

JUN 11 2010

Mr. Eli Nasogaluak  
Environmental Assessment Coordinator  
Environmental Impact Review Board  
PO BOX 2120  
INUVIK NT X0E 0T0

Dear Mr. Nasogaluak:

**Hamlet of Tuktoyaktuk, Town of Inuvik and GNWT – Construction of the Inuvik to Tuktoyaktuk Highway, Northwest Territories (02/10-05)**

The Inuvik to Tuktoyaktuk Highway Project Steering Committee (the Proponent) is pleased to respond to the Environmental Impact Review Board's (EIRB) June 4, 2010 letter request for additional information, in order to permit the EIRB to reach a decision on how to proceed with its environmental impact review.

In submitting the Project Description Report (PDR) to the Environmental Impact Screening Committee (EISC), the Proponent's intent was to provide the most comprehensive documentation possible to more than meet the needs of the EISC and the CEAA screening processes and hopefully allow these screening processes to conclude that the Inuvik to Tuktoyaktuk Highway project could proceed on the understanding that further field data, as necessary, would be obtained to meet the needs of subsequent regulatory permits and approvals.

As requested, the following are the Proponent's responses to the EIRB's information requests:

1. **Please provide a more detailed schedule for gaining the necessary environmental and regulatory approvals for the development to proceed. This information should include:**
  - a. *Summary details of the information that may be required for the environmental impact review that has not already been collected or provided in the Project Description, when this information will be available, and whether the additional field investigations identified in Table 6-1 for 2010 and 2011 would contribute in any way to the environmental impact review process.*

.../2

**RESPONSE:**

Table 6-1 in the PDR outlines the proposed schedule of activities assuming that EISC screening in April 2010 enabled the project to move to permitting, licencing, and authorizations in summer 2010. It envisions proposed pre-construction studies to be undertaken to support specific anticipated regulatory permit and approvals requirements, the further refinement of the highway alignment, the assessment and confirmation (quantity/quality) of borrow sources, the detailed design, geotechnical assessment, and the seasonal construction of the highway over a period of several years.

In addition to the pre-construction and construction activities presented in Table 6-1, which are the focus of the EIRB's information request, the project involves on-going community engagement elements. What we have heard from the communities, organizations, and regulatory agencies consulted, is that meaningful engagement is required to develop strategies for appropriate local land and resource use, increased tourism, and possible subsequent developments associated with improved access to the area. The Proponent understands that these issues are part of the future for the Inuvik to Tuktoyaktuk Highway corridor, and that many of these pressures and concerns precede the 2009/10 proposal to construct the Highway.

All of the proposed field programs are conditional upon receiving further funding, primarily from the Federal government. At this time, efforts to secure additional funding are underway. The only field work that is currently approved and is being undertaken in June 2010, is a four-day field survey assessing hydrological, fish presence and absence, and fish habitat characteristics of all streams to be crossed during the first year of proposed construction.

This survey involves field survey and assessment of streams present along about 50 km of the total alignment (KM 0-25, heading north of Inuvik, and KM 92-117 heading south from Source 177). Survey results will be used to support Department of Fisheries and Oceans (DFO) and NWT Water Board approvals for the proposed first winter of highway construction. As described in the PDR, the start of construction was planned for the winter of 2010/11, subject to receipt of the necessary regulatory permits/licences.

It is the Proponent's opinion that sufficient information exists or is available to conduct the upcoming environmental impact review and to allow environmental impact review decisions to be made. Also, following the environmental impact review, the nature of this project and its funding is such that the necessary field work would be conducted on a phased, annual basis over a period of several years. In this regard, the Table 6-1 field investigations and construction activities would remain unchanged with respect to seasons and would be updated year by year, in adaptation to the multi-year construction approach that will be used to complete the Highway.

The completion of all the necessary field work for the entire highway project in advance of overall project approval and implementation is considered by the project Proponents to be too costly and difficult to obtain funding for and, therefore, the project would not likely be implemented in the near to medium term.

