

Submission Date: July 24, 2014

Resource Management Officer
Nunavut Field Operations
Aboriginal Affairs and Northern Development Canada
Box 100
Iqaluit, NU X0A 0H0
Robert.Savard@aandc-aadnc.gc.ca
Justin.Hack@aandc-aadnc.gc.ca

Manager, Major Projects Qikiqtani Inuit Assocation P.O. Box 219 Iqaluit, NU X0A 0H0 swbathory@qia.ca

Re: Follow-up to Spill 14-240 Reported on June 26th, 2014 Mary River Project - Water Licence No. 2AM-MRY1325

Summary:

On June 25^{th} at 10:00 am Baffinland Iron Mines Corp. (Baffinland) Site Services Department was relocating a dissolved air flotation (DAF) tank used as part of its oil/water separation system at its Milne Inlet construction laydown area. While Site Services was moving the tank, the discharge pipe connection located at the bottom of the tank ruptured causing approximately 1,000 – 2,000 L of water containing melt-water and undetermined low concentration emulsified free product hydrocarbon onto the ground surface consisting of sands with some gravels.

Photos of the release on June 25th, as well as following recovery and remedial efforts are attached. A map identifying the location of the impacted area is also attached.

Immediate and Follow-Up Action:

The cause of the release was the rupture of the discharge pipe located at the bottom of one side of the tank. The release spilled to the sand/gravel ground. When the operator moving the tank noticed the spill, movement of the tank ceased and the tank was immediately placed on an incline with the discharge upgrade to maintain some material within the tank, thus preventing the release of remaining water downgrade. The spill area was flagged off and the minor volume of free product present was collected by means of absorbent pads and shop vac.

It was confirmed by the past operators of the treatment plant, that the volume of free phase hydrocarbons within the water/hydrocarbon mixture was minor in consideration that the tank was fully emptied during the treatment system shutdown procedure. The water in the tank originated from snow melt that had accumulated in the vessel over the course of the winter. A limited soil sampling program will be conducted in the area to confirm hydrocarbon impact. If soils are contaminated above applicable soil guidelines, the soils will be removed and placed in the future land farm facility (currently under construction).

Recommendations:

After the release, Baffinland implemented strict instructions for the completion of a more throughout inspection of all containers containing hazardous waste prior to intra and inter site movements. Such inspections shall be completed to assess the risks associated with the release of their contents to the surrounding environment and shall include inspections of container integrity (breaks/faults in container walls), loose hoses/pipes/valve fittings connected to the container, and the method of securing the container to the moving vehicle prior to transit to assess the risk of the container becoming dismounted en route.

Enforcement and monitoring of these inspections shall be ongoing.



Current Status:

The area and extent of hydrocarbons present will be confirmed pending a limited soil assessment of the impacted area.

Should you require further information or clarification, please feel free to contact Allan Knight or Trevor Myers at (647) 253-0596 ext. 6010 or the undersigned at (902) 403-1337.

Sincerely,

James Millard, M.Sc., P.Geo.

Environmental Manager

Attach: Photos, Map, Original and Supplementary NT-NU Spill Report

cc. Michael Anderson, Allan Knight, Trevor Myers, Nicolas Kuzyk, Lea Willemse, Erik Madsen, Baffinland.

Erik Allain, AANDC

Manager of Licencing, NWBth









Figure 2: Broken Discharge Pipe (Source of Release of Oily Water)



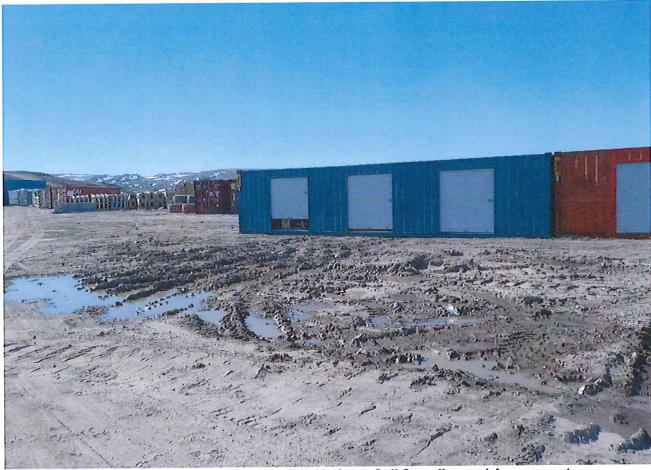


Figure 3: Oily Water Release Area, This Area Will Undergo Soil Sampling and Assessment



