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May 18, 2007

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via e-mail

RE: UR- Energy Inc - 2BE-BUGS Amendment to Water License Application

On behalf of Environment Canada (EC), I have reviewed the additional information submitted on May 7, 2007 by UR-Energy Inc for the Bugs Project. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the Canadian Environmental Protection Act, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Spill Contingency Plan

- Section 7.0 *Spill Equipment* should include a complete inventory of equipment available on-site including the number and size of absorbent pads.
- Section 3.1 Remote Fuel Storage Locations should include a map that clearly identifies the location of the storage site and it distance to water bodies. All fuel caches shall be at least 30m form the high water mark and be stored in such a manner as to prevent contents from entering nearby water bodies. EC recommends the use of secondary containment such as self-supporting insta-berm when storing barreled fuel at all remote location. Secondary containment should be of adequate size and volume to contain and hold fluids for the purpose of preventing spills (the worst-case scenario). Appropriate spill response equipment and clean-up materials (absorbents, containment devices, etc) must be on hand during any transfer of fuel or hazardous substances.
- A spill kit should be located at <u>all</u> fuel storage locations and vehicle-maintenance areas in addition to the one proposed for the helicopter pad and generator.

Waste Management

- Environment Canada would like to reiterate that camp sewage (ie grey water and black water) be
 directed to a properly designed and located sump instead of relying on a natural depression,
 unless the depression is situated in such a manner that sewage does not leach into any water
 bodies. Camp sewage should be located downwind and downhill from camp and downstream
 from the water source and away from water bodies.
- An incineration device capable of meeting the emission limits established under the Canada-wide Standards (CWS) for Dioxins and Furans and the CWS for Mercury Emissions is required (both the Government of Canada and the Government of the Nunavut are signatories to these Standards and are required to implement them according to their respective jurisdictional responsibility).



Abandonment and Restoration

- Soil contaminated by fuel should be treated on site or removed to an approved disposal site, and replaced with new soil. EC recommends that the liner of the secondary containment be removed from site and disposed of in an approved disposal facility. Soils in the vicinity of fuel and/or chemical storage should be tested and disposed off if necessary.
- EC recommends that all non-combustible and hazardous material (all structures, temporary buildings, machinery, equipment, materials, fuel drums, storage containers, and any other items used in connection with the camp) be removed from the project site to an approved recycling or disposal facility. Burning of wooden structures should only be considered if the wood has not been treated with chemicals.
- Burning wood waste that has been treated with preservative chemicals or protective coatings can
 release harmful substances such as Dioxins and Furans in to the Canadian environment. EC
 strongly recommends that the proponent remove all wood that are treated with preservatives and
 protective coatings from the project site upon final abandonment and dispose of these materials at
 an approved recycling or disposal facility.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at cindy.parker@ec.gc.ca.

Yours truly,

Original signed by

Cindy Parker Environmental Assessment Specialist

cc: (Carey Ogilvie, Manager Environment Canada, Yellowknife, NWT)

