

File No.: 1BH-ARV1819

July 5, 2018

Doug Thompson Tower Arctic Ltd. 1502 Federal Road Iqaluit, Nunavut X0A 0H0

Email: dthompson@towergroup.ca

RE: NWB Licence No. 1BH-ARV1819

Dear Mr. Thompson:

Please find attached Licence No. **1BH-ARV1819** issued to Tower Arctic Ltd. by the Nunavut Water Board (NWB) pursuant to its authority under Article 13 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada (Nunavut Agreement*). The terms and conditions of the attached Licence related to the use of Water and the deposit of Waste are an integral part of this approval.

If the Licensee contemplates the renewal of this Licence, it is the responsibility of the Licensee to apply to the NWB for its renewal. The past performance of the Licensee, new documentation and information, and issues raised during a public hearing, if the NWB is required to hold one, will be used to determine the terms and conditions of the Licence renewal. Note that if the Licence expires before the NWB issues a new one, then the use of Water and the deposit of Waste must cease, or the Licensee may be in contravention of the *Nunavut Agreement* and the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA)*. However, the expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence. The NWB recommends that an application for the renewal of this Licence be filed at least three (3) months prior to the Licence expiry date. It should be noted that in accordance with s. 75(1)(a) of the *Nunavut Planning and Project Assessment Act (NuPPAA)*, the Board is not allowed to issue a permit or authorization for any project proposal that has not been submitted to the Nunavut Planning Commission (NPC) in accordance with s. 76 of *NuPPAA*.

If the Licensee contemplates or requires an amendment to this licence, the NWB may decide, in the public's interest, to hold a public hearing. The Licensee should submit applications for amendment as soon as possible to give the NWB sufficient time to go through the amendment process. The process and timing may vary depending on the scope of the amendment, however,

a minimum of <u>sixty (60) days</u> is required from time of acceptance by the NWB. It is the responsibility of the Licensee to ensure that all application materials have been received and are acknowledged by the Manager of Licensing.

Sincerely,	
Lootie Toomasie Nunavut Water Board,	

Chair

LT/ak/ip

Enclosure: Renewal Licence No. 1BH-ARV1819

Cc: Distribution List – Kivalliq

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DECISION

LICENCE NUMBER: 1BH-ARV1819

This is the decision of the Nunavut Water Board (NWB) with respect to an application dated April 20, 2018 for a new Water Licence made by:

TOWER ARCTIC LTD.

to allow for the use of Water during hydrostatic testing activities at the Water Treatment Plant and Reservoir Project located in the Hamlet of Arviat within the Kivalliq Region of Nunavut, generally located at the geographical coordinates as follows:

Project Extents:	NW:	Latitude: 61° 06' 47.06" N	Longitude: 94° 05' 51.73" W
	NE:	Latitude: 61° 06' 47.06" N	Longitude: 94 $^{\circ}$ 05' 43.52" W
	SE:	Latitude: 61° 06' 42.11" N	Longitude: 94° 05' 43.59" W
	SW:	Latitude: 61° 06' 42.25" N	Longitude: 94° 05' 51.73" W

DECISION

After having been satisfied that the Application is for a proposal that was previously reviewed by the NPC and for which the conformity determination 148586, dated May 18, 2017, remains applicable and as determined by the Nunavut Impact Review Board (NIRB)², a review of the Project is not required in accordance with s. 92(1)(a) of *NuPPAA*, and subject to the terms and conditions recommended by the NIRB's Screening Decision Report in accordance with Article 12 of the Nunavut Agreement and s.88 and 92(2)(a) of Nunavut Planning and Project Assessment Act (*NuPPAA*), the NWB decided that the application could proceed through the regulatory process. In accordance with s. 55.1 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA* or *Act*) and Article 13 of the *Nunavut Agreement*, public notice of the Application was given and interested persons were invited to make representations to the NWB.

After reviewing the submission of the Applicant, the NWB, having given due regard to the facts and circumstances, the merits of the submissions made to it and to the purpose, scope and intent of the *Nunavut Agreement* and of the *Act*, waived the requirement to hold a public hearing, and determined that:

New Licence No. 1BH-ARV1819 be issued subject to the terms and conditions contained therein. (Motion #: 2018-B1-017)

Signed this 5 th day of _	July, 2018	_ at Gjoa Haven, NU
Tarkia Tarania		
Lootie Toomasie Nunavut Water Board,		
Chair L T/ol/in		
LT/ak/ip		

¹ Confirmation email from Nunavut Planning Commission, April 12, 2018.

