



NIRB File No.: 09DN018
DFO File No.: NU-11-0037
EC File No.: 4704 004 029

April 27, 2012

Rodney Watson, Project Manager
Nanisivik Naval Facility
Directorate Construction Project Delivery
Department of National Defence
101 Colonel By Drive, Ottawa,
ON, K1A 0K2

Sent via email: Rodney.Watson@forces.gc.ca

Re: Opportunity to address comments received regarding Department of National Defence's Proposed Revised Scope of the "Nanisivik Naval Facility" Project Proposal and DND's Response to Parties' Comments

Dear Rodney Watson:

On March 8, 2012 the Nunavut Impact Review Board (NIRB or Board) invited interested parties and municipalities potentially affected by the Department of National Defence's (DND or the Proponent) "Nanisivik Naval Facility" project proposal to review DND's correspondence dated February 24, 2012 that summarized the reduce scope for the proposal as well as DND's March 5, 2012 response to parties' comments and concerns pertaining to the Nanisivik Naval Facility. The NIRB requested that parties provide the Board with any additional comments or concerns pertaining to the revised scope of the project proposal by March 22, 2012.

As of March 23, 2012, comments had been received from the following interested parties:

- Fisheries and Oceans Canada
- Transport Canada
- Environment Canada
- Government of Nunavut

All comments and materials received as pertaining to this project proposal can be obtained from the NIRB's ftp site at:

<http://ftp.nirb.ca/01-SCREENINGS/ACTIVE%20SCREENINGS/09DN018-DND-Nanisivik%20Naval%20Facility/02-DISTRIBUTION/COMMENTS/>.

Following a review of all documentation submitted by DND including the revised scope of the Nanisivik Naval Facility proposal and DND's response to parties' comments, the NIRB has found that clarification on a number of topics as previously requested remains outstanding and is required in order to facilitate the NIRB's assessment. Please be advised that the NIRB requires project proposals to be sufficiently developed to permit proper screening within the timelines established by the Nunavut Land Claims Agreement. Accordingly, the Board is requesting that DND review and respond to those points raised in the public comment submissions received by the Board to date, available from the Board's online registry using the link provided above. Furthermore, the Board is again requesting that DND also provide clarification regarding the following outstanding information requirements:

Public Consultation:

On May 11, 2011 and November 1, 2011 the Board requested that the Proponent provide a summary of its public consultation strategy including consultation completed to date, plans for future consultation with communities and the public, and measures to be employed which would address any concerns raised. The NIRB notes that in its March 5, 2012 response to parties' comments, DND indicated that a record of its community visits would be provided to the NIRB, however no such record has been provided to date. The Board requests that DND provide this record to the Board and clearly indicate how any concerns raised to date have been addressed and/or incorporated within the current project design, specifically with regards to the revised/reduced scope of the project.

Traditional Knowledge:

In its May 11, 2011 and November 1, 2011 correspondence to DND, the NIRB requested that DND provide further information and a discussion on how traditional knowledge had been obtained and considered in the development of this proposal, including anticipated timelines for the initiation of additional planned consultation and/or traditional knowledge studies. The NIRB has not received this information to date, and again requests that it be provided.

Community Services:

The reduced scope identified by DND in its February 24, 2012 document indicates that support from the local community of Arctic Bay will be required. The NIRB requests additional information and discussion regarding the types and levels of services and support which would be required from the hamlet of Arctic Bay in support of the current proposal, including:

- Water and wastewater services;
- Winter storage plans for infrastructure;
- Other types of services that might be required from the community, including police, fire and medical services;
- A discussion of the potential impacts to community services in Arctic Bay, including the airport, medical services, police, water and wastewater services, and any other services; and
- Mitigation strategies for the potential use of Arctic Bay's airport and community services including medical services, police, water and wastewater and any other services.

Aggregate/Quarry Sites:

On May 11, 2011 and November 1, 2011 the Board requested that the Proponent provide additional information regarding the rock and aggregate quarries which would be required for site development. The NIRB notes that within its March 5, 2012 response, DND indicated that aggregate would be required but would be much less with the reduced scope than had been originally indicated. The Board requests that DND provide the following information to the NIRB in order to identify the potential impacts to the environment from the development and use of aggregate sources for the project:

- Location of potential borrow sources/quarries;
- Avoidance of areas used for carving stone and the identification of any carving stone deposits;
- Conceptual design;
- Types and volumes of material to be extracted;
- Depth of overburden;
- Evidence of existing, and potential for future, thermokarst development, ice lenses, flooding, erosion, sedimentation, and slumping, as well as related control measures;
- Relative moisture content of the ground;
- If blasting, describe methods employed;
- Describe the explosive type(s), hazard class, volumes, uses, location of storage (show on map), and method of storage and facility to be used;
- Methodology used to determine acid rock drainage (ARD) and metal leaching (ML) potential and the associated results of any such assessments; and
- Proposed safety measures relating to quarrying activities.

