



February 17, 2015

Our reference
891235

Your reference
1BH-PSC1414

Megan Porter
Licensing Administrator Assistant
Nunavut Water Board
GJOA HAVEN, NU X0E 1J0

Re: Aboriginal Affairs and Northern Development Canada review of Inukshuk Corporation Ltd.'s Amendment Application for Water Licence 1BH-PSC1414 to continue their Coral Harbour Petroleum Systems Upgrade Project (Hydrostatic Testing)

Dear Ms. Porter:

Thank you for your email of January 27, 2015, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments have been provided pursuant to the Department's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc-aadnc.gc.ca for further information.

Regards,

Ian Parsons, B.Sc.
Regional Coordinator
Water Resources Division
Resource Management Directorate
Aboriginal Affairs and Northern Development Canada
IQALUIT, NU X0A 0H0

Encl.

c.c.: David Abernethy, A/Manager of Water Resources, AANDC Nunavut
Erik Allain, Manager of Field Operations, AANDC Nunavut
Phyllis Beaulieu, Manager of Licensing, NWB



Memorandum

To: Megan Porter, Nunavut Water Board

From: Ian Parsons, Aboriginal Affairs and Northern Development Canada

CC: David Abernethy (AANDC), Erik Allain (AANDC), and Phyllis Beaulieu (NWB)

Date: February 17, 2015

Re: **Water Licence Amendment Application, #1BH-PSC1414**

Proponent: Inukshuk Corporation Ltd.

Project: Coral Harbour Petroleum Systems Upgrade Project (Hydrostatic Testing)

Comments:

A. Background

On February 6, 2014, the Nunavut Water Board (NWB or Board) provided notification of Inukshuk Construction Ltd.'s (the proponent) amendment application in support of their Coral Harbour Petroleum Systems Upgrade Project. A Type 'B' Industrial water licence for hydrostatic testing purposes has been requested with a five month term (June to November 2014).

The proponent requires the use of freshwater to test the retention capacity of a newly constructed 1,900 m³ steel fuel tank. This tank is situated within a bermed fuel storage facility. A total of 1,900 m³ of water is required and will be acquired from an adjacent lake (a maximum of up to 300 m³ will be pumped per day when filling the tank). This water will be released into a field south of the fuel storage facility once the testing program is completed. The field slopes toward the ocean. There are no plans to test the quality of this water before it is discharged because it is not expected to undergo any significant change. A diagram titled, "Test Water Solid Particle Collector" is included in the application. It is understood that this pertains to a treatment system for the removal of suspended sediments.

The amendment application is for an extension to the water license which expired in December of 2014. The extension request is for a period of 12 months to December 2015.

Interested parties were asked to review this application and provide comments by February 21, 2015.

B. Results of review

AANDC has no issue with the amendment application.