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Mr. Mark Cliffe-Phillips Executive Director Wek'eezhii Land and Water Board PO Box 32 WEKWEETI NT X0E 1W0

## RE: Application of Water Use Fees

Dear Executive Directors:

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On February 1, 2010, the Department of Aboriginal Affairs and Northern Development sent a letter to the Chairs of the water regulatory boards regarding the application of the water use fees under the Northwest Territories Waters Regulations. The letter discussed the current uncertainty and inconsistency with the application and calculation of water use fees associated with water licences. The Department outlined its interpretation of the calculation of water use fees under subsection 9(1) of the Regulations and provided sample calculations to add further clarity.

On June 17, 2010, the Department received a response from the Chair of the Mackenzie Valley Land and Water Board, on behalf of the boards, which acknowledged the inconsistent application of these fees and the need for greater clarity. The letter also outlined the boards' efforts to address the issue through an internal working group and the development of a policy paper on the application of water use fees.

To follow-up on our communication and in keeping with the Department's efforts to improve the northern regulatory regime, to help ensure it is more effective, predictable, and provide greater certainty, the Department has developed a "water use fees calculator". The calculator is a tool to assist the Board staff and licensees in the calculation of water use fees and is consistent with the Department's interpretation of the Regulations and provides further clarity in calculating fees payable as outlined in subsection 9(1) of the Northwest Territories Waters Regulations. You will find enclosed a copy of the calculator for your use and distribution.

I would like to thank the Boards for their efforts to address this important regulatory issue. If you wish to discuss further the calculation of water use fees or the use of the calculator, please do not hesitate to contact me at (819) 994-7483.

Yours sincerely,

Lilles Binda

Gilles Binda A/Director, Land and Water Management Northern Affairs Organization

Encl.

c.c.: Robert Jenkins, Head, Water Resources Division, NT Region Teresa Joudrie, Director, Renewable Resources and Environment, NT Region