/year would enable BHP-Ekati to control the dust on Sable Road.

After reviewing this document I have the following questions:

Question 1:

In the absence of a decision by the Responsible Minister's and the Federal Minister of Indian Affairs and Northern Development on the Sable, Pigeon and Beartooth environmental assessment, why is BHP Diamonds attempting to proceed with a Class "B" Water Licence for this component of the project? I recognize how important this application is, however, the Sable Road construction activity is already included in the scope of the current environmental assessment.

Question 2:

Is the Mackenzie Valley Land and Water Board considering the Sable Road as a separate issue, when its already a part of the environmental assessment scope for the whole expansion project?

Could you please clarify the process as we are under the impression that once an application for a Class "A" water licence is being considered for the whole project then a Class "B" water licence for the same project would be redundant.

Question 3:

Can we expect a number of Class "B" water licence applications to review in the future for this project? If this is the case, then we are not in a position to support such an approach.

Please contact me at 669-2666 (phone) or 669-2716 (fax) or at jacksonf@inac.gc.ca

Respectfully yours,



Francis J. Jackson
Diamond Specialist
Water Resources Division

cc. David Milburn, Manager, Water Resources Division, INAC
Tom Issac, Dept of Justice