² Nunavut Impact Review Board (NIRB) Screening Determination, September 19, 2017.



NUNAVUT WATER BOARD WATER LICENCE

Licence No. 1BH-ARV1819

Pursuant to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada*, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

TOWER ARCTIC LTD.

(Licensee)

1502 FEDERAL ROAD, IQALUIT, NUNAVUT, X0A 0H0

(Mailing Address)

herein after called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence:

Licence Number/Type: 1BH-ARV1819 / TYPE "B"

Water Management Area: MAGUSE WATERSHED (11)

Location: ARVIAT, KIVALLIQ REGION, NUNAVUT

Classification: 1. INDUSTRIAL UNDERTAKING

Purpose: **DIRECT WATER USE**

Quantity of Water use not

to Exceed: TWO HUNDRED AND NINETY-NINE (299) CUBIC

METRES PER DAY, NOT EXCEEDING 2,200 CUBIC

METRES PER ANNUM

Date of Licence Issuance: **JULY 5, 2018**

Expiry of Licence: **JULY 4, 2019**

This Licence issued and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

Lootie Toomasie, Nunavut Water Board Chair

PART A: SCOPE, DEFINITIONS AND ENFORCEMENT

1. **Scope**

This Licence allows for the use of Water for an Industrial undertaking classified as per Schedule 1 of the Regulations at the Water Treatment Plant and Reservoir Project located within the municipal boundaries of Arviat, in the Kivalliq Region, Nunavut.

- a. this Licence is issued subject to the conditions contained herein with respect to the taking of water and the depositing of waste of any type in any waters or in any place under any conditions where such waste or any other waste that results from the deposits of such waste may enter any waters. Whenever new Regulations are made or existing *Regulations* are amended by the Governor in Council under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, or other statutes imposing more stringent conditions relating to the quantity or type of waste that may be so deposited or under which any such waste may be so deposited, this Licence shall be deemed, upon promulgation of such Regulations, to be subject to such requirements; and
- b. compliance with the terms and conditions of this Licence does not absolve the Licensee from responsibility for compliance with the requirements of all applicable Federal, Territorial and Municipal legislation.

2. **Definitions**

"Act" means the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Addendum</u>" means the supplemental text that is added to a full plan or report usually included at the end of the document and is not intended to require a full resubmission of the revised report.

"<u>Amendment</u>" means a change to original terms and conditions of this Licence requiring correction, addition or deletion of specific terms and conditions of the Licence; modifications inconsistent with the terms of the set terms and conditions of the Licence;

"Appurtenant Undertaking" means an undertaking in relation to which a use of water or a deposit of waste is permitted by a licence issued by the Board;

"Board" means the Nunavut Water Board established under the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada and the Nunavut Waters and Nunavut Surface Rights Tribunal Act;

"<u>Effluent</u>" means treated or untreated liquid waste material that is discharged into the environment from a structure such as a settling pond, landfarm or a treatment plant;

- "Engineer" means a professional engineer registered to practice in Nunavut in accordance with the Consolidation of Engineers and Geoscientists Act S. Nu 2008, c.2 and the Engineering and Geoscience Professions Act S.N.W.T. 2006, c.16 Amended by S.N.W.T. 2009, c.12;
- "<u>Hazardous Waste</u>" means waste classified as "hazardous" by Nunavut Territorial or Federal Legislation, or as "dangerous goods" under the Transportation of Dangerous Goods Act.
- "<u>High Water Mark</u>" means the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land (ref. Department of Fisheries and Oceans Canada, Operational Statement: Mineral Exploration Activities);
- "Inspector" means an Inspector designated by the Minister under Section 85 (1) of the *Act*;
- "Licensee" means the holder of this Licence;
- "Modification" means an alteration to a physical work that introduces a new structure or eliminates an existing structure and does not alter the purpose or function of the work, but does not include an expansion;
- "Nunavut Agreement" means the "Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada", including its preamble and schedules, and any amendments to that agreement made pursuant to it;
- "Regulations" means the Nunavut Waters Regulations SOR/2013-69 18th April, 2013;
- "Sewage" means all toilet wastes and greywater;
- "Spill Contingency Plan" means a Plan developed to deal with unforeseen petroleum and hazardous materials events that may occur during the operations conducted under the Licence:
- "<u>Sump</u>" means an excavation in impermeable soil for the purpose of catching or storing water or waste;
- "Waste" means, as defined in S.4 of the *Act*, any substance that, by itself or in combination with other substances found in water, would have the effect of altering the quality of any water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant, or any water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means.
- "Water" or "Waters" means waters as defined in section 4 of the Act.

