

September 10, 2024

Karén Kharatyan
Director, Technical Services
Nunavut Water Board
Gjoa Haven, Nunavut, X0B 1J0

Re: 2AM-MRY1325 Type A Water Licence Renewal Application Information Request Responses

Dear Mr. Kharatyan,

On September 3, 2024, the Nunavut Water Board provided additional follow-up comments from the Qikiqtani Inuit Association (QIA) in response to the Information Request responses provided by Baffinland Iron Mines (Baffinland) on August 15, 2024 for Baffinland's Type A Water Licence Renewal Application (the Renewal Application). Baffinland is pleased to provide responses to these follow-up comments, which are attached to this correspondence.

In addition to the attached responses, Baffinland will provide the following information on or before September 16, 2024:

- Summary of water quality monitoring results since 2013
- Summary of management plan updates
- Update to Inuit engagement summary
- Cumulative effects summary

We hope that this satisfies QIA's comments and should not prevent the technical review from beginning as soon as possible.

We look forward to the next steps in the process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elisabeth", followed by a period.

Elisabeth Luther
Senior Manager, Regulatory Affairs

Cc: Lou Kamermans (Baffinland)

Table 1. Information Request Responses

Attachment 1. NorthSouth Consultants Inc. 2024. Steensby Port and Railway Freshwater Habitat Surveys: 2021-2023

Attachment 2. Knight Piesold. 2023. Water Withdrawal Notification and Hydrological Assessment – Steensby Component

Attachment 3. ERM. 2019. Community Risk Assessment Workshop: Final Report

Attachment 4. Baffinland. 2024. Letter to Pond Inlet Mayor and MHTO Chairperson regarding Mary River Project – Steensby Component Community Meetings

