

WATER LICENCE INSPECTION FORM

\boxtimes	Original	
	Follow-Up	Repor

	Follow-op Report						
Licensee	Licensee Representative						
2BB-MEL1424	Jeffrey Pratt						
Licence No. / Expiry	Representative's Title						
July 21st, 2024	Environment Division						
Land / Other Authorizations	Land / Other Authorizations						
IOL							
Date of Inspection	Inspector						
April 10 th , 2017	WRO C. Wilson						
Activities Inspected							
☐ Camp ☐ Drilling ☐ Mining	☐ Construction ☐ Reclamation ☐ Fuel Storage						
Roads/Hauling Other: Spill no. 17-103	Other:						

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SECTION 1	Comments (s.1)	Non-Compliance with Act or Licence (s)	Action Required (s)
☐ Koaus/Hauling	Other: Spill no. 17-103	☐ Other.	

Summary

On April 8th, 2017 19:16 Agnico Eagle Gold Mines Limited ('AEM') submitted a NT-NU spill report form (see appendix 1) to the 24hour spill line regarding a diesel fuel spill at the Meliadine Gold Project. Indigenous and Northern Affairs Canada ('INAC') was designated as lead agency on the file. The file was assigned to Water Resources Officer, Christine WILSON.

On April 9th, 2017 13:36 WILSON contacted AEM Environment Department's ('Environment'), Senior Environmental Coordinator, Jeffrey PRATT requesting a follow up to the April 8th NT-NU spill form. The follow up (see appendix 2) stated that approximately 30 000 liters of diesel was spilled from a leak in a hose at the Meliadine Gold Project's, Fuel Tank Storage Facility. The follow up also included that no fuel had entered any fresh water systems.

On April 10th, 2017 a joint onsite inspection of spill no.17-103 was conducted by WILSON and the Kivalliq Inuit Association's, Lands Inspector, Jeff TULUGAK. The following report was produced with the findings from that inspection (appendix 5).

Observations

- The Meliadine all weather access road to the camp has been closed due to persistent poor weather conditions.
- Visibility is low and winds are gusting to 70km.
- The approximate spill location is 63° 1′ 24.30″N, 92° 11′ 8.00″W.
- 4. On October 4th, 2016, at the same location, a 1188L diesel spill occurred (spill no. 2016-368)
- At 11:13 we meet with AEM representatives PRATT and Lonny SYRVET, Site Services, Energy and Infrastructure Division. Both representatives were present at the time of the spill.
- Other Environment staff currently on site, Philip ROY, and Randy SCHWANDT.
- The following is a summary of the events provided from PRATT and SYRVET;
 - On April 8th site services, AEM fuel truck driver; ('Driver') noticed a puddle of slushy fuel while present at the Fuel Tank Storage Facility ('tank farm').
 - 15:20 the Driver contacted Site Service's Supervisor, who determined a spill had occurred and contacted Environment's, ROY.
 - 15:40 ROY and SCHWANDT responded to the spill.
 - ROY contacted PRATT to notify him that a reportable spill had occurred.
 - 15:50 the valves to tank 18 were closed.
 - PRATT and SYRVET responded to the spill.
 - Environment contacted construction to deploy heavy equipment to the spill area.
 - Test pits were dug, down slope of the spill.
 - The test pits were dug into the snow to tundra surface looking for the presence of fuel.
 - The heavy equipment started scrapping up snow and moving it to the Meliadine Advance Exploration Landfarm Facility ('landfarm').
 - 19:17 the spill is reported to the NT-NU 24-hour spill reporting line, and INAC, ECCC, GN and KIA.
 - Clean up efforts continued.
- 8. Strong wind gusts have been moving snow into the excavation; the cleanup effort is on hold due to blizzard conditions.
- 9. The spill source was a leaking hose hooked into the bottom valve of tank 18 (photo 4).
- 10. The spill area extends from tank 18 (photo 1), down grade towards the bypass road (photo 5) and into the interception trench (appendix 3).
- 11. The interception trench was constructed during the reclamation of spill no. 16-368.
- 12. During the winter months fuel is drawn from only tank 18 (see photo 2 and 3), this is to limit the amount of snow removal in and around the fuel tanks.
- 13. Tank 18 is filled through the top and a valve at the bottom is used for the loading of the fuel distribution trucks.
- 14. Tank 18 has been drained completely and taken out of use. AEM has switched to a tank that uses a syphon style system. A syphon style tank uses a pump to draw fuel from the top to load the fuel distribution trucks.
- 15. The fuel dispensary shack is currently not being used.
- 16. Clean snow from the surface of the landfarm was removed with heavy equipment.
- 17. The clean snow was used to create a wind guard around the landfarm facility. This was to decrease the amount of contaminated snow/soil mixture from leaving the facility (see photo 7).
- 18. A detailed internal investigation is underway; an update will be provided by AEM this week.
- 19. The contaminated snow/soil mixture in the landfarm is piled much higher than the berm walls; PRATT expressed concern with the landfarm capacity during freshet (see photo 6).
- 20. The contaminated material will continue to be placed in the landfarm until a long term plan is determined.