3. **Enforcement**

- a. Failure to comply with this Licence will be a violation of the *Act*, subjecting the Licensee to the enforcement measures and the penalties provided for in the *Act*;
- b. All inspection and enforcement services regarding this Licence will be provided by Inspectors appointed under the *Act*; and
- c. For the purpose of enforcing this Licence and with respect to the use of water and deposit or discharge of waste by the Licensee, Inspectors appointed under the *Act*, hold all powers, privileges and protections that are conferred upon them by the *Act* or by other applicable law.

PART B: GENERAL CONDITIONS

- 1. The water use fees, payable to the Receiver General for Canada, shall be sent to the Board annually for the right to the use of water in accordance with Section 12 of the *Regulations*.
- 2. The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:
 - a. a summary report of water use activities;
 - b. a list of unauthorized discharges and a summary of follow-up actions taken;
 - c. a description of all progressive and/or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;
 - d. a summary of all information requested and results of the Monitoring Program;
 - e. any other details on water use requested by the Board by the 1st of November of the year being reported.
- 3. The Licensee shall notify the NWB of any changes in operating plans or conditions associated with this project at least thirty (30) days prior to any such change.
- 4. The Licensee shall install flowmeters or other such devices, or implement suitable methods required for the measuring of water volumes as required under Part I, Item 2.
- 5. The Licensee shall ensure a copy of this Licence is maintained at the site of operations at all times. Any communication with respect to this Licence shall be made in writing to the attention of:
 - (a) Manager of Licensing:

Nunavut Water Board

P.O. Box 119

Gjoa Haven, NU X0B 1J0

Telephone: (867) 360-6338 Fax: (867) 360-6369

Email: <u>licensing@nwb-oen.ca</u>

(b) Inspector Contact:

Water Resources Officer Nunavut District, Nunavut Region P.O. Box 100 Iqaluit, NU X0A 0H0

Telephone: (867) 975-4295 Fax: (867) 979-6445

- 6. The Licensee shall submit one (1) electronic copy of all reports, studies, and plans to the Board. If possible, the submission shall be done via email to the NWB Manager of Licensing. Reports or studies submitted to the Board by the Licensee shall include a detailed executive summary in Inuktitut.
- 7. The Licensee shall ensure that any document(s) or correspondence submitted by the Licensee to the NWB is received and acknowledged by the Manager of Licensing.
- 8. This Licence is assignable as provided for in Section 44 of the *Act*.

PART C: CONDITIONS APPLYING TO WATER USE

- 1. The Licensee shall obtain all water for hydrostatical testing activities from the Arviat Water Reservoir. The volume of water for the purposes of this Licence shall not exceed two hundred and ninety-nine (299) cubic metres per day, to a maximum of two thousand and two hundred (2,200) cubic metres annually.
- 2. Streams cannot be used as a water source unless authorized and approved by the Board in writing.
- 3. The Licensee shall equip all water intake hoses with a screen of an appropriate mesh size to ensure that fish are not entrained and shall withdraw water at a rate such that fish do not become impinged on the screen.
- 4. The Licensee shall not remove any material from below the ordinary High Water Mark of any water body unless authorized.
- 5. The Licensee shall not cause erosion to the banks of any body of water and shall provide necessary controls to prevent such erosion.
- 6. Sediment and erosion control measures shall be implemented prior to and maintained

during the undertaking to prevent entry of sediment into water.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

- 1. The Licensee shall implement adequate control measures that prevent vegetation damage, soil erosion, and the entry of sediment into the water body when discharging any waters utilized in hydrostatic testing operations into water.
- 2. The Licensee shall not practice on-site land filling of domestic waste, unless otherwise approved by the Board in writing.
- 3. The Licensee shall not open burn plastics, wood treated with preservatives, electric wire, Styrofoam, asbestos or painted wood to prevent the deposition of waste materials of incomplete combustion and/or leachate from contaminated ash residual, from impacting any surrounding waters, unless otherwise approved by the Board in writing.
- 4. Licensee shall backhaul and dispose of all hazardous wastes, contaminated water and soil, waste oil and non-combustible waste generated through the course of the operation to a licensed waste disposal site.
- 5. The Licensee shall provide to the Board, documented authorization from the licensed disposal facility prior to the backhauling and disposal of any hazardous waste.