ID	Status	QIA Follow-Up Comment (September 3, 2024)	Baffinland Follow-up Response (September 9, 2024)
QIA-1	Resolved	N/A	No response required.
QIA-2	Unresolved	<p>Unresolved.</p> <p>The temporal scope of activities covered under SOP2 is proposed to continue until 2032 or when the Steensby Component becomes operational. While no changes to the Steensby Component have been proposed by Baffinland, the freshwater baseline available for the southern rail corridor and camp are now more than a decade old. The potential duration of SOP2 activities along the northern corridor is constrained in part by ensuring an up-to-date and relevant freshwater baseline for the Steensby component is available ahead of any construction activities. The updated baseline will be used to inform adaptive management triggers that may not provide sufficient protection to the aquatic environment if comparisons are made to a baseline characterization that is no longer applicable.</p> <p>We reiterate our request outlined in this IR. The information is required prior to completing a technical review of aquatic monitoring plans such as the AEMP. QIA recommends that Baffinland commit to provide a summary of available baseline information associated with the Steensby Component and rationale as to why updated baseline information is not required or, if an update to the baseline is indeed required, to provide that update on or before October 31, 2025.</p>	<p>The renewal of the Type A Water Licence should not be linked to or delayed by the SOP2 amendment process.</p> <ul style="list-style-type: none">• The Type A Water Licence expires in June 2025, and Baffinland requires a timely renewal of the Type A Water Licence to continue operations.• Baffinland has not identified any amendments to the Type A Water Licence that are required to proceed with SOP2. Similarly, none of the previous production increase proposal (PIP) applications to NIRB (to approve an increase of up to 1.8 MTPA to the approved Early Revenue Phase Northern Transportation Corridor transportation rates) triggered any amendment or modifications to the Type A Water Licence.• In the unlikely event that amendments or modifications to the Type A Water Licence are required as an outcome of the SOP2 Project Certificate Amendment Application process, those would be sought by Baffinland in due course following issuance of the renewed Type A Water Licence. <p>The NWB, while conducting a thorough technical review of the Renewal Application, is bound by the assessment of the ongoing Mary River Project activities, works and undertakings that was previously concluded by the NIRB. This data continues to be relevant to the Renewal Application to establish pre-Steensby Component conditions, and established a solid foundation for the current plans under the Type A Water Licence based on that data. The baseline is available in Volume 7 - Freshwater Environment of the 2012 FEIS and 2014 ERP FEIS Addendum, which are both available on the NWB registry. Further to this, Baffinland has conducted additional studies to support detailed engineering and activity-specific permitting activities for Steensby, including the following, which provide additional information on freshwater and hydrological baseline::</p> <ul style="list-style-type: none">• Freshwater field programs between 2021 and 2023 in areas covering the Mary River Mine site, Steensby Railway and Steensby Port (Attachment 1)• Hydrological watercourse studies carried out in 2023 to support site specific crossing designs, including conventional, aerial (LIDAR), drone and acoustic Doppler current profiler surveys (Attachment 2) <p>These reports were primarily prepared to support Baffinland's applications under the Fisheries Act and the Section 98 Application for an Approval to Construct a Railway, but are also being provided here to satisfy QIA's information request.</p> <p>Baffinland also confirms it will be carrying out a future program to collect additional freshwater baseline in advance of the Steensby Components. As noted in its original response to QIA-2, any additional freshwater baseline collected in advance of the Steensby Components can be used to update and inform relevant plans under the Type A Water Licence prior to proceeding with the Steensby Component.</p> <p>As the start date of the Steensby Components remains unknown at this time, it does not make sense to collect or review additional baseline data until after the construction start date for those components is known with more precision. If additional baseline data were obtained at this time, this would run the risk of becoming “out of date” in QIA’s view, and needing to be repeated in future. Similarly, updating plans too far in advance of construction risks repeating this work later.</p> <p>Accordingly, to satisfy this information request, Baffinland will engage with QIA regarding additional baseline information that will be collected by Baffinland in advance of proceeding with the Steensby Components, for the purpose of updating relevant plans regulated under the Type A Water Licence. Baffinland will present the results of the study to QIA, relevant regulators and community groups through the regular annual reporting process and in bilateral or multilateral focused groups, which could include the Terrestrial Environment Working Group (TEWG).</p>
QIA-3	Resolved	N/A	No response required.
QIA-4	Unresolved	<p>Unresolved.</p> <p>Attachment 2 summarizes data and exceedances from a single year (2023), stating that QA/QC checks of the data need to be performed on historical data before it can be included in the EQulS database. Baffinland instead has referred QIA to the annual reports for all other water quality data. This falls far short of the IR to summarize aquatic environmental data collected to date.</p> <p>It is unclear what QA/QC of historical data are preventing their inclusion from Attachment 2, as it would be expected that QA/QC steps would have taken place prior to the drafting and submission of each annual report.</p> <p>We request that the information from our IR (QIA-4) be provided prior to moving forward with the technical review on the Application.</p>	<p>With respect to QIA’s cross reference to the SOP2 process reflected in the original comment, please see Baffinland’s general response relating to the relationship between SOP2 and this Renewal Application at QIA-2 above.</p> <p>Baffinland does not agree that the requested summary of aquatic data is required to answer the original IR, which per QIA-5 is abased on its request for Baffinland to indicate what plans approved under the Type A Water Licence are subject to current or near term amendment and review based on the lessons learned from monitoring carried out under the Type A Water Licence.</p> <p>Older historical monitoring data would have limited relevance to help identify necessary updates to current plans. Accordingly, Baffinland has primarily focused on the most recent data to support our answer to the QIA’s primary question, which relates to plan updates. To address this IR, Baffinland will prepare a summary memo for submission to NWB by September 16, 2024, which compiles monitoring results as summarized in annual reports since 2013 in a single document, for ease of reference.</p> <p>It is acknowledged that the Plans regulated under the Type A Water Licence are living documents, subject to potential further amendment and approval based on monitoring results. Per QIA-5, Baffinland has identified the need to update plans regulated under the Type A Water Licence to improve environmental management based on a number of factors, including results from monitoring data collected under the Type A Water Licence, general improvements to environmental management based on industry practice, and feedback from participants, including QIA, in the Annual Report review and other NWB processes.</p> <p>As outlined in Baffinland's August 15 response to QIA-5, “all plans required under the Water Licence are reviewed on an regular basis based on current conditions and Baffinland’s annual monitoring activities, as well as to reflect any new commitments made to regulatory authorities or Inuit and Inuit groups. Each individual plan includes a historical revisions sheet which summarizes previous plan iterations; this gives reviewers an understanding of how each plan has been adaptively revised over time.” Plans are reviewed annually and updated as relevant to integrate EIS predictions, results of ongoing monitoring activities, inputs from Inuit and IQ integration, and adaptive management.</p> <p>A summary of the Plan Updates that are currently underway will be provided by September 16, 2024. This summary will include the current status of the plans based on the status of ongoing review processes. There are several pathways available for the review of management plans and Baffinland will continue to work bilaterally on plan updates</p>