Marine Environment, Inuit Harvesting and Wildlife:

In its November 1, 2011 correspondence, the NIRB requested that additional information be provided on the potential impacts to marine environment, to Inuit harvesting and to wildlife, wildlife habitat and migratory birds that may result from the project activities. The NIRB has not received this information to date and again requests that the following information be provided:

- Information and discussion regarding potential impacts to the marine environment and associated mitigation strategies, including:
 - Potential release of suspended solids during wharf upgrades, if any;
 - Increased noise levels during the wharf upgrades, if any; and
 - Use of cathodic protection system to control erosion on the wharf.
- Discussion regarding the potential (direct and indirect) impacts to Inuit harvesting resulting from project activities, including increased shipping activities enabled and/or facilitated by the presence of the Nanisivik Naval Facility.
- Additional discussion relating to potential (direct and indirect) impacts to wildlife, wildlife habitat, and migratory birds resulting from project activities, as well as proposed mitigation measures associated with each of these impacts¹.

¹ For instance, section 5.2.3 of DND's Project Specific Information Requirements (PSIR) form states that "marine transportation during construction and operation may injure or disturb marine mammals resulting in hearing loss or behavioural changes" – however no mitigation measures to address potential impacts resulting from this marine transportation during construction and operation are suggested by the Proponent.

Socio-Economics

Given the reduced scope of the project proposal, the NIRB requests the following additional details on the anticipated socio-economic impacts from the proposed project:

- Discuss the anticipated employment opportunities associated with the reduced scope of activities.
- Discuss the potential socio-economic impacts to Arctic Bay from arctic offshore patrol ships patrolling in and around the area including:
 - Potential impacts to ice conditions during freeze up;
 - Interactions between patrol ships and harvesters;
 - Use of patrol ships to support community initiatives such as search and rescue operations or other response efforts (i.e. emergency or spill).
- Discuss plans to address potential use of the site by non-naval, commercial, marine tourism, privately owned, or other marine ships.

Other:

The NIRB further requests information on the following items:

- Discuss contingency plans for situations in which additional distillate is required in excess of the amount anticipated and planned for in any given year.
- Update Emergency Response Plan and the Spill Contingency Plan, develop a Fish Habitat Offsetting Plan (*if required*), Oil Pollution Prevention/Emergency Plan, and Abandonment and Restoration Plan.
- Summary of discussions with the Government of Nunavut regarding the road between Arctic Bay and the future Nanisivik Naval Facility and specifically, identification of the party responsible for ongoing maintenance of the road.
- Discussion of cumulative impacts as relating to increased ship traffic through the Northwest Passage as enabled by the capacity for refuelling at the proposed Nanisivik Naval Facility.

In correspondence received by the NIRB on March 5, 2012, DND indicated that the operation of ships at sea is outside of the mandate of this project, which is limited to infrastructure only, and that the Nanisivik Naval Facility project team does not have the authority to speak to potential ship operations. The NIRB has taken note of this point, however the Board is required to give consideration to indirect impacts from shipping which might result as a consequence of this proposed project. Without an adequate understanding of DND's plans to preclude private or other commercial vessels from utilizing the Nanisivik Naval Facility, the NIRB must presume that access to the proposed refuelling station would enable increased ship movements in the marine areas of the North Baffin Region, which in turn would have the potential for cumulative effects to these same marine areas. As outlined in the preceding section above, the NIRB requests that DND address whether non-naval, non-Government of Canada ships would be permitted to dock and/or refuel at the facility and if so, how access to the proposed facility might result in increases to marine tourism and cumulative effects to marine areas in the North Baffin Region from increases in marine ship movements.

Prior to rendering its decision on this file, the NIRB respectfully requests that DND provide clarification regarding the above points and a response to comment submissions received, on or before **May 22, 2012**.

The NIRB has requested additional information from DND on a number of previous occasions, and has not received an adequate response from DND to date. DND should be aware that the information requested is critical to the NIRB's assessment of the proposed project, and the Board requires this information in order to give full consideration to the potential impacts and to make an informed determination as required by the Nunavut Land Claims Agreement (NLCA). Failure to address the noted information deficiencies in sufficient detail may necessitate that DND's project proposal be formally returned for clarification in accordance with NLCA Section 12.4.4(c). DND is encouraged to provide a response to each of the requested points in sufficient detail so as to permit the NIRB to conclude its assessment of the "Nanisivik Naval Facility" project proposal. If additional time beyond May 22, 2012 is required to finalize a response to these outstanding items, please contact our office with a proposed alternate timing for submission.

Please forward all forthcoming submission materials to the NIRB at:

Attn: Technical Services Department
Nunavut Impact Review Board
P.O. Box 1360
Cambridge Bay, NU
X0B 0C0
Email: info@nirb.ca; Fax: (867) 983-2594

If you have any questions or require clarification, please contact Sophia Granchinho, Technical Advisor, at sgranchinho@nirb.ca or (867) 793-4633.

Sincerely,



Amanda Hanson
Director, Technical Services
Nunavut Impact Review Board

cc: Distribution List
Phyllis Beaulieu, Nunavut Water Board
Robert Bedington, Fisheries and Oceans Canada
Paula Smith, Environment Canada
John Cowan, Transport Canada, Environmental Affairs
Tamara Van Dyck, Department Construction Canada
Louis Lemay, Department Construction Canada