

Independent Environmental Monitoring Agency

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March 3, 2003

Jane Howe Permitting Coordinator PHP Billiton Diamonds Inc 1102-4920 52nd Street Yellowknife, NT X1A 3T1

Dear Jane:

Re: BHPB's Three-Year Environmental Impact Report 2003

In response to John Witteman's e-mail of February 6, 2003 requesting comments on the Table of Contents for BHPB's Impact 2003 Report, the Independent Environmental Monitoring Agency offers the following:

Article V.2.b of the Environmental Agreement states "....with a view to both ensuring that an opportunity is provided for early disclosure and discussion of the problems ... BHP shall consult with representatives of the Minister, the GNWT and the Monitoring Agency as BHPB compiles the information and data to be included in such Environmental Impact Report". We offer the following observations:

- For the previous Impact Report BHPB held consultation meetings starting in September of 1999; while not all of the suggestions provided by the Agency and others were included in the final report, the meetings were useful and helped produce a better report;
- To meet the consultation requirements set within the Environmental Agreement, the company should elaborate on its consultation process beyond a review of a Table of Contents and include a scoping session, review of draft documents and review of a final document;
- The consultation process for Impact Report 2003 began February 6, 2003. With such a late start and in order to meet the April 30th deadline **the Agency is prepared to host a small scoping session with territorial, federal and company staff as soon as possible to further define the contents of the proposed report.** The purpose of such a meeting could be to scope out all the noticeable trends, determine the priority trends to include in the report and to provide recommendations on how to improve on the reporting structure used for Impact Report 2000. The success of such a session would be dependent on the participation of a company representative; and
- The Agency recommends that draft reports be distributed for comment.

While the annual and technical reports elaborate on the details of separate monitoring programs and annual changes, the Impact Report offers the opportunity of a more integrated and comprehensive assessment of changes that have occurred since the project was approved. The report should go beyond a synthesis of the last three years of data and should include the use of trend analyses to illustrate how well environmental management has achieved the objectives set out in the original environmental assessment.

ArticleV.2.a of the Environmental Agreement states - "Each Environmental Impact Review report will be accompanied by a plain English summary prepared by BHPB and shall report on longer term effects of the Project and the results of environmental monitoring programs and the actual performance of the Project in comparison to the results predicted in the Impact Statement and to evaluate how BHPB's adaptive environmental management has performed". The Agency offers the following general recommendations for the 2003 report:

- The report should focus on trends in effects observed over the last six years taking into account effects from the first three years as outlined in Impact Report 2000;
- The report should compare actual outcomes to the original EIS predictions and include trends that were not predicted (water quality);
- Noting that an effect can be defined as any noticeable change in a parameter, and in an effort to keep the report from being too broad, effects and issues to be covered in the report should be prioritized by a collective group of advisors; and
- Qualifiers used to describe trends and effects should be well defined within the report and the process for assigning these qualifiers should be described.

The Agency is prepared to provide more specific comments on the contents of the report and would prefer to do so in a session with other interested parties. Please contact Carole Mills, Manager at 669-9141 to indicate if and when a company representative would be available for a scoping session and for further discussion on the Impact Report 2003.

Sincerely,

- ORIGINAL SIGNED BY -

Red Pedersen Chairperson

Cc: Society Members, IACT