April 4, 2014

AANDC reference CIDM# 791680

NWB reference #1BR-CLR----

Robin Ikkutisluk Licence Administrator Assistant Nunavut Water Board Gjoa Haven, NU, X0E 1J0

Re: #1BR-CLR---- - Contwoyto Lake Remediation Project - Contaminated Sites Division, Aboriginal Affairs and Northern Development Canada (AANDC) - Kitikmeot Region - New Water Licence Application

Dear Ms. Ikkutisluk,

Thank you for your email on March 1, 2014, concerning the above mentioned new water licence application.

A memorandum is provided for the Nunavut Water Board's (Board or NWB) 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 comments or any questions.

Sincerely,

Ian Parsons
Regional Cooridnator
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU, X0A 0H0

c.c.: Murray Ball, Manager of Water Resources, AANDC Erik Allain, Manager of Field Operations, AANDC





Memorandum

TO Phyllis Beaulieu AANDC reference

Manager of Licencing CIDM#

Nunavut Water Board

NWB reference #1BR-CLR----

FROM Ian Parsons

Regional Coordinator DATE

Aboriginal Affairs and Northern April 3, 2014

Development Canada

Re: #1BR-CLR---- Contwoyto Lake Remediation Project – Contaminated Sites
Division, Aboriginal Affairs and Northern Development Canada (AANDC) –

Kitikmeot Region – New Water Licence Application

A. BACKGROUND INFORMATION

On March 11, 2014 the Board provided notification to Aboriginal Affairs and Northern Development Canada (AANDC) that the Contaminated Sites Division of AANDC had submitted a new water license application for remediation activities taking place at Contwoyto Lake. The submitted information is as follows:

- 1. Application Cover Letter
- 2. Archaeological Impact Assessment
- Environmental Screening Report ESR
- 4. Mobilization Options Plan and Supplemental Information
- 5. List of Additional Documents
- 6. Maps and Drawings
- 7. NIRB Executive Summary
- 8. NIRB Part1 Form
- 9. NIRB Part2 Form
- 10. Water Licence Application
- 11. Project Schedule
- 12. Project Summary
- 13. Remedial Action Plan
- 14. Site Specific Health and Safety Plan
- 15. Spill Contingency Plan
- 16. Landfarm Water Licence Application
- 17. Remote Camp Questionnaire
- Contwoyto Test Pit Logs Phase 3 ESA Oct 2012 SENES



The Contwoyto Lake Weather Station site is located approximately 190 km southwest of Bathurst Inlet and 330 km southeast of Kugluktuk (the nearest community) in Nunavut.

The Contwoyto Lake Weather Station site was originally a small camp built and operated by Pacific Western Airlines (PWA) during the Distant Early Warning (DEW) Line Site construction c. 1956. PWA built the existing buildings which included the Quonset living quarters, power house, beacon building and airstrip and installed the communications equipment that existed at the site. In 1978, Transport Canada acquired the site to establish a telecommunications and navigational aid station. It was later abandoned in the 1980s.

The Contwoyto Lake Remediation Project is approximately 37 ha and is located within Nunavut. The site is situated on an unnamed island measuring about 4 km² within Contwoyto Lake. The site is enclosed by Inuit Owned Land (IOL) on the south and east sides and by Contwoyto Lake on the remaining sides.

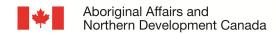
The site consists of five dilapidated buildings, three above ground storage tanks (ASTs), an unmaintained airstrip, trails, four drum caches, several upright and laying metal towers and two debris areas. Most of the site and related debris are on Crown Land. However there is a related radio tower on IOL that will be removed during remedial activities.

Contamination at site is a result of the historical weather station activities. The contaminants identified at the site include Petroleum Hydrocarbon impacted soil, metal impacted soils, lead and PCB amended paint and various hazardous and non-hazardous debris.

No activities have taken place at the Contwoyto Lake Weather Station since the early 1980s.

The water licence application was submitted to the NWB in November 2013.

Interested parties were requested to review the information and provide comments by April 11, 2014.



B. RESULTS OF REVIEW

On behalf of AANDC, the following comments/ recommendations are submitted to the Nunavut Water Board for consideration:

1. Application For New Water Licence

Issue/Concern

 AANDC notes from blocks 7 and 8 of the application form that approvals from both the Nunavut Planning Commission (NPC) and Nunavut Impact Review Board (NIRB) respectively have not yet been confirmed and that the proponent indicates that approvals are in progress.

Comment/Recommendation

 AANDC recommends that the proponent submit to the NWB the aforementioned approvals when received from both NPC and NIRB.

Issue/Concern

 As well, block 6 of the application pertaining to surface rights indicates that the Crown land use and Inuit Owned Land (IOL) use authorizations have yet to be approved or permitted.

Comment/Recommendation

 AANDC recommends that the proponent submit to the NWB the aforementioned authorizations when received from the authorizing agencies.

2. Spill Plan

Comments/Recommendations

- AANDC recommends storing all fuel in secondary containment to reduce the risk of a spill. AANDC also recommends that the proponent use secondary containment (i.e drip pans, etc) for all refuelling operations.
- Fuel stored in drums should be located 30 meters from any streams or bodies of water, preferably in an area of low permeability.
- AANDC recommends that the proponent keep a copy of the spill plan on site.
- AANDC recommends including the locations of any spill kits on site in the spill plan.

AANDC has noticed that the fax number for AANDC's manager of field operations is not listed in the spill plan. The Spill Contingency Plan should include the fax number for AANDC's Manager of Field Operations. Fax number is (867) 979-6445.

3. Other

Issue/Concern

 AANDC notes that the contractor has stated in Appendix 10 of the water license application that one option is for the contractor to base operations out of the former Lupin Mine facilities.

Comment/Recommendation

- AANDC would like to advise the applicant and contractor that currently there is no valid water license (i.e. the license has expired) at Lupin for the use of water or disposal of waste for camp purposes. Any use of water or disposal of waste for camp purposes under the expired water license would be in contravention of the Act.
- AANDC also recommends that if there is any change in the project description (i.e camp location, etc) that the licensee submit these changes to the NWB as soon as they are known.

Issue/Concern

AANDC notes that the water license application states that type B contaminated soils will be treated on site in a landfarm, however AANDC cannot find any information on any contingency plan if the soil is not remediated within two summer seasons. As well AANDC could find no engineered drawings of the landfarm to be constructed or information on the intended end use of the soil once treatment has finished (i.e., placement of soil).

Comment/Recommendation

 AANDC recommends that the licensee submit additional information on the contaminated soils and landfarm contingencies to the NWB.



Issue/Concern

 AANDC notes that the water license mentions the use of borrow areas; however these areas are yet to be determined. AANDC also notes that it could find no permit allowing for this activity.

Comment/Recommendation

 AANDC recommends that the applicant apply for the permits allowing for borrow activities. This permit, when issued, should be forwarded to the NWB along with locations of the borrow areas when they are known.

Prepared by Ian Parsons