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Department of Environment
Ministère de l'Environnement

21 November 2006

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Sent via e-mail

Dear Mr. Thiele

Re: Storage of Diesel Fuel at Baker Lake

It has come to my attention that Cumberland Resources Ltd. ("Cumberland") recently landed 3 barges containing a total of 5 million litres of diesel fuel, on the shore of Baker Lake approximately 1.5 km from the community of Baker Lake. It is my understanding that the that the fuel-laden barges will remain at this location over the winter months.

Under Section 3.(1) of the Environmental Protection Act's *Spill Contingency Planning and Reporting Regulations*, "*No person shall store contaminants in a facility where the storage capacity of the facility equals or exceeds the storage capacity shown in Schedule A, unless a spill contingency plan has been prepared and filed in accordance with these regulations.*"

I have reviewed the spill plan ("Shipboard Oil Pollution Emergency Plan (SOPEP), MV Keewatin") that you provided to my colleague, Helen Yeh, and have found the plan to be insufficient for purposes of addressing our concerns respecting Cumberland's intent to store 5 million litres of diesel fuel in 3 barges located on the shore of Baker Lake.

Given that the amount of fuel Cumberland is storing on site exceeds the threshold (20,000 litres) listed in "Schedule A" of the Spill Regulations, Cumberland is therefore required to file a spill contingency plan with the Department of Environment (DOE). I have attached a copy of the Regulations for your edification.

By this letter, I am directing Cumberland Resources to provide DOE with spill plan which relates specifically to the aforementioned storage facility. This plan should be filed with DOE for review and approval, by no later than December 15, 2006. If you are unable to meet this

deadline, please contact me as soon as possible. DOE is amenable to discussing alternate, temporary arrangements until such time as a proper spill plan can be filed.

As you can understand, a spill of diesel fuel into a freshwater body, such as Baker Lake, would pose a serious environmental and human health risk. While DOE does not object to Cumberland's plan, DOE also wants assurances that in the event of a spill, Cumberland will be in a position to react in a timely, efficient and effective manner. Some of the questions that come to mind are as follows:

1. Does Cumberland have a sufficient stock of spill response equipment to manage a minor or major spill from one, or all of the barges in question?
2. Does Cumberland have sufficient manpower and expertise in Baker Lake to effect an immediate spill cleanup operation should this be required? This is a very important consideration.
3. It is my understanding that an NTCL employee will be staying on the tugboat to look after the fuel. Is this person Cumberland's official representative in Baker Lake? Does this person have the capability to manage a fuel spill and direct an immediate cleanup operation? Has Cumberland made any arrangements with local contractors for heavy equipment, manpower etc.? Are there any trained spill response personnel in Baker Lake that can be placed at Cumberland's disposal on short notice?
4. Cumberland should describe the method by which they will monitor the barges for possible leaks; both minor and major.

I have attached with this letter, two sets of spill contingency planning guidelines that will provide you with some direction with respect to the kind of information that we require before we can approve a spill plan; and by extension a fuel storage facility.

If you have any questions feel free to contact me at the coordinates listed below.



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