			<p>with QIA. This will enable management plan review to be completed during and beyond the WL renewal process, as relevant. Management plan updates are anticipated to follow one of three NWB approval pathways:</p> <ol style="list-style-type: none">1. if consensus that the Plan Update is ready for early NWB approval, approval will be requested prior to issuance of Water Licence Renewal.2. NWB could approve Plan Updates with the issuance of the Water Licence Renewal.3. If the Plan Update is not considered ready for NWB approval upon issuance of the Water Licence Renewal, continuing Plan Update review and and a related timeline could be specified as a term and condition of the Water Licence Renewal.
QIA-5	Unresolved	<p>Unresolved.</p> <p>As indicated in QIA-4, Baffinland must first develop a summary of historical data allowing the Applicant to demonstrate compliance with water licence terms and conditions and EIS predictions. Once an understanding of compliance with licence terms and conditions, including EIS predictions, has been demonstrated, both Baffinland and other stakeholders will have an understanding of which management plans need to be updated as part of this process. As updates to management plans may still be required pending Baffinland’s response to QIA-4, it remains unclear whether sufficient information has been presented to proceed with the full technical review. Plans associated with effects pathways that have not been managed in accordance with the Water Licence and EIS predictions must be updated as per this IR and submitted for stakeholder review as part of these proceedings.</p>	<p>See response to QIA-4, above.</p>
QIA-6	Partially Resolved	<p>Partially resolved.</p> <p>The Applicant has committed to updating the WQ model as requested by QIA. The timeline of that commitment (i.e., by November 1, 2024) indicates that a review of the updated WRF water quality model can be completed as part of the technical review of this application. We suggest Baffinland provide the updated model as soon as feasible (i.e., ahead of the November 1, 2024 deadline). We also request the NWB to provide sufficient time for stakeholders to complete a review of that model. However, our request that the model be used to update the SWAEMP has not been addressed in the reply. Can Baffinland commit to addressing this component of the IR as part of their planned submission on or before November 1, 2024? Note that the SWAEMP may require additional updates as per QIA-4 and QIA-5.</p>	<p>As highlighted in the initial comment from QIA, the water quality model was updated in 2023 and results were integrated in the update of the Phase I Waste Rock Management Plan (BAF-PH1-830-P16-0029, Rev 4, March 2024). The 2023 water quality model update was conducted by competent geoscientists at WSP. The report is available on pages 317 to 345 of the Phase I WRM Plan. The objectives of the 2023 water quality model update are to:</p> <ul style="list-style-type: none">• Identify key drivers (i.e., loadings) of WRF Pond chemistry.• Forecast future WRF pond chemistry based on recent water balance model updates and mine planning information;• Evaluate WRF pond chemistry estimates over time to support assessment regarding the requirement for continued water treatment; and• Constrain uncertainty in model inputs using conservative assumptions and by performing sensitivity analyses. <p>It is premature to commit to use of the model to update the SWAEMP at this time, but Baffinland is willing to continue to discuss this concept with QIA through the technical comment stage of the Renewal Application and report back to the NWB prior to the Renewal Licence technical meeting.</p> <p>Baffinland is providing a schedule for future updates to the water quality model by November 1, 2024 as part of the ongoing and parallel process to update the Interim Closure & Reclamation Plan.</p>
QIA-7	Unresolved	<p>Unresolved.</p> <p>QIA acknowledges Baffinland’s commitment to address the issue identified with the SWAEMP Trigger Action Response Plan (TARP). However, we respectfully disagree that the request is outside the scope of the Licence. The SWAEMP is a key plan in the management of the aquatic ecosystem, and the TARP plays a central role in correcting environmental interactions that deviate from the expected conditions. We continue to recommend that a discussion on the TARPs be included in these proceedings and initiated through the removal of professional judgement from the process of adaptive management.</p>	<p>Professional judgment, both from experts in IQ and in western science, is an important component of identifying adaptive management actions and from Baffinland’s perspective should not be removed. However, supporting rationale for any positions taken based on professional judgment should be clearly stated as part of the adaptive management process. Baffinland is prepared to develop a general decision tree to justify decisions based on professional judgment, which could be appended to the Adaptive Management Plan and apply across Baffinland’s Environmental Management System. For example, this process would likely involve several steps, including defining the decision context, identifying possible outcomes, and using a structured approach to evaluate the alternatives. This will be discussed further with QIA at the next meeting of the Adaptive Management Plan Working Group.</p> <p>Should QIA not agree that this response resolves their comment, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p>
QIA-8	Partially Resolved	<p>Partially Resolved.</p> <p>We appreciate the broader context from Baffinland. Would Baffinland be comfortable constraining the list of water withdrawal locations to those sources that are considered “large” and do not have tighter withdrawal restrictions (i.e., the ones that were not used in 2023)?</p>	<p>Baffinland cannot support any constraints to the existing list of water withdrawal locations. Per the QIA’s original comment, flows are the primary criteria governing whether a particular location is used and ensures even if a water take location is approved, it is not used unless unacceptable impacts to flow and quantity cannot be mitigated. While some locations were not used in 2023, some withdrawal location conditions may meet these criteria in future years. It is important to maintain flexibility to support optimal environmental management, specifically as it relates to dust management and control.</p> <p>Should QIA not agree that this response resolves their comment, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p>

