

P.O. BOX 119 GJOA HAVEN, NU X0B 1J0 TEL: (867) 360-6338 FAX: (867) 360-6369 DO DES EAUX DU NUNAVUT

File No.: 1BR-NUN0511 (NWB4NUN0511)

December 1, 2011

James H. Wilson, General Manager Nunatta Environmental Services Inc. P.O. Box 267 Building #1575 Federal Road Iqaluit NU XOA 0H0

Email: <u>nunatta@northwestel.net</u>

RE: Review of Renewal Application for Licence 1BR-NUN0511, Nunatta Environmental Services Inc., Hydrocarbon-Impacted Soil (Landfarm) Facility

Dear Mr. Wilson:

The Nunavut Water Board (NWB or Board) received from Nunatta Environmental Services Ltd. (Proponent) the following submissions in support of its application for a ten-year renewal of the water licence for its four-cell Hydrocarbon-Impacted Soil (Landfarm) Facility located on Commissioner's Land within the City of Iqaluit, Nunavut:

- Application form;
- Cover letter, dated July 18, 2011;
- Copy of business licence;
- Certificate of compliance;
- Drawing GPS Location;
- List of Officers and Directors;
- Financial Security Plan (English and Inuktitut);
- Project summary;
- Response to Inspector's Report (English and Inuktitut); and
- Internal Financial Statements (will be kept confidential).

In accordance with S.6 of the *Northwest Territories Waters Regulations* and Article 13 of the *Nunavut Land Claims Agreement* (NLCA), the NWB acknowledged receipt of the application, on August 19, 2011, and informed the Proponent that the Board would provide appropriate feedback on the renewal application in a timely manner. Further, in a separate email to the Proponent, on the same date, the Board provided the Proponent with an itemized list of some of

the submissions required, administrative procedures to be followed and relevant documents agreed to by the Board, during the meeting held between the Proponent and the Board on April 7, 2011. The list of items includes the following:

- Renewal application which the Proponent need to forward to NPC and NIRB;
- Nunatta to provide as built drawing for existing facilities including Cell 4;
- Need to assess financial security (third party) and the requirement for bonding under the renewal application;
- NWB to provide Nunatta Environmental Services with a copy of the section of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* referring financial security (C.10, p. 24); and
- NWB to provide a copy of the *Northwest Territories Waters Regulations*.

In addition, the NWB informed the Proponent, on October 6, 2011, that all of the documents identified in the Annual Report Review letter¹ must be submitted for the water licence renewal. A copy of the review letter was also included with the correspondence. In response to the Board's letter, the Proponent provided the NWB, on November 11, 2011, with copies of the following documents:

- Design Drawings and Cell Construction, dated October 2011;
- Installation and Construction of Monitoring Wells, dated October 2011;
- Interim Abandonment and Restoration Plan, dated October 2011;
- Remediated Soil/Rock Reject Usage Plan, dated October 2011;
- Site Operations Manual, dated October, 2011; and
- Spill Contingency Plan, dated October, 2011.

The NWB has conducted a preliminary review of the submissions received from the Proponent on November 11, 2011, in the context of the overall renewal application and information provided previously and recommends that the following submissions be updated to include and/or address the following items:

Design Drawings and Cell Construction, dated October 2011 (Required under Part G, Item 4)

The document entitled "Design Drawings and Cell Construction, Hydrocarbon-Impacted Soil Landfarm Facility", dated October 2011, contains background information with respect to the various cells of the Hydrocarbon Impacted Soil (Landfarm) Facility. Included in the document are drawings, Figures 1 and 3, for As-Built Cross-Section and Section & Details respectively for Cell 4, which was constructed without authorization from the Board. The NWB notes that the drawings provided were not signed and stamped by an Engineer authorized to practice in Nunavut as is required for all drawings submitted to the Broad and recommends that this requirement be addressed.

Interim Abandonment and Restoration Plan (Part I, Item 1)

The Abandonment and Restoration Plan should be revised to include the following:

¹ NWB Letter to Nunatta Environmental dated November 18, 2011 regarding Review of Annual Reports for Nunatta Environmental Services Inc., Hydrocarbon-Impacted Soil Facility.

- Information on reclamation objectives;
- Detailed description of activities related to temporary and/or indefinite closure;
- Information on temporary and permanent shutdowns;
- Updated reclamation liability cost and financial security estimates based on available information;
- Information on the equipment, infrastructure and facilities associated with the project;
- Schedule for scope of reclamation work and implementation schedule;
- Maps delineating all disturbed areas; and
- Information on the type and duration of post -closure monitoring;

Spill Contingency Plan (Required Under Part H, Item 1)

The spill contingency Plan should be revised to include the following:

- Confirmation on whether the general manager is the 24-hour contact and/or on site contact in case of emergencies;
- A detailed site map, of appropriate scale, depicting catchment basins, location of spill kits and/or equipment, content of spill kits, drainage pattern, nearby water bodies, topographic features, which would affect access and response efforts and any other relevant information;
- Spill response training programs available to employees;
- Information on how the Plan will be activated;
- Effective date of the Plan:
- A copy of the NT-NU spill report form;
- Copies of the Material Safety Data Sheets(MSDS) for the substances stored on site; and
- Information on spill response procedures for responding to spills on land, water, snow/ice.

The proponent is also reminded that the following documents which are required under the existing water licence remain outstanding:

- Part C, Item 1: Detailed cost estimate for the reclamation and abandonment;
- Part G, Item 2: Design drawings (As-built) and construction reports for Cells 1, 2 and 3;
- Part J, Item 4: Quality Assurance & Quality Control Plan.

The NWB recommends that the above-mentioned issues be addressed in order for the Board to commence processing of the renewal application. In preparing a response, the Licensee is encouraged to review the terms and conditions of its existing water licence.

Should you have any questions, please feel free to contact the undersigned at 867-360-6338 ext. 25 or by email at sjoseph@nunavutwaterboard.org.

Yours truly,

Original signed by:

Sean Joseph Technical Advisor