

February 16, 2009

Don Carr, Technical Advisor Nunavut Water Board P.O. Box 119 Gjoa Haven, Nunavut X0B 1J0 dcarr@nunavutwaterboard.org

Subject: Additional technical information re. New License, File # 3BC-NNF

Dear Mr. Carr:

Regarding the letter sent by the Nunavut Water Board dated the 16th of January, 2009, please find below responses to the request for additional technical information on the Nanisivik Naval Facility project. All dates, amounts and figures are to be considered as estimates only, until official plans and designs are produced.

In addition, a new application form is being submitted to NWB to reflect the changes in estimated values incorrectly identified in the previous application form.

NWB Request #1: Section 5 of the supplemental questionnaire indicates that there are three main phases to the project; a work camp phase from January 2009 to January 2010-11, an initial operation phase from January 2010-January 2015, and a full operation phase from January 2015 to 2055. Is the proponent seeking a license for a set number of years or for a particular phase?

Answer #1: Please note the start of construction is estimated to be summer 2010. The proponent is seeking to acquire and retain a water license for the entire duration of the Nanisivik Naval Facility project, from the construction phase up to and including the full operation phase.

NWB Request #2: Currently the site is owned by Fisheries and Oceans Canada, when is the transfer of the ownership of the site anticipated to occur?

Answer #2: The current site is owned by the Government of Canada, and currently administered by the Department of Fisheries and Oceans Canada. It will remain property of the Government of Canada. There are negotiations currently under way for the administration of the land to change from the Department of Fisheries and Oceans Canada to the Department of National Defence. The date of the administrative transfer is not yet determined but expected to be completed prior to the start of the construction phase.

NWB Request #3: No maps have been provided in the application. The NWB requests the submission of site maps highlighting proposed structures including but not limited to any fuel storage facility, sewage disposal facility, solid waste facilities, landfarm, water sources, new structures and construction camp in relation to local topography and adjacent water bodies.

Answer #3: The Nanisivik Naval Facility is still in its definition phase. The proponent is currently working on a statement of work (SOW) to hire a prime design consultant. The proponent will be in the capacity to provide detailed maps and drawings, as requested, once the design consultant is hired. Please find the project presentation, in which a conceptual site map is included.

NWB Request #4: A Spill Contingency Plan is to be provided for the site during the initial construction phase, prepared in the format set out by the Consolidation of Spill Contingency Planning and Reporting Regulations R-068-93.

Answer #4: A generic Spill Contingency Plan in the set format will be developed by the prime design consultant. The final Spill Contingency Plan will be prepared by the construction contractors prior to construction. Spill contingency plans will be made available to the NWB upon completion.

NWB Request #5: The site contains 18,000m3 of contaminated soils as identified in the application with the remediation options of utilizing a landfill, landfarm or disposing offsite. Should the landfill of landfarm options be pursued, construction engineering drawings are to be provided. Also, information of the contaminated soil is required, is it Type A or B, Tier I or II and how much of each type?

Answer #5: The number was an error and there are no contaminated soils requiring land filling or land farms. Any waste generated by the camp will be subject to a Waste Management Plan to be developed and approved prior to construction.

NWB Request #6: With the transfer of ownership, will liability for the contaminated soils be transferred?

Answer #6: The Government of Canada, regardless of the Department, remains the owner of the land. It will be the responsibility of the Government of Canada to ensure the land is remediated to acceptable levels.

NWB Question #7: The questionnaire makes reference to a Waste Management Plan. Will this plan be available prior to the public review period such that it will not require an independent public review period?

Answer #7: The Waste Management Plan will be defined by the construction contractor for the camp prior to start of construction. It will be made available to the NWB upon its completion.

NWB Question #8: The application does not provide information for the construction camp and facilities including roads and water crossings to be constructed and whether they could impact water.

Answer #8: Details of the construction camp and facilities, including the location of the

construction camp, roads and water crossings, and whether these undertakings will have impacts on the water will be determined through the drawings and analyses provided by the construction contractor. Determination of these undertakings will be provided to the NWB upon completion.

NWB Question #9: Any water source or waste disposal facilities to be constructed during the requested license term will require construction engineering drawings.

Answer #9: Details of the water source or waste disposal facilities to be constructed for the proposed construction camp will be determined by the construction contractor. The prime design consultant will provide water source or water disposal facilities for the Nanisivik Naval Facility. Determination will be provided to NWB upon completion.

Sincerely,

Rodney Watson

Project Manager

Department of National Defence