QIA-9	Partially Resolved	<p>Partially Resolved.</p> <p>Baffinland’s reply does not clarify why the discharge of contact water is not subject to the MDMER.</p> <p>MDMER defines Effluent as “any seepage or surface runoff containing any deleterious substance that flows over, through or out of the site of a mine.” The Milne Port site has been built to store and ship mined ore and is clearly a part of the project’s necessary infrastructure.</p> <p>The 2021 Annual Report, when discussing Steensby Port discharge to the marine environment, states that “(p)rovided that crushing and screening of ore does not occur at Steensby Port, the MDMER would not be applicable to effluent discharged to marine waters”. Further, the 2021 Annual Report states that “(o)nce ore processing (or “milling” as defined in the MDMER) occurs at Milne Port, the MDMER will apply to effluent discharged from the ore stockpiles to the marine waters of Milne Inlet”. Acknowledging that this statement is made with respect to the Phase 2 expansion that is not moving forward, the language appears to imply that the MDMER does not apply to effluent discharge from sites where milling is not taking place.</p> <p>It is unclear to QIA why the MDMER would not apply in the absence of local / on-site milling.</p> <p>Please provide the rationale as to why MDMER does not apply to Milne Port.</p>	<p>The MDMER defines metal mine as “<i>means any work or undertaking that is designed or is used, or has been used, in connection with a mining, milling or hydrometallurgical activity to produce a metal or a metal concentrate or an ore from which a metal or a metal concentrate may be produced, as well as any cleared or disturbed area that is adjacent to such a work or undertaking. It includes any work or undertaking, such as a smelter, pelletizing plant, sintering plant, refinery or acid plant, if its effluent is combined with the effluent from a mining, milling or hydrometallurgical activity whose purpose is to produce a metal or a metal concentrate or an ore from which a metal or a metal concentrate may be produced.</i>”</p> <p>Steensby Port and Milne Port are not used to produce iron ore, nor are they adjacent to a Mary River Mine work or undertaking that produces iron ore. Steensby Port and Milne Port, including associated infrastructure such as stockpiles, are transportation works or undertakings, not production works or undertakings. MDMER has not applied to Milne Port since ore began moving through the area for commercial purposes in 2014, which supports Baffinland’s above interpretation. Similarly, MDMER do not apply to areas of other ports in Canada where mined materials are stockpiled and shipped overseas (for example the Port of Vancouver).</p> <p>Should QIA not agree that this response resolves their comment, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p>
QIA-10	Resolved	N/A	No response required.
QIA-11	Deferred	QIA will defer further comments to the technical phase of the process.	No response required.
QIA-12	Deferred	QIA will defer further comments to the technical phase of the process.	No response required.
QIA-13	Deferred	QIA will defer further comments to the technical phase of the process.	No response required.
QIA-14	Deferred	QIA will defer further comments to the technical phase of the process.	No response required.
QIA-15	Deferred	QIA will defer further comments to the technical phase of the process.	No response required.
QIA-16	Unresolved	<p>Unresolved.</p> <p>Baffinland’s responses to concerns raised by Inuit during engagement with Inuit communities from 2014 to 2024 (Attachment 4 Freshwater Environment Engagement Comments) contain insufficient evidence of action and follow-up on information received from Inuit describing potential impacts to Inuit freshwater resource use, including the following issues:</p> <ul style="list-style-type: none">• Changes to fish behavior;• Reductions in fish availability, reduced catches;• Contamination in fish habitats and flesh;• Increased animal mortality;• Ore discolouration in snow and animal fur;• Drinking water contamination;• Ship ballast exchange in incorrect locations;• Seismic testing;• Reduced caribou populations;• Improper blasting procedures impacting wildlife; and• Culverts impacting ice breakup and fish populations. <p>There are instances where Baffinland’s conclusions differ from Inuit observations and the discrepancies are not addressed or accounted for:</p> <ul style="list-style-type: none">• Negligible impacts to country foods (p. 5); and• No changes in water quality, sediment, or fish around the site or marine environment (p. 6). <p>Baffinland does not address Inuit concerns raised in other publicly available sources, such as the Tusaqtavut studies. Such concerns include but are not limited to:</p>	<p>The information provided in the report reflected the responses provided by Baffinland at the time the comment was received. Baffinland will file an updated table on or before September 16, 2024, that includes relevant management responses (excluding items that are listed in QIA-16 that are outside of the jurisdiction of the NWB and Type A Water Licence, such as caribou, seismic testing, and marine topics including ship ballast exchange).</p> <p>With respect to the Tusaqtavut studies, the QIA does not acknowledge that the concerns raised in those studies were directly addressed in the SOP FEIS Addendum. As the studies were prepared by a third party, they have not been included in the direct engagement summary referenced above. Furthermore, it is noted that the Tusaqtavut studies have inherent limitations for current purposes. As an example, the version of the Mary River Project presented to participants in that study was an un-mitigated version of the project which did not reflect the significant mitigations incorporated in the Project Certificate or the Type A Water Licence, many of which were included in direct response to Inuit concerns raised via their participation in the regulatory processes established by the Nunavut Agreement. Similarly, participants in the study were not provided an understanding of the effects predictions associated with the various components of the Project they were discussing, nor does the report attempt to reconcile what was heard versus what was predicted. As such, new actions and follow up are not necessarily triggered by the Tusaqtuvut studies, as many items can rely on existing mitigations.</p> <p>Regarding QIA’s comment on Baffinland’s “<i>adherence to requirements set by non-Inuit agencies and organizations that do not consider Inuit use, objectives, or measures,</i>” Baffinland would like to clarify that this pertains specifically to compliance with the <i>Fisheries Act</i>, as administered by the Department of Fisheries and Oceans (DFO). It is important to note that the Government of Canada has implemented the Inuit Nunangat Policy, which mandates that all federal departments and agencies, including DFO, incorporate Inuit perspectives and needs into the development of policies and programs. Baffinland will continue to adhere to applicable federal and territorial requirements, in addition to continuing to work with QIA and engage with Inuit to have opportunities to gather and integrate Inuit views.</p> <p>With regards to the last sentence requesting for the source of the comments, Baffinland has attached the two reports where more information on the engagement activities referenced are available:</p> <ul style="list-style-type: none">• ERM. 2019. Community Risk Assessment Workshop: Final Report (Attachment 3)• Baffinland. 2024. Letter to Pond Inlet Mayor and MHTO Chairperson regarding Mary River Project – Steensby Component Community Meetings (Attachment 4) <p>Should QIA not agree that this response resolves their comment, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p>

