

## **Appendix J1**

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**Letter: TC OPEP non-compliance letter and AEM response**

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Transport  
Canada

Transports  
Canada

DATE: SEPTEMBER 4TH, 2014

To:

Mr. Jeff Pratt  
AGNICO-EAGLE Meadowbank Division  
93,rue Arseneault  
Bureau 202  
Val-d'Or (Quebec)  
J9P0E9

SUBJECT: **NON-COMPLIANCE OF AGNICO-Eagle Meadowbank Division  
Oil Handling Facility –Baker Lake, NU**

Thank you for your cooperation allowing Transport Canada Marine Safety and Security (TCMSS) the opportunity to conduct a regulatory inspection of the level 2 OHF operated by AGNICO-Eagle, Meadowbank Division ,Baker Lake, NU, on August 2<sup>nd</sup> and 3<sup>rd</sup>, 2014

The inspection by TCMSS found the following Canada *Shipping Act*, 2001 (CSA 2001) requirements have not been met by AGNICO-Eagle, Meadowbank Division.

During our site visit we observed that a third party had been contracted to conduct/oversee transfer operations at site that were found to be unaware of the OPEP requirements. TCMSS would like to clarify that it is the Operator's responsibility to implement procedures outlined in the OPEP and as provided in the OHF declaration, TCMSS needs further clarification in regards to hiring of third part contractors and their role during fuel transfer. If the intention is to have third party contractors to conduct/oversee procedures during fuel transfer, AEM Meadowbank should clarify as such in the submitted OPEP including outlining measures in regards to training and implementation of OPEP.

Prior to a compliance letter being issued by TCMSS the following requirements must be met.

1. The Current Oil Pollution Prevention Plan (OPEP) submitted does not outline the specific responsibility of the terminal staff procedures during transfer to *prevent* discharges of oil during loading or unloading of a vessel. This is a requirement in the CSA 2001 paragraph 168(1)(c) The OPEP is to comply with the prescribed requirement of the regulations. AGNICO is to provide a detail description of the actions to be taken by the staff on site during transfer. On site transfer staff must be trained and be familiar with all spill prevention and inspection duties outlined in OPEP. It is recommended that this training include the familiarization with a standard ship to shore fuel transfer checklist as required in the Vessel Pollution and Dangerous Chemical Regulations.
2. The workboat operators are to have certification as per the Marine Personnel Regulation S.212
3. Workboats are to be in compliant with all associated regulations including vessel registration.
4. OPEP to include the specific location of the freshwater intake for community of Baker Lake and is to outline what preventive actions will be taken to protect the intake In the event of a spill during transfers. This information should be located in Sensitivities Section of OPEP.
5. It is recommended that OPEP include a working copy of the NT-NU spill report-form. On site transfer staff should be familiar with application of this form as part of an effective spill reporting protocol.
6. After reviewing and taking inventory of the onsite spill response equipment TCMSS recommend that equipment be stored in a manner that is organized and accessible in order to comply with regulatory requirements. Response Organizations and Oil Handling Facilities Regulations 13 (2) (b) (c) has two major milestones for OHFs to meet.
  1. Contain and Control in one hour of spill detection; and,
  2. Commence cleanup within six hours after spill detection.
7. An effective Ship to Shore check list protocol for fuel transfers is to be implemented and incorporated with the contracted shipping company.

8. The OPEP does reference that coordination with Canadian Coast Guard is required but does not specifically reference area response plans or regional contingency plans.

AGNICO-Eagle, Meadowbank Division is not in compliance with regulatory requirements under CSA, 2001. As a result, TCMS has concerns with AGNICO-Eagle, Meadowbank Division ability to respond to a marine oil pollution incident at its terminal and requests, instead of further enforcement, that your facility complies fully with the provisions of the *Canada Shipping Act 2001* and /or regulations. Please be advised that a compliant OPEP is a requirement under CSA 2001 before conducting transfer operations and there are prescribed offences under CSA 2001, if found in contravention of the regulatory requirements.

Please provide to TCMSS with an assurance and time line of how these remaining compliance issues will be achieved.

Should you have any questions concerning the above, please do not hesitate to contact Ian Salisbury Transport Canada Marine Safety and Security, Prairie and Northern at (780) 495-8360

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ian Salisbury', with a long, sweeping horizontal stroke extending to the right.