- b. *Summary details of the information specifically required for each of the regulatory approvals necessary for the development to proceed (e.g., provide details of what information is being collected in the 2010 and 2011 field investigations that would contribute to final designs required for the regulatory process).*

**RESPONSE:**

The specific approvals required for the project to proceed include:

- Inuvialuit Land Administration (ILA) and Indian and Northern Affairs Canada (INAC) land use permits to access Inuvialuit and Crown Lands, respectively;
- ILA and INAC permits for borrow sites on Inuvialuit and Crown Lands, respectively;
- NWT Water Board Type B Licence(s) to cross streams greater than 5 m in width, to withdraw larger quantities of water, and to support construction camps;
- Navigable Waters Protection Act approvals for crossing navigable streams; and
- DFO Fisheries Authorizations for certain stream crossings as necessary or conformance with DFO Operational Procedures.

As previously indicated, it is the hope of the Proponent that the necessary approvals can be obtained on a phased, annual basis to match potentially available phased funding.

The nature of the information required will vary depending on the requirements of the specific regulator. Examples of the typical information requirements of each regulatory agency are provided in Attachment A.

- c. *A revised schedule for completing the environmental and regulatory approvals process, given this identified need for additional field investigations.*

**RESPONSE:**

As previously indicated in paragraph 5 of the response to 1(a), it is the hope of the Proponent that the necessary approvals can be obtained on a phased, annual basis to match potentially available phased funding. One implication of

the EISC decision to refer the project to the EIRB is that overall project implementation has been delayed by at least one year. Another problematic implication is the Highway's diminished ability to obtain Federal funding as a 'shovel-ready' project due to the increasingly popular perception that it will involve an onerous regulatory review process.

Assuming that the EIRB impact review process can be completed by the spring of 2011 and funding support can be obtained from the Federal government, activity approvals, field studies, and overall project implementation would similarly be delayed for at least one year.

If the EIRB or regulatory agencies have the expectation that all field studies and regulatory approvals would need to be in place for the entire route in advance of overall project implementation, it is likely that the project would not receive the necessary funding and, therefore, the project would not likely be implemented in the short to medium term.

2. **Please provide a clear statement of the implications and consequences of the environmental and regulatory approvals process taking longer than anticipated and identified in Table 6-1.**

**RESPONSE:**

The EISC decision to refer the project to the EIRB will already effectively delay the overall project implementation until winter 2011/12 in the best case scenario.

Assuming that the EIRB impact review process can be completed by the spring of 2011 and funding support can be obtained from the Federal government for phased annual field studies, activity approvals and construction, overall project implementation would similarly be delayed for at least one year.

However, it should also be noted that the infrastructure funding window of opportunity that became available during the recent economic downturn has been closing, and thus the opportunities associated with finding and obtaining the necessary funding support have been and continue to diminish.

3. **Please provide a clear statement of whether the information to be collected during the 2010 and 2011 field investigations identified in Table 6-1 would alter in any way the development design, alignment, construction techniques or any other components of the project required for the environmental impact review process.**

**RESPONSE:**

The 2010 and 2011 field investigations identified in Table 6-1 of the PDR are intended to support specific anticipated regulatory permit and approvals requirements, the further refinement of the highway alignment, the assessment

and confirmation (quantity/quality) of borrow sources, the detailed design, and the seasonal construction of the highway over a period of several years.

The updated and/or new site specific data to be obtained will help to improve the design of particular sections of the road and stream crossings and will contribute to minor site-specific route refinements designed to optimize the road construction program and further mitigate potential site-specific effects on environmental and/or cultural resources.

Although this additional information may be of interest to the EIRB, with respect, we do not believe that this more detailed site-specific information should be needed for the impact review phase of the overall project. Rather, it has consistently been the Proponent's intent to have such information available as necessary to meet the needs of the specific regulatory agencies during the permitting/licencing phase of project implementation.

To summarize, the additional site-specific field data will assist in preparing the Highway design and final alignment, may contribute to improvements in site-specific construction approaches and further mitigate potential site-specific effects on environmental and/or cultural resources. These updates will not materially change the proposed Highway with respect to its review by the EIRB and others.

On behalf of the Steering Committee, I thank the EIRB for considering the responses provided. The Proponents look forward to working closely with all parties to turn the Inuvik to Tuktoyaktuk Highway into a reality.

Yours truly,



Jim Stevens  
Director, Mackenzie Valley  
Highway

Attachment