

Sharon

From: Ryan Fequet [rfequet@wlwb.ca]
Sent: Monday, July 28, 2008 11:05 AM
To: 'Registry'
Subject: EKATI - Response to comments on LLCF Water Model

Attachments: BHP Billiton_Response to Comments_LLCF Water Model_Jul23'08.pdf



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From: Denholm, Eric J [mailto:Eric.J.Denholm@bhpbilliton.com]
Sent: Wednesday, July 23, 2008 4:29 PM
To: Kathleen Racher; Ryan Fequet
Cc: Marc Wen
Subject: EKATI - Response to comments on LLCF Water Model

Ryan / Kathy

Attached is BHP Biliton's response to comments on the LLCF Water Model Report(s).

Eric

Eric Denholm, P.Eng.

Environment Superintendent - Traditional Knowledge and Permitting

EKATI Diamond Mine

BHP Billiton

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BHP Billiton Diamonds Inc.
Operator of the EKATI Diamond Mine



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July 23, 2008

Wek'èezhii Land and Water Board
P.O. Box 2130
Yellowknife, NT
X1A 2P6
Attention: Ms. Violet Camsell-Blondin, Chair

Dear Ms. Camsell-Blondin:

Re. EKATI Diamond Mine - Long Lake Containment Facility Water Quality Model

This letter provides BHP Billiton Diamond Inc.'s (BHP Billiton's) response to comments forwarded by Board staff regarding BHP Billiton's Long Lake Containment Facility (LLCF) Water Quality Model. BHP Billiton had previously provided two technical reports and an explanatory cover letter to the Board that described the current state of development and results of a water quality model that is used by BHP Billiton as a management tool that can estimate possible future trends in water quality in the LLCF. Provision of these reports was not a requirement of the Water Licences but was a commitment from BHP Billiton and is referenced in the Board's approval of the current (2007-2009) Aquatic Effects Monitoring Program (AEMP).

Technical review comments were received from Indian and Northern Affairs Canada (including specialist review by Lorax Environmental), Lutsel K'e Dene First Nation, Independent Environmental Monitoring Agency, and Ecometrix Incorporated (retained by the Board). Ecometrix is the only reviewer who explicitly acknowledged and commented on the question of initial interest to the Board; namely, does the Water Model satisfy the Board's requirements under Part 8 of the conditional approval of the (2007-2009) AEMP.

BHP Billiton finds that the bulk of the current technical review comments ask for verification of technical references, clarification of calibration and validation protocols, provision of additional supporting information, and applicability of the Water Model for other uses (such as reclamation planning). While these are topics of interest that BHP Billiton is continuing to develop internally, BHP Billiton feels that these questions are not directly linked to the issue before the Board; whether the Water Model fulfills the requirement of AEMP Condition 8.

In its conclusions, Ecometrix is supportive of the Water Model as regards AEMP Condition 8 and states that "The modeled chloride concentrations are technically acceptable ... and adequately fulfill Condition 8 ...". BHP Billiton believes that is the case and that there are no

changes to the AEMP that should be made at this time as a result of the Water Model. BHP Billiton believes that changes to the AEMP should not be contemplated between the 3-year review cycle unless there is a demonstrated fundamental need.

In its review comments INAC states that it “can not be certain, at this point in time, whether these models should be used to predict future water quality at the EKATI mine site”. BHP Billiton reminds the Board that the Water Model is not intended to predict future water quality. The Water Model is a dynamic project that uses real information combined with reasonable professional judgement to provide future-looking projections. The Water Model will always be subject to future revision and refinement as more real data and history are developed. This should be the expectation for the Water Model. Ecometrix appears to recognize this distinction in its comments where it states “the estimates [of chloride concentrations] should be viewed as a guide to trends and approximate concentrations. The model predictions can be used as a management guide”. BHP Billiton agrees with this statement.

BHP Billiton asks that the Board focus its considerations on the initial question of whether the Water Model reports satisfy the requirement of AEMP Condition 8. BHP Billiton believes that this is the case, which is supported by the Ecometrix review.

BHP Billiton will continue to use the Water Model as an internal management tool and will periodically update the Water Model to include new management options and new data. The technical comments received from reviewers will be considered during these and subsequent updates to the model.

BHP Billiton is committed to providing long-term and lasting value to all of the parties and communities that are involved with the EKATI mine while ensuring that the environment is not harmed. The continued development and internal use of the LLCF Water Model displays another aspect of how BHP Billiton strives to balance all of the needs of an operating mine to ensure a strong future for EKATI.

Yours sincerely,
BHP Billiton Diamonds Inc.



Eric Denholm
Environment Superintendent – Traditional Knowledge and Permitting
EKATI Diamond Mine