		<ul style="list-style-type: none">• Avoidance by Inuit due to physical changes and disturbance in the Project footprint and a greater than predicted "impact footprint" surrounding the PDA (roads, mine site, etc.);• Avoidance due to concerns about other contaminants;• Reduced water quality due to erosion, sedimentation, chemical runoff, road construction and maintenance; water discharge and withdrawals; stream modification, etc.;• Increased hunting effort resulting from need to carry larger quantities of water while on the land;• Altered fish passage due to water withdrawals and discharge, snow management, stream modifications and culverts;• Fish habitat loss due to algal bloom, chemical runoff, dust deposition, erosion and sedimentation, and stream alteration;• Marine effects on anadromous fish including increased predation; invasive species; shipping disturbance; and sediment quality changes;• Reduced enjoyment of land; and• Reduced ability to transmit knowledge about land and water use and to conduct cultural practices. <p>Several responses from Baffinland in Attachment 4 refer to monitoring results in annual reports and do not address the comment or assess whether there is need for further investigation.</p> <p>Some comments in Attachment 4 address Inuit concerns about impacts by stating reliance on management plans that were not developed using Inuit knowledge, values, objectives, indicators and response (p. 7-8).</p> <p>Other comments in Attachment 4 state that feedback is incorporated elsewhere (e.g., a Fisheries Act Authorization application) but not delineated here (p. 11, July 11, 2023). A summary of meetings with responses stating that concerns were addressed elsewhere is not sufficient.</p> <p>Baffinland responds to some comments from community members by stating adherence to requirements set by non-Inuit agencies and organizations that do not consider Inuit use, objectives, or measures (p. 12-13, November 28, 2023).</p> <p>Baffinland also responds to Inuit concerns by stating that IQ was used to identify fish presence in the local area (p. 7, 2019 Summary; p. 13, December 1, 2023). However, Baffinland does not provide a source for this.</p>	
QIA-19	Unresolved	<p>Unresolved</p> <p>In its response, Baffinland suggest that it “believes the IQ and Inuit Knowledge reflected in Appendix J is sufficient context for the NWB’s consideration of the Type A Water License renewal”.</p> <p>QIA disagrees with Baffinland on this matter. Appendix J and Baffinland’s Application as a whole do not include information on impacts to waterbodies of importance and Inuit water use from an Inuit perspective using Inuit indicators and measures. The NWB has publicly committed to and has applied, in its licences, considering Inuit Qaujimajatuqangit alongside Western scientific knowledge regarding impacts to freshwater. This information must be collected and analyzed using Inuit indicators and measures. Effects must also be characterized from an Inuit perspective, which may differ from a Western scientific perspective. For example, a Western science perspective may set the threshold for ecological relevance at "does the impact change things in a way that fundamentally alters the basin", which may mask localized effects that could impact both</p>	<p>With respect to Recommendation No. 1, Baffinland is committed to reviewing the results of the Pond Inlet Water Values Study (which Baffinland has funded and QIA is carrying out) with QIA, when available. Should updates to monitoring programs and/or management plans be identified as an outcome of that review, these updates will require approval by the NWB through the regular reporting process, an ongoing regulatory approval, or by ad-hoc request.</p> <p>The Water Licence Renewal is subject to Ministerial approval and the Renewal Licence must be issued by June 2025. Accordingly, Baffinland cannot defer any aspect of the Renewal Licence Application until after March 31, 2025. However, if the report becomes available within a reasonable timeframe before the NWB public hearings, Baffinland will collaborate with QIA to review the report and develop a joint submission for the Board. This will include considerations how the outcomes should be interpreted by the Board, and how Baffinland plans to integrate those outcomes into its Environmental Management System, and any management plans requiring NWB approval, and what regulatory process that can follow.</p> <p>Should QIA not agree that this response resolves Recommendation 1, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p> <p>With respect to Recommendation No. 2, Baffinland’s view is that the AEMP does properly capture all areas in the Mine Site PDA, but also acknowledges that the AEMP will be subject to continuing review and potential future updates during the term of the Renewal Licence.</p> <p>The current AEMP (Rev.2), which is subject to continuing review and comment and NWB approval, includes a dedicated section 2.2 which explains IQ considered in the</p>

