

NIRB File No.: 10DN056 AANDC File No.: N2010XN0020 NWB File No.: 1BR-PEE1116

May 1, 2012

The Honourable John Duncan Minister of Aboriginal Affairs and Northern Development c/o Jeff Mercer, Manager Land Administration Aboriginal Affairs and Northern Development Canada Box 100, Iqaluit, NU X0A 0H0

Via email: Jeff.Mercer@aandc.gc.ca and landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: AANDC-Contaminated Sites Division's "PIN-E Cape Peel" project

Dear Jeff Mercer:

On April 27, 2011 the Nunavut Impact Review Board (NIRB or Board) received an application from the Nunavut Water Board (NWB) for an amendment to the Type "B" water licence for Aboriginal Affairs and Northern Development Canada (AANDC) - Contaminated Sites Division's "PIN-E Cape Peel" project proposal.

Please be advised that the original project proposal (NIRB File No.: 10DN056) was received by the NIRB from Indian and Northern Affairs Canada (INAC, now AANDC) on November 29, 2010 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On January 11, 2011 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On July 7, 2011 the NIRB received an application from INAC for an amendment to Land Use Permit No. N2010X0020 to allow for the inclusion of quarrying activities. After a thorough assessment of the amendment request, the NIRB determined that the application was exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on July 13, 2011.

On November 18, 2011 the NIRB received an application from AANDC for an amendment to Land Use Permit No. N2010X0020 for the above mentioned project. assessment of the amendment request, the NIRB determined that the application was exempt

from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on December 16, 2011.

On March 21, 2012 the NIRB received an application from AANDC-Contaminated Sites Division for additional quarry permits associated with Land Use Permit No. N2010X0020 for the above mentioned project. After a thorough assessment of the amendment request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on December 16, 2011

The current NWB application, the original NIRB Screening Decision Report (NIRB File No. 10DN056) and related file information are available from the NIRB's ftp site at the following link: http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2011/10DN056-INAC-PIN-E%20CAPE%20PEEL/.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 10DN056), the "PIN-E Cape Peel" project was located within the Kitikmeot region, approximately 80 kilometres (km) west of Cambridge Bay. AANDC-Contaminated Sites Division was proposing to carry out the remediation of the PIN-E Cape Peel Distant Early Warning (DEW) Line Site. The planned work was expected to be conducted on both Crown Land and Inuit Owned land during the summer and fall of 2011 and again between July and September 2012 when it was anticipated that clean-up would be completed.

The activities and components associated with the previously screened proposal included:

- Access to site via sealift and fixed wing aircraft;
- Establishment of a camp to support site operations;
- Roads and the airstrip re-constructed and repaired as required;
- Demolition of existing site infrastructure, with segregation of demolition wastes into hazardous and non-hazardous materials for disposal;
- Disposal of all hazardous materials and soil at a licensed, off-site facility;
- Remediation of existing landfills/drums;
- Construction of a land farm for the treatment of hydrocarbon contaminated soil;
- Transportation of non-hazardous wastes to PIN-D Ross Point at the landfill;
- Consolidation of barrels with contents, these contents were to be incinerated or shipped to PIN-D Ross Point for disposal;
- Empty barrels to be crushed and transported to PIN-D Ross Point;
- Development of borrow sites;
- Fuel (diesel, gas and jet fuel) and propane to be drummed and stored on-site within a containment area;
- Spill kits at fuel transfer site; and
- Use of two temporary lagoons.

On July 7, 2011 AANDC-Contaminated Sites Division further applied for approval to allow for the extraction of materials from existing borrow sites previously identified during the original screening of the file.

On November 18, 2011 AANDC-Contaminated Sites applied for an amendment to allow for the use of a double-walled Enviro Tank (1,000 litre capacity) and double-walled utility tank (2,200 litre capacity) for the storage of diesel fuel in place of the previously approved storage of fuel in barrels.

On March 21, 2012 AANDC-Contaminated Sites Division applied for approval to allow for the extraction of materials from an additional three borrow areas that were identified to be previously and/or partially disturbed.

CURRENT APPLICATION:

AANDC-Contaminated Sites Division is proposing to amend its Type "B" water licence to include the following additional components/activities:

- To increase the maximum allowable quantity of water from seven to ten cubic metres per day; and,
- To add an additional water source for the project.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed amendment does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original December 16, 2011 Screening Decision Report (enclosed).

If you have any questions or concerns, please contact Kelli Gillard, Technical Advisor, at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

Ryan Barry

Executive Director

Nunavut Impact Review Board

cc: Natalie Plato, AANDC

Tracey McCaie, AANDC Phyllis Beaulieu, NWB

Enclosed: NIRB Screening Decision Report, File No.: 10DN056 (December 16, 2011)

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