PART E: CONDITIONS FOR CAMPS, ACCESS INFRASTRUCTURES AND OPERATIONS

1. No camp activities are authorized under the provisions of this Licence.

PART F: CONDITIONS APPLYING TO DRILLING OPERATIONS

1. The Licensee is not authorized to drill under the provisions of this Licence.

PART G: CONDITIONS APPLYING TO MODIFICATIONS

- 1. The Licensee may, without written consent from the Board, carry out Modifications provided that such Modifications are consistent with the terms of this Licence and the following requirements are met:
 - a. the Licensee has notified the Board in writing of such proposed Modifications at least sixty (60) days prior to beginning the Modifications;
 - b. such Modifications do not place the Licensee in contravention of the Licence or

- the Act:
- c. such Modifications are consistent with the NIRB Screening Decision;
- d. the Board has not, during the sixty (60) days following notification of the proposed Modifications, informed the Licensee that review of the proposal will require more than sixty (60) days; and
- e. the Board has not rejected the proposed Modifications.
- 2. Modifications for which all of the conditions referred to in Part G, Item 1 have not been met can be carried out only with written approval from the Board.
- 3. The Licensee shall provide as-built plans and drawings of the Modifications referred to in this Licence within ninety (90) days of completion of the Modification. These plans and drawings shall be stamped by an Engineer.

PART H: CONDITIONS APPLYING TO SPILL CONTINGENCY PLANNING

- 1. The Licensee shall not use any fuel or hazardous materials that have a potential to spill.
- 2. The Licensee shall submit to the Board for approval sixty (60) days prior to commencement of usage of fuel or any hazardous materials, a Spill Contingency Plan, prepared in the format set out by the Consolidation of Spill Contingency Planning and Reporting Regulations R-068-93.
- 3. If during the term of this Licence, an unauthorized discharge of waste occurs, or if such a discharge is foreseeable, the Licensee shall:
 - a. employ the approved Spill Contingency Plan;
 - b. where the spill is of an amount equal to or greater than the amount set out in Schedule B of the Nunavut's Spill Contingency Planning and Reporting Regulations, report the spill immediately to the 24-Hour Spill Line at (867) 920-8130 and to the Inspector at (867) 975-4295; and
 - c. for each spill occurrence, submit to the Inspector, no later than thirty (30) days after initially reporting the event, a detailed report that will include the amount and type of spilled product, the GPS location of the spill, and the measures taken to contain and clean up the spill site.
- 4. The Licensee shall, in addition to Part H, Item 3, regardless of the quantity of releases of harmful substances, report to the NWT/NU Spill Line if the release is near or into a Water body.

PART I: CONDITIONS APPLYING TO ABANDONMENT AND RESTORATION OR TEMPORARY CLOSING

- 1. The Licensee shall complete all restoration work prior to the expiry of this Licence.
- 2. The Licensee shall carry out progressive reclamation of any components of the project no longer required for the Licensee's operations.
- 5. The Licensee shall remove from the site, all relevant infrastructure and site materials and equipment including docks, water pumps and lines prior to the expiry of this Licence.
- 6. The Licensee shall contour and stabilize all disturbed areas to a pre-disturbed state upon completion of work.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

1. The licensee shall maintain Monitoring Program Stations and implement the program as described in the table below and conditions under this part.

Monitoring Station Number	Description	Frequency	Status
ARV-H-1	Freshwater Supply	Daily and Annually	Active (Volume)

- 2. The Licensee shall measure and record, in cubic metres, the daily quantities of water utilized for hydrostatic testing at the monitoring station established under Part J, Item 1.
- 3. The Licensee shall include in the Annual Report required under Part B, Item 2 all data, monitoring results and information required by this Part.