		<p>on the local environment and on the rights of Inuit. QIA will provide the Pond Inlet IQ Water Values Study to the NWB.</p> <p>Recommendations:</p> <p>1. QIA requests that Baffinland work with QIA to review the results of the forthcoming Pond Inlet Water Values Study and integrate those results into revised application material, especially but not exclusively related to monitoring and management commitments tied to the water licence. QIA requests that Baffinland commit to developing a supplemental joint submission to the NWB provided QIA finalizes the Pond Inlet Water Values Study by March 31, 2025.</p> <p>2. QIA requires more information about whether the Aquatic Effects Monitoring Plan (AEMP) properly captures all areas in the PDA, including to the south towards Steensby and whether Inuit have been involved in defining the monitoring locations and nature of monitoring required, for different waterbodies.</p>	<p>development of the revised AEMP. In terms of Inuit feedback, QIA is part of the process and is involved in the review of the AEMP.</p> <p>Inuit will be consulted on an ongoing basis on monitoring locations and the nature of monitoring required, via direct community engagement as well as the Community Relations Guide and Inuit Knowledge Holder positions in Arctic Bay, Clyde River, Igloolik, Kinngait, Kimmirut, Pond Inlet, and Sanirajak .</p>
QIA-20	Unresolved	<p>Unresolved</p> <p>In its response, Baffinland suggests that “a cumulative effects assessment is outside the scope of the Water Licence renewal”. However, QIA is not asking for anything in its recommendation that is not required in the NWB’s own application form. Section 17 of the NWB’s application form asks the applicant to “Describe direct, indirect, and cumulative [environmental] impacts related to water and waste” (p. 11, emphasis added). Baffinland’s response to this question relies on outdated information from the 2012 FEIS and 2013 Addendum about cumulative effects (ibid.). This information was considered inadequate by QIA in the first place for its highly limited scope, in which only impacts directly overlapping with the Project (i.e., occurring at the same time and in the same location) were considered as cumulative effects. Additionally, this information is now 11 years old, meaning that the Proponent’s application cannot account for impacts that have occurred in the intervening years as a result of this and other activities or processes on Baffin Island. Baffinland has provided no additional information with its application to update the cumulative effects assessment. Impacts to Inuit water rights (Section 19 of the NWB’s application form) also cannot be accurately evaluated without considering the full range of past, present, and likely future impacts on Inuit rights. Information on cumulative effects is also required as part of the NIRB process for Baffinland’s SOP2 application and should be provided with this NWB application as well.</p> <p>Recommendations:</p> <p>1. Baffinland should include an updated description of cumulative effects on water quality, quantity and flow in its Application, that shows that Baffinland has been properly tracking cumulative effects over the past decade or more.</p> <p>2. QIA also recommends that, should this water licence application be approved, the NWB integrate the results of the forthcoming and NIRB-overseen cumulative effects assessment.</p>	<p>With respect to the introductory comments to the QIA’s recommendations, Baffinland notes the following:</p> <ul style="list-style-type: none">QIA supported the issuance of the Project Certificate in 2012 (as well as each amendment to the Project Certificate No. 1 to 5). QIA also supported the issuance of the Type A Water Licence and Amendment No. 1 to the Type A Water Licence.The NWB, while conducting a thorough technical review of the Renewal Application, is bound by the assessment of the ongoing Mary River Project activities, works and undertakings that was previously concluded by the NIRB.<ul style="list-style-type: none">Section 17 of the Renewal Application Form asks the Applicant to answer the following questions: “<i>Are predicted environmental impacts of the undertaking and proposed mitigation measures the same as those considered in the existing water licence?</i>” [Check yes or no] <i>Describe direct, indirect, and cumulative impacts related to water and waste.