

File: 1BH-PSC1516 / Amendment No. 1

July 14, 2015

Marc Losier Inukshuk Construction Ltd. Rankin Inlet, NU X0G 0G0

Email: marc@mosher.ca

Subject: Water Licence 1BH-PSC1516 Type "B" – Amendment No.1

Dear Mr. Losier:

Please find attached, Amendment No.1 to Licence No. 1BH-PSC1516 Type "B" issued to Inukshuk Construction Ltd.by the Nunavut Water Board (NWB) (Motion No. 2015-B1-021) 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 and the Nunavut Waters and Nunavut Surface Rights Tribunal Act. The Terms and Conditions of the Existing Licence, related to the use of Water and deposit of Waste remain integral parts of this approval.

The Licensee is advised that although this Amendment was exempt from the requirements of screening by the Nunavut Impact Review Board (NIRB) in accordance with s.12.4.4 (a) of the Nunavut Land Claim Agreement (NLCA), the NIRB's original Screening Decision Report for the file should continue to be consulted in conjunction with the Screening Exemption Decision as it contains recommendations that are applicable to the overall project scope. It should be noted that the Nunavut Planning Commission (NPC) reviewed the attached application and has determined that it does not change the scope of the originally reviewed project to an extent that would warrant a further review by the NPC at this time.

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¹ Nunavut Impact Review Board (NIRB) Screening Decision Report, August 18, 2014

² Nunaut Impact Review Board (NIRB) Screening Exemption Decision, May 28 2015

³ Nunavut Planning Commission (NPC) to NWB, Re: Re: 1BH-PSC1516 Amendment Application Inukshuk Construction Limited-Petroleum Systems Upgrade Project-Amendment-Type "B"-Kivalliq Region, on June 17 2015

The NWB strongly recommends that the Licensee consult the comments⁴ received from interested persons on issues identified in connection with the amendment application. This information is included for your consideration.

Sincerely,

Thomas Kabloona Nunavut Water Board Chair

TK/sa/pb

Enclosure: Licence No. 1BH-PSC1516 - Amendment No. 1

Comments: AANDC's comments

Cc: Kivalliq Distribution List

⁴ Aboriginal Affairs and Northern Development Canada Review on June 9, 2015 Re: AANDC Review of Application for Type 'B' Water Licence No. 2 Amendment, No. 1BH-PSC1516



LICENCE AMENDMENT No. 1

Licensee: Inukshuk Construction Ltd. Licence No: 1BH-PSC1516, Type "B"

Licence Issued: March 27, 2015 Effective Date: July 14, 2015

DECISION

On April 27, 2015, the Nunavut Water Board received an amendment application and supporting information (Application) from Inukshuk Construction Ltd. (Licensee) requesting an amendment in the amount of Water use established under Part C, Item 1 of Water Licence 1BH-PSC1516; the requested increase in the amount of water is due to the addition of an extra tank for cleaning and testing during operations in support of the Petroleum System Upgrade Project.

On May 8, 2015 the NWB distributed the Application for a thirty (30) day public review period. Comments were received from AANDC – Water Resources Division. There was no objection in principle to any potential decision that will result in the Board's amending the terms and conditions in the Licence in accordance with the Licensee's request.

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 and the Nunavut Waters and the Nunavut Surface Rights Tribunal Act, with respect to the Application for amendment dated April 27, 2015 made by Inukshuk Construction Ltd., the Nunavut Water Board hereby grants the following licence amendment.

The Licence issued March 27, 2015 with an expiry date of March 26, 2016 shall be amended to include the following terms and conditions, with respect to the use of water and deposit of waste for an Industrial Undertaking classified as per Schedule 1 of the Regulations at the Petroleum Systems Upgrade Project of Coral Harbour, located within the community boundaries of the Coral Harbour, in the Kivalliq Region of Nunavut.

New Activities to be carried out include:

• Repairing and hydrostatic testing of an existing 1,350 m³ vertical gasoline storage tank.

The Licence shall be amended as follows:

Page 2 shall be amended to indicate the following:



Quantity of Water Not to Exceed:

TOTAL WATER USE OF 3,250 CUBIC METRES (AT A RATE OF

LESS THAN 300 CUBIC METRES PER DAY).

PART C: CONDITIONS APPLYING TO WATER USE

Amend Item 1

The Licensee shall obtain all water for hydrostatical testing activities from the unnamed Lake located in close proximity to the undertaking as indicated in the Application. The volume of water for the purposes of this Licence shall be less than three-hundred (300) cubic metres per day, for a cumulative total not to exceed three thousand two hundred and fifty (3,250) cubic meters per duration of this Licence.

PART D: CONDITIONS APPLYING TO WASTE DISPOSAL

Amend Item 1

The Licensee shall not deposit any type of waste other than the treated effluent originated from the hydrostatic testing operations unless authorized and approved by the Board in writing.

Amend Item 4

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 water utilized in hydrostatic testing onto land.

Insert Item 11

All Effluent being discharged at Monitoring Station PSC-1, shall not exceed the following Effluent quality limits:

Parameter	Maximum Concentration of any Grab Sample	
Benzene (µg/L)	370	
Toluene (µg/L)	2.0	
Ethylbenzene (μg/L)	90	
Lead (dissolved) (µg/L)	1.0	
Oil and Grease (mg/L)	15 and no visible sheen	
Total Suspended Solids (mg/L)	15	
pН	6.0 -10.5	

Insert Item 12

If Effluent does not meet the Effluent quality limits as outlined in Part D, Item 11, it shall be considered as hazardous waste and disposed of at an approved facility or as otherwise approved by the Board in writing.

Insert Item 13

The Licensee shall submit to the Board for Approval, within thirty (30) days of issuance of this Water Licence Amendment, an Erosion Mitigation Plan. The Plan shall contemplate mitigation measures that



will be adopted during effluent discharge in order to prevent vegetation damage, soil erosion and entry of sediment into water.

PART J: CONDITIONS APPLYING TO THE MONITORING PROGRAM

Insert Item 7

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
PSC-1	Hydrostatic testing effluent prior to discharge	Twice per tank, once at beginning and at 75% complete discharge	Active (Quality)

Insert Item 8

The Licensee shall sample at Monitoring Program Station PSC-1 as per Part J, Item 7. Samples shall be analyzed for the parameters as required for compliance under Part D, Item 11 and the following:

Arsenic (µg/L) Cadmium (µg/L) Chromium (Trivalent form) (µg/L) Mercury (µg/L)

All remaining terms and conditions of renewed Licence No. 1BH-PSC1516 Type "B" dated March 27, 2015 still apply.

This Licence Amendment No. 1 issued and recorded at Gjoa Haven, NU on July 14, 2015

Thomas Kabloona Nunavut Water Board Chair