Ian Salisbury  
Pollution Prevention Officer  
Transport Canada  
Marine Safety and Security, PNR  
Edmonton



## AGNICO EAGLE

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September 9, 2014

Ian Salisbury SCMT (Hon)  
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### RE: RESPONSE TO NON -COMPLIANCE AGNICO EAGLE -MEADOWBANK-OHF INSPECTION

Mr. Salisbury,

This letter is in response to the letter issued to Agnico Eagle Meadowbank by Transport Canada on September 4, 2014. AEM appreciates the recommendations from TCMSS and the time taken to visit our facilities. During the site visit, AEM was given a positive impression from TCMSS representatives and looks forward to continuing to work with you to improve our operations. Please note the responses and actions that AEM has taken to address the requirements in the non-compliance letter. They are ordered numerically according to the requirements stated in the letter.

- 1) In 2014, AEM has hired an onsite supervisor for the Baker Lake barge area. This person is trained on what is required by onsite staff during fuel transfer. As discussed by TCMSS during the site visit, a ship to shore checklist has been provided to AEM by the shipping/fuel provider. This has been verified by the Baker Lake supervisor and vessel captain prior to any discharge taking place. A procedure will be created in conjunction with the contractor, Baker Lake supervisor, Environment, and Health and Safety groups to ensure compliance with the regulations. This will be completed by September 25th, 2014.

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## AGNICO EAGLE

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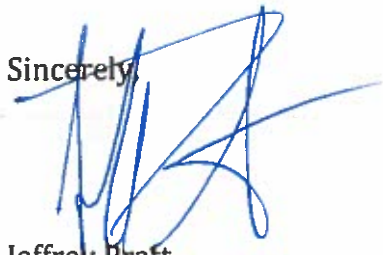
- 2) Many of the response staff already possess valid pleasure craft operator cards. Only these persons will be responding to an emergency situation by boat. All personnel who would be involved in a response situation will complete the pleasure craft operator's certification prior to commencing the 2015 fuel barge season. Our training department is currently seeking out an online program that we can use for training all of our boat handlers on our site.
- 3) The vessel that will be stationed at Baker Lake and used in an emergency by AEM, will meet all vessel regulations prior to commencing the 2015 fuel barge season. This vessel will be licensed and will have all required components for an industrial use vessel.
- 4) In **VERSION 5** of the *MBK Oil Pollution Emergency Plan* a map depicting the location of the Baker Lake freshwater intake will be included. As well, a preventative measures plan will be depicted for ensuring no contamination close to this intake area.
- 5) This recommendation is noted. AEM has a thorough internal spill reporting system that documents all spills for internal tracking. There is a copy of an internal spill report form found in the Spill Contingency Plan which internal staff are asked to fill out in a spill situation. Regardless of the volume, these spills are reported to the Environment department and if NT-NU spill limits are exceeded, the Environmental Department reviews the incident, produces a spill report and submits the NT-NU spill report to the GN, as well as to other associated agencies. If a spill is a reportable, the environmental group does an investigation) assists in the clean-up and then completes and produces the NT-NU spill report to the GN.
- 6) The re-organization of the spill response equipment in Baker Lake will be complete by September 25, 2014. Pictures of this will be supplied to the TMCS5 officer by this date.
- 7) As stated in requirement #1, A ship to shore checklist has been provided to AEM by the shipping/fuel provider. This will be verified by the Baker Lake supervisor and vessel captain prior to any discharge taking place.

- 8) In Appendix B of the *MBK Oil Pollution Emergency Plan Version 3*, AEM had included *The Central and Arctic Regional Response Plan (2008)* and were asked to remove this after the comprehensive review performed by Transport Canada. In **VERSION 5** of the *MBK Oil Pollution Emergency Plan* reference to these documents will be included in Section 10.1.2.

The revisions of the MBK Oil Pollution Emergency Plan version 5 has commenced and will be complete by October 31, 2014 for TCMSS review.

I trust this meets with your requirements. Should you have any questions or concerns please feel free to contact me at (867) 793-4610 ext. 6728 or by email at [jeffrey.pratt@agnicoeagle.com](mailto:jeffrey.pratt@agnicoeagle.com).

Sincerely,



Jeffrey Pratt  
Environmental Coordinator  
Agnico Eagle Mines Ltd.  
Meadowbank Division  
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[jeffrey.pratt@agnicoeagle.com](mailto:jeffrey.pratt@agnicoeagle.com)

CC: Ryan Vanengen –AEM  
Stephane Robert – AEM  
Erika Voyer - AEM  
Jaideep Johar - TCMSS