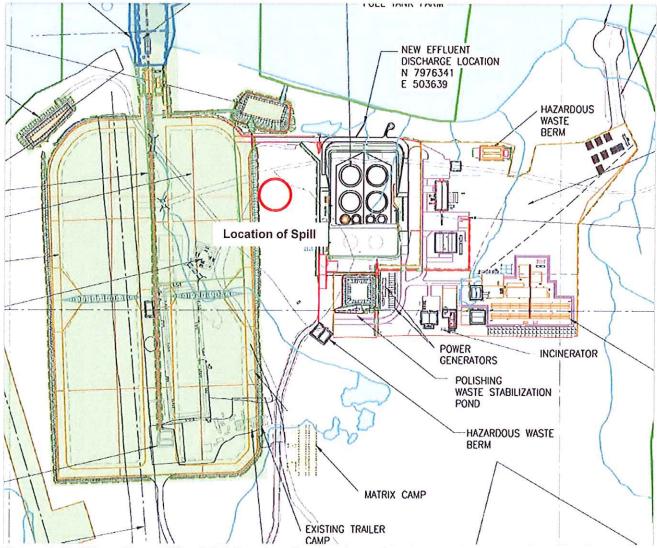


Figure 4: Spill Location - Milne Inlet Construction Laydown Area





NT-NU SPILL REPORT

OIL, GASOLINE, CHEMICALS AND OTHER HAZARDOUS MATERIALS

NT-NU 24-HOUR SPILL REPORT LINE TEL: (867) 920-8130 FAX: (867) 873-6924 EMAIL: spills@gov.nl.ca

REPORT LINE USE ONLY

A B	June 26, 2014 OCCURRENCE DATE: MONTH - DAY - YEAR June 25, 2014			REPORT TIME 10:15 OCCURRENCE TIME 10:00		C) ORIGINAL SPILL F OR C) UPDATE # TO THE ORIGINAL S		REPORT NUMBER	
C	10 = 00111110101111				WATER LICENCE NUMBER (IF APPLICABLE) 2AM-MRY1325 Type "A"				
D			NU DINWT XINUNAVUT DIADJACENT JURISDICTION OR OCEAN						
Е	DEGREES 11 MINUTES 33		SECONDS 06 DEGREES		DEGREES 80	MINUTES 5	3 _{SE}	CONDS 58	
F	RESPONSIBLE PARTY OR VESSEL NAME Baffinland Iron Mines Corp.		PRESPONSIBLE PARTY ADDRESS OR OFFICE LOCATION 2275 Middle Road East, Suite 300, Oakville, ON L6H 0C3						
G	ANY CONTRACTOR INVOLVED		CONTRACTOR ADDRESS OR OFFICE LOCATION						
Н				QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES U.M. NUMBER 1,000 to 2,000 L					
	SECOND PRODUCT SPILLED (IF APPLICABLE)		QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES			RES U.N. NUMBER	U.H. NUMBER		
ı	SPILL SOURCE Oily water treatment tank		SPILL CAUSE Faulty discharge connection		AREA OF CONTA	AREA OF CONTAMINATION IN SQUARE METRES			
J	FACTORS AFFECTING SPILL OR RECOVERY		DESCRIBE ANY ASSISTANCE REQUIRED			HAZARDS TO PE	HAZARDS TO PERSONS, PROPERTY OR EQUIPMENT		
K	onto the ground in puddles. Upon discovery, the ruptured connection was elevated to retain the remaining water in the tank. Spill pads were used to capture < 10 L of free phose product. A shop vac was used to remove and puddled contaminated water. Sampling will be conducted to identify contaminated material. If identified a plan will be developed. The closest water body is > 100m.								
L	Allan Knight Fosition Env. Coord.		Baffin			LOCATION CALLING F	1.0	47-253-0596	
М	ANY ALTERNATE CONTACT Jim Millard	The state of the s		MPLOYE Baffin		ALTERNATE CONTACT		02-403-1337	
REPORT LINE USE ONLY									
NI	RECEIVED AT SPILL LINE BY POSITION		E	MPLOYE	R	LOCATION CALLED	RE	PORT LINE NUMBER	
N	STATION OPERATOR				YELLOWKNIFE, NT	(86)	7) 920-8130		
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