

From: [John Laitin](#)
To: licensing@nunavutwaterboard.org
Subject: Sabina Tech session submission points
Date: Friday, May 20, 2011 3:14:16 PM

Hi Phyllis,

I am sending Dionne our notes in this email as points we are interested in bringing forward towards the regulations review.

Regards,
John

Dear Dionne,

Thank you for your letter of April 20, 2011 that included the draft Nunavut Water Regulations and notice of the Technical Meeting/pre-hearing Conference. Sabina Gold & Silver Corp. (Sabina) is planning to have participants (myself and Elizabeth Sherlock) at the Iqaluit and Yellowknife sessions and have no additions/revisions to the agenda. Sabina does not wish to present at either of the sessions. In your letter you ask for submission of technical comments on the Draft Regulations. Sabina supports in principal the draft Regulations and congratulates the Nunavut Water Board and INAC for the steps they have taken to move this initiative forward. However, there are sections that we would seek clarification and it is anticipated that additional discussions with INAC and the technical meeting may address. Our intent with this submission is to help identify issues that may arise at the Meeting and future Public Hearings.

1. Section 82(1) (j) and (k) allow for the prescription of water quality standards and effluent standards within Nunavut and the current draft Regulations do not include these standards. Without this clarification then it is challenging to identify the thresholds for "...substantially affect the quality, quality or flow..." of waters as referred to in the Regulations. Is there consideration of how to define what would constitute a substantial affect?
2. The inclusion of thresholds to allow unlicensed, but authorized, water use and waste deposit is recognized as a tool to improve the application and review process of water licenses. Section 48 of the Act outlines the application needs for water use and waste deposit licenses, however, the draft Regulations do not outline application for water use and waste deposit without a license. Is the intent for these unlicensed uses to be a more of a notice (including information outlined in the Regulations section (3), or is it an application procedure as outlined in the Act that includes distribution for review.
3. Related to the above is the requirement of water use fees and security requirements for the unlicensed water use or waste deposit. Section 10 (security) and 11 (fees) only identify application for a license, application for amendment, renewal cancellation and assignment of a license as having fees and security being required.
4. The draft Regulations identify 65 watershed management areas; the Nunavut Planning Commission identifies 22 watersheds. Although the boundaries of the watersheds are similar between the draft Regulations and NPC draft Land Use Plan, clarification of the linkages between the Waters Act, these draft Regulations and the proposed NuPPA and draft Land Use Plan would be beneficial.
5. The most significant issue for Sabina within the proposed Regulations is section 10 related to Security and the lack of clarity on how security is determined and the overlapping mandates that result in "double bonding". Current application procedures within the NWB require that all applications (new, renewal, assignment and amendment) include an updated abandonment and reclamation plan that includes a liability estimate. There are policy directions (e.g. mine site reclamation guidelines) for mineral operation projects, however, application of these guidelines to exploration and unlicensed water use/waste deposits is challenging because of the different scale of project. The current draft of the regulations do not clarify how the Board will fix the amount of security so it is difficult to understand how the Board will assess security based on the project components and water use/waste deposit. It is now standard practice in Northern Canada for mine operators to post security for the expected reclamation liability. However, separate security deposits for land and water-related disturbance arises because there are multiple parties with legislated responsibility for management of activities in Nunavut. These include separate Departments of the Federal Government, such as DIAND (Water Resources and Lands) and Fisheries and Oceans, Institutions of Public Government, such as the Nunavut Water Board, and Regional Inuit Associations. It is not uncommon for the border between two land

owners, e.g. Crown Land and Inuit Owned Lands, to cross a mineral project. Ultimately, reclamation liability could be required by three permits and/or licences (2 land owners plus water licence). The draft regulations do not clarify how the land and water components will be determined and possibly separated or how these funds will be managed. Thank you for the opportunity to review and comment on the draft Nunavut Water Regulations. We look forward to the upcoming technical meetings.

Regards,

John Laitin
Manager Technical Services and Logistics