

October 3, 2007

To: All Parties to the Environmental Impact Review being conducted by the Joint Review Panel of the Proposed Mackenzie Gas Project (the Project)

**Re: Topic 17 - Recommendations
Clarification Regarding Recommendations, and Recommendations Directed to the
Joint Review Panel**

In follow-up to correspondence from the Joint Review Panel dated September 19, 2007, the Panel wishes to provide clarification regarding recommendations that may be made by Parties during the recommendations phase.

In developing their recommendations, Parties are encouraged to indicate what recommendations and conditions would need to be implemented so that the Project, if it were to be approved, would provide net gains and that any trade-offs made to ensure these gains are acceptable in the circumstances. Parties are reminded that while recommendations may address relationships between the effects of the Project and the anticipated effects of induced and other related developments that might occur as a result of or in connection with the Project, the Panel's review must address the Project itself and whether it would (as proposed or subject to certain conditions) bring net gains with acceptable trade-offs.

If, during the written component of the recommendations phase, a Party directs recommendations to the Joint Review Panel (rather than an Intervener or the Proponent), these recommendations will not be responded to by the Panel during the written or oral components of the recommendations phase. Rather, they will be addressed by the Panel in its final report. Parties are encouraged to review recommendations that are directed to the Joint Review Panel or to regulators. In the event such recommendations, if adopted, might require them to take an action, the Party may wish to file a written response.

The Panel will consider environmental and socio-economic issues arising from the proposed Mackenzie Gas Project and provide recommendations to government in their final report. The JRP report can recommend that the Project proceed or not proceed. Where legislation provides, government regulators are obliged to act in conformity with those recommendations of the Joint Review Panel that are relevant to their mandate and are accepted by government.