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NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI

File: NWB1BOS0106/J1/J4

July 22, 2005

By Email and Regular Mail

Mr. Scott Stringer General Manager, Northern Operations Miramar Hope Bay Ltd. #300, 889 Harbourside Drive North Vancouver, BC V7P 3S1

Subject: Approval of the Proposed Secondary Containment for Aboveground Storage Tanks at the Boston Camp; Miramar Hope Bay Ltd.

Dear Sir:

The Nunavut Water Board ("NWB") is in receipt of a report titled "Design of Secondary Containment For Aboveground Storage Tanks – Boston Camp, Windy Lake Camp and Goose Lake Camp, Nunavut" dated April 18, 2005 and prepared by Biogenie S.R.D.C. Inc. The NIRB had initially screened this proposal in September 2004 and determined that the construction could proceed with identified terms and conditions that would apply.

Further to this screening, formal notification was received from Miramar Hope Bay Ltd. on April 22, 2005 of the intent to construct under Part J, Item 1 of Water Licence NWB1BOS0106. This notification was accompanied by a revised Report dated April 18, 2005 and requested topographical maps of the locations.

On April 28, 2005 notice was given to interested persons to make representations on the submission to the NWB prior to May 9, 2005.

After having reviewed the submission of the Licensee and representations made by interested persons, the NWB has determined that the construction of the secondary containment for Above Ground Storage Tanks at the Boston Camp location may proceed under this approval, (Motion# 2005-25) and the following terms and conditions.

1. Construction of the Secondary Containment for Above Ground Storage be based on, at a minimum, the *National Fire Code of Canada* (NFC) and the Canadian Council of Ministers of the Environment (CCME) Guidance Document PN 1326 entitled "Environmental Code of Practice for Above Ground and Underground Storage Tank Systems Containing Petroleum Product and Allied Petroleum Products".

- 2. Construction of the Secondary Containment for Above Ground Storage be carried out, where applicable¹, as described in the report submitted to the NWB entitled "Revised Design Of Secondary Containment For Aboveground Storage Tanks Boston Camp, Windy Lake Camp and Patch Lake, Nunavut (O/Ref.:MM4206)", dated April 18, 2005, prepared by Biogenie S.R.D.C. Inc.²
- 3. Construction is based on the Reference drawings that were submitted along with the report and the notification of intent for construction/modification, or revised drawings as necessary to adhere to the CCME guidance document referenced above.
- 4. Further to the Liner Specifications and drawings that were provided along with the submission, the Licensee shall obtain the Manufacturer's recommended installation procedures for the liner, submit to the NWB and adhere to the recommendations provided.
- 5. The Licensee shall also provide evidence that the liner installation as described within the Biogenie S.R.D.C. Inc. report, utilizing a rock pad and waste rock materials for dyke construction and final internal pad requirements³, meets or exceeds the manufacturer's recommendations. Sand or other soils may be required to minimize the potential for rupture of the liner given the traffic and weight to be place on the material and liner. Sand and soils also play an important part in the detection and absorption of fuel spills and the eventual clean-up and closure of the facility.
- 6. An installation report, that also includes the information requested in Item 5, shall be submitted to the Board as per Part J, Item 4 of the Licence and Item 8 of this Approval.
- 7. In addition to maintaining a thirty (30) metre minimum distance from any water body, all Secondary Containment Facilities shall be located in such a manner as to prevent the contents from entering any water body frequented by fish.
- 8. The Licensee shall provide to the Board for review, within ninety (90) days of completion of the construction, all respective design drawings and construction reports, including as-built drawings, documentation of field decisions that deviate from original plans, and any data used to support these decisions as per Part J, Item 4 of the Licence. These drawings and reports shall be stamped by an Engineer, registered with the Association of Engineers, Geologists and Geophysicists of the Northwest Territories and Nunavut (NAPEGG).
- 9. Prior to the installation and operation of the fuel storage, the Licensee shall provide the Board with specifications of the tanks to be installed, dimensions, volumes, orientation (vertical, horizontal) and testing reports as per the CCME Code of Practice referenced above (Section 3.5.4(1)).
- 10. The approved Spill Contingency Plan (SCP), under Licence NWB1BOS0106, Part L, Item 1 shall be revised and submitted to the Board within ninety (90) days of this approval, to reflect the changes in operation and/or technology. Specifically, to address the addition of the Secondary Containment for Above Ground Storage Tanks and to add a section under preventative measures

³ This recommendation is contrary to the initial report submitted to the NWB whereby a 60-mil HDPE material was to be used on either side of the Enviroliner for protection purposes. No basis for the change in design was given.

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¹ The revised report submitted April 22, 2005 with the notification contained a changed configuration for the secondary containment facility along with a calculated required secondary containment volume of the dykes. This new volume does not meet the minimum as described in the Report.

² Neither Biogenie S.R.D.C. Inc., nor the engineer responsible for the report appear to be registered with NAPEGG and therefore are not licensed to practice engineering in Nunavut.

on its operation, maintenance and inspection. If not approved by the Board, the SCP shall be revised and resubmitted within thirty (30) days of receiving notification of the Board's decision.

11. The approved Abandonment and Restoration (A&R) Plan, under Licence NWB1BOS0106, Part M, Item 1 shall be revised and submitted to the Board within ninety (90) days of this approval, to reflect the changes in operation and/or technology, specifically the addition of the Secondary Containment for Above Ground Storage Tanks. If not approved by the Board, the A&R Plan shall be revised and resubmitted within thirty (30) days of receiving notification of the Board's decision.

The NWB looks forward to receiving the above requested information. Should you have any questions regarding the above, please feel free to contact me at your earliest convenience.

Yours truly,

Original signed by:

Philippe di Pizzo Chief Administrative Officer

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