

NIRB File No. 12XN013 NWB File No.: 1BH-CHE---

May 3, 2012

Marc Losier, Project Manager Inukshuk Construction Ltd., PO Box 654, Rankin Inlet, NU X0C 0G0

Via email: marc@mosher.ca

Re: Notice of Part 4 Screening for Inukshuk Construction Ltd.'s 'Chesterfield Inlet Fuel Facility Expansion' project proposal

Dear Marc Losier:

On February 13, 2012 the Nunavut Impact Review Board (NIRB or Board) received Inukshuk Construction Ltd.'s 'Chesterfield Inlet Fuel Facility Expansion' project proposal. On March 14, 2012 the NIRB received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission (NPC). The NIRB has assigned this project proposal file number 12XN013.

The project is located in the Kivalliq region within the municipality of Chesterfield Inlet. The purpose of the project is to increase the fuel storage capacity of the existing Chesterfield Inlet Fuel Storage Facility and to comply with the new rules and regulations. The program is proposed to take place from August 2012 to November 2012.

The project activities include:

- Expand and upgrade of Chesterfield Inlet Fuel Storage Facility including:
  - Cleaning and relocation of one 1,379 m<sup>3</sup> LSDL Vertical Tank
  - o Construction of one new 1,933 m<sup>3</sup> LSDL Vertical Tank
  - o Construction of one new 582 m<sup>3</sup> Gasoline Vertical Tank
  - Cleaning and relocation of two existing Horizontal Tanks to be converted to slop tanks
  - Site preparation include construction of dikes, tank pads, impermeable liner and placement of geotextile fabric
- Dirty water from cleaning of tanks will be stored in drums and shipped to Montreal for disposal;

- Use of salt water to hydrostatically test the tanks prior to use for fuel (~2,000 m³). Salt water to be disposed through a solid particle collector and then discharged into the Hudson Bay;
- Removal of contaminated soil;
- Fuel transfer from one tank to another tank during the course of the construction of the fuel tanks;
- Use of fuel to operate heavy equipment (1 barrel of fuel/day) during construction;
- Use of local airport to mobilize workers; and
- Use of accommodations and facilities at Chesterfield Inlet.

Please note that Inukshuk Construction Ltd. is proposing to remove contaminated soil from the project site during the expansion and upgrade of the Fuel Storage Facility and is tentatively planning to deposit the contaminated soil in a potential future landfarm. This potential landfarm is to be applied for by another Proponent and possibly permitted under a separate authorization being considered within the scope of the current project proposal. As of the date of this letter, referral to screen the proposed landfarm has not yet been received by the NIRB. The potential future landfarm and associated activities are **not** included within the NIRB's current assessment for this project proposal.

All documents received and pertaining to this project proposal can be obtained from the NIRB's ftp site at <a href="http://ftp.nirb.ca/01-SCREENINGS/ACTIVE%20SCREENINGS/12XN013-Chesterfield%20Inlet%20Fuel%20Facility%20Expansion/">http://ftp.nirb.ca/01-SCREENINGS/ACTIVE%20SCREENINGS/12XN013-Chesterfield%20Inlet%20Fuel%20Facility%20Expansion/</a> including:

- NIRB Part 1 Summary Application Form in English and Inuktitut
- Maps
- Non technical Project Proposal summary in English
- Nunavut Water Board Water Licence application
- Figures and maps
- NPC Conformity Determination
- Health and Safety Manual
- Spill Contingency Plan in English and Inuktitut

Pursuant to Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA), the NIRB shall proceed to screen this project proposal. The NIRB may request additional information at any time during the process. The NIRB will copy you on screening process related correspondence and upload related documents to the above ftp site for public access.

The NIRB is copying parties and municipalities potentially affected by Inukshuk Construction Ltd. project proposal with this letter, and we invite interested parties to comment directly to the NIRB by May 23, 2012.

The NIRB would like parties to provide comments regarding:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic and socio-economic effects; and if so, why;

- Whether the project is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

Please send your comments to the NIRB at info@nirb.ca or via fax at (867) 983-2594.

If you have any questions or concerns, feel free to contact the undersigned directly at (867) 793-4633 or sgranchinho@nirb.ca.

Sincerely,

Sophia Granchinho

Technical Advisor

Nunavut Impact Review Board

cc: Distribution List

Arlen Foster, Stantec Inc.

Ralph Ruediger, Government of Nunavut – Community and Government Services Matthew Ferris, Government of Nunavut – Community and Government Services

David Kattegatsiak, Hamlet of Chesterfield Inlet

Enclosures (2): Comment Forms (English and Inuktitut)