



NIRB File No.: 03MN107

September 11, 2009

Community of Baker Lake  
c/o various community organizations

Via: *Email and facsimile*

**Re: Meadowbank Gold Mine – Proposed Expansion to the Baker Lake Fuel Storage Facility**

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Dear Parties:

On July 30, 2009 the Nunavut Impact Review Board (NIRB or Board) received the attached correspondence from Agnico-Eagle Mines Ltd (AEM), proposing an expansion to the fuel tank farm at the Baker Lake Marshalling Facility in support of the Meadowbank Gold Mine Project (Project). On August 6, 2009 the NIRB received notification from the Nunavut Planning Commission (NPC) that no additional conformity determination (Keewatin Regional Land Use Plan) for these proposed activities would be required. The current proposal involves an increase (twenty two million litres) to the storage capacity of the fuel tank farm located within the municipal bounds of the Hamlet of Baker Lake, necessary due to an underestimation in the initial estimates of diesel fuel required to provide power at the mine site.

The NIRB previously conducted an extensive environmental review of the Project pursuant to Article 12, Section 5 of the Nunavut Land Claims Agreement (NLCA). At the conclusion of the review the Board determined that the Project should be allowed to proceed, pursuant to terms and conditions contained within the NIRB's Project Certificate (No. 004), later issued on December 30, 2006.

All materials pertaining to the Board's review of the Meadowbank Gold Mine Project, including the Project Certificate and information regarding the proposed amendment to the Project can be obtained from the NIRB's ftp site at the following address:

<http://ftp.nirb.ca/MONITORING/03MN107-MEADOWBANK/01-PROJECT/CERTIFICATE/FOLLOW-UP/MARSHALLING FACILITY TANK FARM EXPANSION/>.

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 as well as the Project Certificate (No. 004), the NIRB is of the understanding that the current proposal 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. The NIRB is therefore proposing that Section 12.4.3 (NLCA) applies to exempt further screening of the proposed fuel tank farm expansion.

Staff of the NIRB recently conducted a site visit at the Meadowbank Gold Mine site and held a public information session in Baker Lake on September 1, 2009. During the public information session, staff provided a follow up discussion to the Board's recent 12.8.2 (NLCA) reconsideration of Condition 32 of the Meadowbank Gold Mine Project Certificate (No. 004) and further, presented an overview of AEM's proposed fuel tank farm expansion request. Also, on August 10, 2009 the NIRB circulated the attached correspondence from AEM to the Meadowbank distribution list and requested Parties review the proposal and comment on the NIRB's proposed course of action on or before August 24, 2009. By August 24, 2009 the NIRB received comments from Indian and Northern Affairs Canada and from the Government of Nunavut, Department of Environment; the following represents a summary of comments received:

- Additional fuel storage requirements be included in comprehensive lease to be signed by AEM.
- Amendment may require AEM to post additional financial security to cover incremental risk.
- Revised operational and emergency response procedures be subject to review and comment.
- Proponent should clarify which protective methods and best practices will be employed for the construction and containment of additional fuel tanks and storage areas.
- The Proponent should outline how it intends to comply with the *Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations* which came into force June 12, 2008 (*Canadian Environmental Protection Act, 1999*).
- Provide a rationale and justification for the proposed storage of Jet A fuel at the Baker Lake tank farm facility, and outline any additional or different activity that is anticipated.
- Discuss additional barge shipments of fuel that may be required for the Meadowbank Project.

Prior to making a final decision on this matter, the NIRB would like to provide an additional opportunity for comment to community organizations in Baker Lake, as well as other interested persons and agencies. Submissions should address parties' concerns or questions as they relate to the proposed fuel tank farm expansion and the exemption of these activities from further screening by the NIRB. Please submit your comments to the attention of the NIRB's Manager of Environmental Administration at [info@nirb.ca](mailto:info@nirb.ca) or via fax to 867-983-2594, by **September 21, 2009**.

Should you have any questions or require further information, please contact Amanda Hanson, NIRB's Monitoring Officer for the Project, at (867) 983-4615 or [ahanson@nirb.ca](mailto:ahanson@nirb.ca).

Sincerely,



Ryan Barry  
Director, Technical Services  
Nunavut Impact Review Board

Attachment: AEM Ltr NIRB Re Proposed Marshalling Facility Expansion (July 30, 2009)

Cc: Meadowbank Distribution List

July 30, 2009

*Via Email*

Stephanie Autut  
Executive Director  
Nunavut Impact Review Board  
P.O. Box 1360  
Cambridge Bay, NU X0B 0C0  
Phone: (867) 983-4600

Dear Ms. Autut,

**Re: Meadowbank Project Certificate No.004 – Baker Lake Marshalling Facility Proposed Expansion**

For your review, please find attached a project proposal for the expansion of the fuel tank farm at the Baker Lake Marshalling Facility. The expansion will increase the fuel storage capacity of the fuel tank farm from 40 ML to 60 ML and will allow for storage of 2 ML of Jet A fuel. Agnico-Eagle Mines Limited – Meadowbank Division (AEM) seeks the advice of the Nunavut Impact Review Board on whether or not an amendment to Project Certificate No.004 may be required.

To provide additional information, AEM has reviewed the related conditions of Project Certificate No.004 and has addressed them below:

***Condition 27: Cumberland shall ensure that the areas used to store fuel or hazardous materials are contained using safe, environmentally protective methods based on practical, best engineering practices.***

The areas used for the additional fuel tanks will be constructed and contained using the same protective methods and best practices employed for the first phase of the fuel tank farm construction.

***Condition 42: Cumberland shall ensure all fuel transfer operations take place in accordance with the Arctic Waters Pollution Prevention Act and relevant oil transfer guidelines.***

The fuel transfer procedures currently in place will also apply to the new fuel tanks. These procedures are in accordance with pertinent regulations and guidelines.


The proposed construction schedule for the expansion is over the 2009 and 2010 summer / fall seasons. An amendment request to include the additional land area into the lease boundary located on Commissioner's Land has recently been submitted to the Government of Nunavut. This will allow for ground preparation work to begin in the late summer or fall of 2009.

Construction of the additional tanks is proposed for 2010 following any required review or amendment by the Nunavut Impact Review Board, Nunavut Water Board and Nunavut Planning Commission.

It is AEM's opinion that while the proposed increase in fuel storage capacity at the Meadowbank Baker Lake facility represents a change from the Project as reviewed during the NIRB environmental assessment process, this change is not significant and will not change the environmental impact of the Meadowbank Project in any significant manner.

Should you have any questions or require more information please contact me directly at [stephane.robert@agnico-eagle.com](mailto:stephane.robert@agnico-eagle.com).

Regards,  
**Agnico-Eagle Mines Limited – Meadowbank Division**



Stéphane Robert  
Environment Superintendent

*Encl (1)*

*cc: Brian Aglukark, Nunavut Planning Commission  
Richard Dwyer, Nunavut Water Board*