

May 26, 2009

Ms. Leslie Payette Manager of Environmental Administration Nunavut Impact Review Board Cambridge Bay, Nunavut (867) 983-4600

Email: info@nirb.ca

Re: Additional Information Required for "Nanisivik Naval Facility" Project Proposal, requested by NIRB in writing on May 20, 2009.

Dear Ms. Payette:

On March 23, 2009 the Department of National Defence (DND) received a letter from the Nunavut Impact Review Board (NIRB) requesting the required additional information from DND be provided to the Board by April 6th, 2009 for the Nanisivik Naval Facility (NNF) project proposal. Since DND was not able to provide the required information by the recommended date, a teleconference meeting on the April 20th, 2009 was held between NIRB, DND, Defence Construction Canada (DCC).

During the April 20th, 2009 teleconference, NIRB advised the project team that it had three options in considering moving forward with the environmental assessment process under the NIRB. The first option was to request a screening extension from the Minister of Indian and Northern Affairs and the Minister of National Defence. The second option was to close the project file with the NIRB and open a new one at a later date. The third option was to let the project documents (Part 1 Form) go out for public comment. NIRB suggested the project team use option one, since it was much more common and administrative in nature.

Pursuant to the NIRB's suggestion, the project team was under the impression that a date to submit the Part 2 Form would be mutually agreed upon when a design consultant and an environmental consultant were hired by DCC through a government procurement process, following Treasury Board of Canada procurement regulations.

However, in a letter dated May 20th, 2009, the NIRB requested that the additional information for the NNF project be submitted by June 2nd, 2009 or provide the Board with written notification of an anticipated submission date no later than June 2nd, 2009.

Thence, DND would like to advise NIRB that the Part 2 Form will not be submitted by June 2, 2009.

DND is currently in the process of hiring a design consultant and environmental consultant. It is anticipated that the environmental consultant will be hired soon, and a core task will be to assist in completing the Part 2 Form. Once a design contract is awarded and a design schedule is determined, will DND be best able to provide NIRB with a date for the submission of the Part 2 Form for the NNF project.

DND would like to underline that large infrastructure projects in Nunavut pose logistical challenges for private and public proponents alike. However, projects proposed by governments have different challenges from private industry, particularly regarding public procurement regulations. These challenges are not reflected in the environmental assessment and approval process timelines currently in place in Nunavut under the Nunavut Land Claims Agreement (NLCA). DND asks that the NIRB acknowledge the challenges faced by government proponents in meeting the NIRB requirements and timelines for large projects in Nunavut.

DND is committed to collaborating with the NIRB to build an environmental assessment process that meets the needs of the NIRB, and the needs of government-proponents undertaking large infrastructure projects in Nunavut. DND is looking forward to working closely with the NIRB on the proposed Nanisivik Naval Facility project and future project proposals in Nunavut.

Sincerely,

Rodney Watson, P.Eng (Ont).

Project Manager, Nanisivik Naval Facility