

“Upon receipt of a project proposal, NIRB shall screen the proposal and indicate to the Minister in writing that:

- a) the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5;*
- b) the proposal requires review under Part 5 or 6; NIRB shall identify particular issues or concerns which should be considered in such a review;*
- c) the proposal is insufficiently developed to permit proper screening, and should be returned to the proponent for clarification; or*
- d) the potential adverse impacts of the proposal are so unacceptable that it should be modified or abandoned.”*

NIRB ASSESSMENT AND DECISION

After a thorough assessment of all material provided to the Board (please see *Procedural History* and *Project Activities* in **Appendix A**), in accordance with the principles identified within Section 12.4.2 of the NLCA, the decision of the Board as per Section 12.4.4 of the NLCA is:

12.4.4 (a): the proposal may be processed without a review under Part 5 or 6; NIRB may recommend specific terms and conditions to be attached to any approval, reflecting the primary objectives set out in Section 12.2.5.

RECOMMENDED PROJECT-SPECIFIC TERMS AND CONDITIONS (pursuant to Section 12.4.4(a) of the NLCA)

The Board is recommending that the following or similar project-specific terms and conditions be imposed upon the Proponent through all relevant legislation:

General

1. Inukshuk Construction Ltd. (the Proponent) shall maintain a copy of the Project Terms and Conditions at the site of operation at all times.
2. The Proponent shall forward copies of all permits obtained and required for this project to the Nunavut Impact Review Board (NIRB) prior to the commencement of the project.
3. The Proponent shall operate in accordance with all commitments stated in correspondence provided to the NIRB (NIRB Part 1 form, March 30, 2012; NIRB PSIR form, April 25, 2012), to the Nunavut Water Board (Water Licence Application, February 13, 2012) and to the Nunavut Planning Commission (Application to Determine Conformity, March 14, 2012).
4. The Proponent shall operate the site in accordance with all applicable Acts, Regulations and Guidelines.

Water Use

5. The Proponent shall not extract water from any fish-bearing waterbody unless the water intake hose is equipped with a screen of appropriate mesh size or other preventative measures to ensure that there is no entrapment of fish and to prevent aquatic organisms from entering the water intake.

6. The Proponent shall ensure that no small lakes or streams are used for water withdrawal unless approved by the Nunavut Water Board.
7. The Proponent shall not use water, including constructing or disturbing any stream, lakebed or the banks of any definable water course unless approved by the Nunavut Water Board.

Waste Disposal

8. The Proponent shall ensure that all water discharged meet the Nunavut Water Board licence discharge criteria.
9. The Proponent shall implement suitable sediment and erosion control measures at each discharge point to prevent sediment from entering any waterbody.

Fuel and Chemical Storage

10. The Proponent shall locate all fuel and other hazardous materials a minimum of thirty-one (31) metres away from the high water mark of any water body and in such a manner as to prevent their release into the environment.
11. The Proponent shall ensure that re-fuelling of all equipment occurs a minimum of thirty-one (31) metres away from the high water mark of any water body.
12. The Proponent shall store all fuel and chemicals in such a manner that they are inaccessible to wildlife.
13. The Proponent shall use adequate secondary containment or a surface liner (e.g. self-supporting insta-berms and fold-a-tanks) at all refueling stations. Appropriate spill response equipment and clean-up materials (e.g., shovels, pumps, barrels, drip pans, and absorbents) must be readily available during any transfer of fuel or hazardous substances.
14. The Proponent shall remove and treat hydrocarbon contaminated soils on site or transport them to an approved disposal site for treatment. The Proponent shall ensure that appropriate authorizations are in place for the on-site treatment of hydrocarbon contaminated soils.
15. The Proponent shall ensure that all personnel are properly trained in fuel and hazardous waste handling procedures, as well as spill response procedures. All spills of fuel or other deleterious materials of any amount must be reported immediately to the 24 hour Spill Line at (867) 920-8130.

Wildlife - General

16. The Proponent shall ensure that there is no damage to wildlife habitat in conducting this operation.
17. The Proponent shall not harass wildlife. This includes persistently worrying or chasing animals, or disturbing large groups of animals. The Proponent shall not hunt or fish, unless proper Nunavut authorizations have been acquired.
18. The Proponent shall ensure that all project personnel are made aware of the measures to protect wildlife and are provided with training and/or advice on how to implement these measures.

Migratory Birds and Raptors Disturbance

19. The Proponent shall not disturb or destroy the nests or eggs of any birds. If nests are encountered and/or identified, the Proponent shall take precaution to avoid further interaction and or disturbance (e.g., a 100 metre buffer around the nests). If active nests of any birds are discovered (i.e. with eggs or young), the Proponent shall avoid these areas until nesting is complete and the young have left the nest.

Ground Disturbance

20. The Proponent shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles must be suspended if rutting occurs.
21. The Proponent shall implement suitable erosion and sediment suppression measures on disturbed areas before, during and after construction in order to prevent sediment from entering any waterbody.

Other

22. The Proponent should, to the extent possible, hire local people and to consult with local residents regarding their activities in the region.
23. Any activity related to this application and outside the original scope of the project as described in the application, will be considered a new project and should be submitted to the NIRB for Screening.

MONITORING AND REPORTING REQUIREMENTS

In addition, the Board is recommending the following:

Annual Report

1. The Proponent shall submit a comprehensive annual report with copies provided to the Nunavut Impact Review Board and Environment Canada by January 31, 2013. The annual report must contain, but not limited to, the following information:
 - a. A summary of activities undertaken for the year;
 - b. Information on the number of the hydrophobic pads used and the frequency with which they were changed during the filtering; and
 - c. A map showing locations of water intake and water release.

