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Operations Directorate Nunavut Regional Office Igaluit, Nunavut X0A 0H0

Our reference File #9545-2-2.1BR.CAPA CIDM #422294

August 16, 2010

Phyllis Beaulieu Manager of Licensing Nunavut Water Board Gjoa Haven, Nunavut X0E 1J0

Your reference 1BR-CAP0914/Application

Sent Via Fmail

Dear Phyllis,

Subject Water License #1BR-CAP0914, Defence Construction Canada,

> Cape Young Remediation Project, Kitikmeot Region, **Amendment Application to use Alternate Water Source**

Please be advised that on behalf of Indian and Northern Affairs Canada. I have completed a review of the above referenced Defence Construction Canada submission to the Nunavut Water Board.

A Technical Review Memorandum (attached) is provided for the Board's consideration.

Should you have any questions regarding this submission feel free to contact me at 867 975-4555 or david.abernethy@inac-ainc.gc.ca.

Regards,

David W. Abernethy Water Resources Regional Coordinator

Attached.

Cc: Lou-Ann Cornacchio, INAC Water Resources Manager

Peter Kusugak, INAC Field Operations Manager



TECHNICAL REVIEW MEMORANDUM

Date: August 16/10

To: Phyllis Beaulieu, Nunavut Water Board

From: David Abernethy, Indian and Northern Affairs Canada

Re: Water License #1BR-CAP0914, Defence Construction Canada,

Cape Young Remediation Project, Kitikmeot Region, Amendment Application to use Alternate Water Source

A. PROJECT DESCRIPTION

On Aug. 6/10 the Nunavut Water Board (NWB or Board) distributed Defence Construction Canada's (DCC) license amendment application to allow the use of an alternate water source for their Cape Young Remediation Project. Interested parties were requested to provide representations by Aug. 16/10.

Due to an abundance of silt material and E.Coli contamination at the original water source, the Harding River, DCC is proposing the use of an un-named river located 3.5 kilometers east of their project's camp as an alternate water source. This water source was historically used for the operation of the Cape Young PIN-2 Distant Early Warning Site and is accessible by road. No changes to the daily water use limit or method of extraction have been proposed.

B. RESULTS OF REVIEW

On behalf of Indian and Northern Affairs Canada (INAC), I am providing the following comments / recommendations for the Board's consideration,

1. General

INAC is not opposed to the submitted license amendment request. A water source that is acceptable for camp and industrial purposes is required for the implementation of DCC's remediation project.

For information purposes, it is recommended that DCC include a description of the water quality issues experienced at their original water source, any monitoring data, and identification of the possible causes of contamination in their 2010 Annual Report.

2. Outstanding Submissions to the Board

On Feb. 5/10 the NWB sent two (2) letters to DCC requesting confirmation that they will satisfy the following license conditions. Based on my review of the NWB's public registry it appears that DCC has not responded to this information request and provided the required submissions. These license conditions are as follows,

Part H: Conditions Applying to Construction and Modification, Item #1

The Licensee shall provide to the Board for review, sixty (60) days following issuance of the Licence, detailed designs for the Sewage Disposal Facility complete with drawings for construction, signed and stamped by an Engineer. These designs shall consider, siting, operation, monitoring, sampling and analytical methods, decommissioning and closure options and plans for the proposed Facilities.

Part I: Conditions Applying to Spill Contingency Planning, Item #2

The Licensee shall within sixty (60) days of issuance of this Licence, submit to the Board for review an addendum to the approved "Spill Contingency Plan" to address or include the following:

- a. The Plan shall be a standalone document;
- b. Include a Title Page and Table of Contents;
- c. Include the prepared and effective period;
- d. Include the site location;
- e. Include a map showing the PIN-2 site in relation to local water bodies:
- f. Update Table 13 and Section 9.4, INAC Water Resources Inspector to Manager of Field Operations at 867-975-4295;
- g. Include a 24-hour on site contact number:
- h. Contaminated soil disposal information;
- i. Include the NT/NU Spill Report Form; and,
- j. MSDS shall be kept on site at all times.

Prepared by David Abernethy

Cc: Lou-Ann Cornacchio, INAC Water Resources Manager Peter Kusugak, INAC Field Operations Manager