</i>”Section 17 of the Water Licence Renewal form does not require the Applicant to update its original NIRB cumulative effects assessment, as implied by QIA. The form asks Baffinland to identify whether there are changes, and to describe the specified effects.With respect to Section 19 of the Renewal Application Form, the NWB can rely on the Mary River Water Compensation Agreement to address concerns relating to Inuit water rights in proceeding with its renewal process.<ul style="list-style-type: none">Per Article 20 of the Nunavut Agreement, a project that may impact on Inuit rights to water quality, quantity or flow can be approved by the NWB where there is a compensation agreement in place with the DIO.The Mary River Project Water Compensation is applicable to the Water Licence Renewal Application and establishes agreed bilateral processes between Baffinland and QIA relating to the past, present and future impacts on Inuit water rights as a result of the Mary River Project.On the relationship between the SOP2 NIRB Process and this Renewal Application, see response to QIA-2 above. <p>With respect to Recommendation No. 1, Baffinland agrees to provide further information on this topic in the context of this Renewal Application. In order to satisfy this information request, Baffinland will prepare a high level summary memo for the NWB on or before September 16, 2024 describing cumulative effects relevant to the freshwater environment.</p> <p>With respect to Recommendation No. 2, Baffinland is of the view that this recommendation should not be accepted by the NWB as it is premature and would fetter the discretion of NIRB. As identified by QIA, NIRB is overseeing this process. Specific outcomes should not be predetermined by NWB. Should there be any implications for the Type A Water Licence arising out of the Cumulative Effects Assessment Framework, those will be identified in due course by NIRB. Additionally, it is noted that this follow up item fits the criteria of a technical comment and can be further discussed at that stage without further delay to a completeness determination.</p>
QIA-21	Unresolved	<p>Unresolved</p> <p>QIA acknowledges the inclusion of some recent information regarding monitoring results and Inuit Qaujimagatuqangit. For clarity, our comment pertains to a general over-reliance on outdated information in the Water Licence Application for Baffinland’s conclusions and responses about impacts and changes to conditions. As explained in other comments, the information provided by Baffinland, including in the 2012 FEIS, the 2013 Addendum, and the supplements provided with this application, does not accurately describe all impacts to freshwater conditions and Inuit water rights. The Proponent’s</p>	<p>With respect to Recommendation No. 1, the freshwater environment field work conducted in the Steensby area since 2021 was focused on gathering data required for the preparation of the <i>Fisheries Act</i> Authorization (FAA) application, including bathymetry and identifying fish presence or absence. These studies were driven by specific guidelines issued by DFO, including the <i>Applicant’s Guide Supporting the Authorizations Concerning Fish and Fish Habitat Protection Regulations</i>. The results of these studies have been integrated in Baffinland’s FAA application, which has been shared with Inuit in several engagement activities over the course of 2023 and 2024 to gather Inuit knowledge in relation to possible offsetting options. These meetings have been included in Table 4.1 – Recent Community Engagement of the Renewal Application and the key comments received during these meetings are included in Attachment 4 – Freshwater Environment Engagement Comments of the additional information submitted to the NWB on August 15, 2024. Baffinland is integrating IQ where possible to guide implementation of mitigation measures, including fish offsetting.</p> <p>With respect to Recommendation No. 2, the information and IQ gathered as part of Inuit engagement, including the meetings referenced above have been integrated in the FAA application. As such, these are expected to be reflected in the fish offsetting measures, which are subject to DFO authorization. Baffinland is prepared to accommodate an “Inuit enriched” component to any future baseline work that we plan for 2025 or later, which should be coordinated with the QIA’s Inuit Stewardship Plan or an acceptable Baffinland led alternative.</p>