Fuel and Chemical Storage

2. The Proponent shall implement the recommendations found in the 2003 CCME Guidance Document PN 1326 entitled "Environmental Code of Practice for Above Ground and Underground Storage Tank Systems containing Petroleum Product and Allied Petroleum Products".

Transport of Waste/Dangerous Goods

3. The Proponent shall ensure that a waste manifest accompanies the shipment of all waste oil/grease and is registered with the Government of Nunavut Department of Environment

(GN-DoE). Contact the Manager of Pollution Control and Air Quality at (867) 975-7748 to obtain a manifest if hazardous waste will be generated during project activities.

4. The Proponent shall ensure that an export manifest or the appropriate transportation of dangerous goods (TDG) documentation accompany all potential hazardous samples and/or materials that are transported off site.

OTHER NIRB CONCERNS AND RECOMMENDATIONS

In addition to the project-specific terms and conditions, the Board is recommending the following:

Bear and Carnivore Safety

1. Any problem wildlife or any interaction with carnivores should be reported immediately to the local Government of Nunavut, Department of Environment Conservation Office (Conservation Officer of Baker Lake, Robert Harmer, phone: (867) 793-2944, rharmar@gov.nu.ca).

Change in Project Scope

2. All Authorizing Agencies shall notify the NIRB of any changes in operating plans or conditions associated with this project prior to any such change.

Nunavut Water Board

3. The Nunavut Water Board (NWB) impose mitigation measures, conditions and monitoring requirements pursuant to the Water Licence, which require the Proponent to respect the sensitivities and importance of water in the area. These mitigation measures, conditions and monitoring requirements should be in regard to use of water, snow and ice; waste disposal; access infrastructure and operation for camps; drilling operations; spill contingency planning; abandonment and restoration planning; and monitoring programs.

Aboriginal Affairs and Northern Development Canada (AANDC) – Water Resources Division

4. AANDC – Water Resources Division should consider the importance of conducting regular inspections, pursuant to the authority of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, while the project is in operation. Inspectors should focus on ensuring the Proponent is in compliance with the conditions imposed through the Water Licence.

REGULATORY REQUIREMENTS

The Proponent is also advised that the following legislation may apply to the project:

Acts and Regulations

1. The *Fisheries Act* (<http://laws-lois.justice.gc.ca/eng/acts/F-14/index.html>).
2. The *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (<http://www.canlii.org/ca/sta/n-28.8/whole.html>).

3. The *Transportation of Dangerous Goods Regulations*, *Transportation of Dangerous Goods Act* (<http://www.tc.gc.ca/eng/tdg/safety-menu.htm>), the *Canadian Environmental Protection Act* (<http://laws-lois.justice.gc.ca/eng/acts/C-15.31/>) and the *Nunavut Environmental Protection Act* (<http://env.gov.nu.ca/programareas/environmentprotection>). The Proponent must ensure that proper shipping documents accompany all movements of dangerous goods. The Proponent must register with the GN-DOE Manager of Pollution Control and Air Quality at 867-975-7748.
4. The Canadian Environmental Protection Act (CEPA) *Storage Tank System for Petroleum Products and Allied Petroleum Products Regulations* (www.ec.gc.ca/st-rs). The Proponent must identify their tank system to Environment Canada and installation of new systems must comply with the regulations' design requirements.

Validity of Land Claims Agreement

Section 2.12.2

Where there is any inconsistency or conflict between any federal, territorial and local government laws, and the Agreement, the Agreement shall prevail to the extent of the inconsistency or conflict.

Dated June 4, 2012 at Arviat, NU.



Elizabeth Copland, Acting Chairperson

Attachments: Appendix A: Procedural History and Project Activities

Appendix A

Procedural History and Project Activities

Procedural History

On February 13, 2012 the Nunavut Impact Review Board (NIRB or Board) received Inukshuk Construction Ltd.'s (ICL) '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) for this file. The NIRB assigned this project proposal file number 12XN013 and commenced Screening pursuant to NLCA Article 12 Part 4.

The NIRB undertook a preliminary completeness check of the project proposal and found that the proposal did not contain sufficient information for the NIRB to permit proper screening. On March 23, 2012 the NIRB requested that the Proponent provide additional information by April 6, 2012. On April 25, 2012 the NIRB received the requested information in support of this project proposal.

Due to the delay in receiving the information required to permit proper screening, on April 26, 2012 the NIRB requested additional time to screen the project proposal as per Section 12.4.5 of the NLCA from the Minister of Aboriginal Affairs and Northern Development Canada (AANDC).

This project proposal was distributed to community organizations in Chesterfield Inlet, as well as to relevant federal and territorial government agencies, and Inuit organizations. The NIRB requested that interested parties review the proposal and provide the Board with any comments or concerns by May 23, 2012 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, (providing any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

On or before May 23, 2012, the NIRB received comments from the following interested parties:

- **Environment Canada (EC)**

All comments provided to NIRB regarding this project proposal can be viewed on NIRB's ftp-site, at the following location:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/>

Project Activities

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

The activities/components associated with this proposal include:

- Expand and upgrade the Chesterfield Inlet Fuel Storage Facility including:
 - Cleaning and relocation of one 1,379 cubic metre (m³) SDL Vertical Tank
 - Construction of one new 1,933 m³ LSDL Vertical Tank
 - Construction of one new 582 m³ 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 the Proponent 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. The potential future landfarm and associated activities are **not** included within the NIRB's current assessment for this project proposal, and would constitute a new screening if and when referred to the Board.