		<p>responses and conclusions in the Application have not been updated through the use of accurate, up-to-date information, especially (but not limited to) the Steensby area, which has not undergone adequate IQ-enriched monitoring for changes since Baffinland's original licence was awarded.</p> <p>QIA disagrees with the statement that there has been no meaningful change in the conditions of the receiving environment, especially as it pertains to Inuit water rights and use. The reality is that to our knowledge, not enough IQ-informed data has been collected to support such an assertion. Baffinland states in its response that “Baffinland has been conducting field work in the freshwater environment around Steensby Component infrastructure continuously since 2021 to support activity specific permits, including Fisheries Act Authorizations. No data collected to date has indicated the conditions in the receiving environment have meaningfully changed in the area since field studies were carried out in relation to the 2012 FEIS”. All parties need to understand better how IQ enriched data collection was included in this “continuous field work in the freshwater environment around Steensby” since 2021. All parties must be provided with the results of that IQ-enriched data collection for consideration, if it was conducted. If it was not conducted, Baffinland should recognize the lack of a dedicated IQ data collection program since 2021 around Steensby as an information and methodological deficit and work with Inuit to fill this gap.</p> <p>Recommendations:</p> <ol style="list-style-type: none">1. Baffinland should provide for review by all parties detailed information on if and how IQ was integrated into its continuous fieldwork in the freshwater environmental data collection around the Steensby Component infrastructure since 2021.2. QIA recommends that the Applicant commit to providing a plan forward on how this information will be integrated should the water licence be approved prior to publishing these freshwater data for the Steensby Component.	
QIA-22	Unresolved	<p>Unresolved</p> <p>Further information is required to reconcile divergent statements made by Baffinland in the Application and in its responses. In the Application (Table 5.1 at pg. 7 of 19) Baffinland states that for the following Steensby Component Infrastructure areas, “These water sources are unaffected by the current Project and thus no updated water quality monitoring data is available”: ST 347 KM 10 Lake, 3 KM Lake, Nivek Lake, Ravn Camp Lake, and Cockburn Lake. In its responses to QIA's completeness comments, Baffinland states that it has been doing “continuous field work in the freshwater environment around Steensby” since 2021 that suggest there has been “no data collected to date has indicated the conditions in the receiving environment have meaningfully changed in the area since field studies were carried out in relation to the 2012 FEIS.” This may be a terminological issue that Baffinland can clear up or the statements may be contradictory; clarification is necessary.</p> <p>The fact there is “no updated water quality monitoring data” available for the noted waterbodies remains concerning to QIA, especially considering Baffinland's suggestion that there have not been meaningful changes in the receiving environment since the 2012 EIS.</p> <p>Recommendations:</p> <ol style="list-style-type: none">1. Please clarify the two potentially divergent statements noted above.2. QIA echoes its recommendation following the Applicant's August 15 response to comment No. QIA-2.	<p>With respect to Recommendation No. 1, for clarity the referenced field work carried out since 2021 has been primarily focused on satisfying the application requirements for authorizations under the Fisheries Act (FAA) required to proceed with the Steensby Components, and not as a general “update” to freshwater components. The statements presented are based on Baffinland's assessment of relevant data collected during the FAA field work.</p> <p>With respect to Recommendation No. 2, see Baffinland's response to QIA-2 as a proposed path forward to resolve this IR.</p>



Attachment 1. NorthSouth Consultants Inc. 2024. Steensby Port and Railway Freshwater Habitat Surveys: 2021-2023

Attachment 2. Knight Piesold. 2023. Water Withdrawal Notification and Hydrological Assessment – Steensby Component

Attachment 3. ERM. 2019. Community Risk Assessment Workshop: Final Report

Attachment 4. Baffinland. 2024. Letter to Pond Inlet Mayor and MHTO Chairperson regarding Mary River Project – Steensby Component Community Meetings