21. AEM has hired a third party contractor to consult on a strategy specifically for freshet and reclamation.

22. J5 appears to be the closes lake to the spill approximately 160m the south west (appendix 4 and appendix 5)

SECTION 2 Comments (s.__)

Non-Compliance with Act or Licence (s.2)

Action Required (s.__)

At this time the inspector believes that no fuel has entered a nearby water body.

For the information of the proponent, the inspector has paraphrased pertinent sections of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act 2002, c. 10* ('the Act').

A complete version of the Act may be found at https://www.canlii.org/en/ca/laws/stat/sc-2002-c-10/latest/sc-2002-c-10.html

Deposit of waste

- **12.** (1) Subject to subsection (2) and except in accordance with the conditions of a licence, no person shall deposit or permit the deposit of waste
 - (a) in waters in Nunavut: or
 - (b) in any other place in Nunavut under conditions in which the waste, or any other waste that results from the deposit of that waste, may enter waters in Nunavut.

Exceptions

- (2) Subsection (1) does not apply in respect of
 - (a) any unlicensed deposit of waste that is authorized by the regulations; or
 - (b) the deposit of waste in a national park.

Duty to report deposits

(3) Where waste is deposited in contravention of this section, every person who owns or has the charge, management or control of the waste, or who caused or contributed to the deposit, shall, subject to the regulations, without delay report the deposit to an inspector. (...)

Powers of inspection

- **86.** (1) For the purpose of ensuring compliance with this Part, the regulations or a licence, an inspector may, subject to subsection (3), at any reasonable time,
 - (a) enter any place in Nunavut in which the inspector believes, on reasonable grounds,
 - (i) a work is being constructed that, on completion, will form part of an appurtenant undertaking, or
 - (ii) any alteration or extension is being carried out on a work that forms part of an appurtenant undertaking;
 - (b) conduct such inspections of a work described in paragraph (a) as the inspector considers necessary in order to determine
 (i) whether plans and specifications forming part of an application for a licence, filed with the Board by the person constructing
 - the work, are being complied with, or
 (ii) whether the alteration or extension of the work is likely to result in a contravention of any condition of a licence; and
 - (c) enter any place in Nunavut, except in a national park, in which the inspector believes, on reasonable grounds, that (i) waters are being used,
 - (ii) there is being or has been carried out any process that may produce or has produced waste, or
 - (iii) there is any waste that may be added to waters,

and, in that place, examine any works, waters or waste, open any container that the inspector believes, on reasonable grounds, contains any waters or waste, and take samples of any such waters or waste.

Books, records or documents

(2) An inspector who enters any place under subsection (1) may examine and copy any books, records or documents in that place that the inspector believes, on reasonable grounds, contain any information relating to the object of the inspection or examination under that subsection.

Exception for dwelling-place

- (3) An inspector may not enter a place that is designed to be used and is being used as a permanent or temporary private dwelling-place. Assistance to inspectors
- (4) The owner or person in charge of any place referred to in this section and every person found in the place shall give an inspector all reasonable assistance to enable the inspector to carry out the inspector's functions under this Part, and shall furnish the inspector with such information for purposes of the administration of this Part as the inspector may reasonably request.
 (...)

Remedial measures

87. (1) An inspector may direct any person to take such reasonable measures as the inspector may specify, including the cessation of an activity, to prevent the use of waters or the deposit of waste or the failure of a work related to the use of waters or the deposit of waste, or to counteract, mitigate or remedy the resulting adverse effects, where the inspector believes, on reasonable grounds,

(a) that

- (i) waters have been or may be used in contravention of subsection 11(1) or of a condition of a licence,
- (ii) waste has been or may be deposited in contravention of subsection 12(1) or of a condition of a licence, or
- (iii) there has been, or may be, a failure of a work related to the use of waters or the deposit of waste, whether or not there has been compliance with any standards prescribed by the regulations or imposed by a licence; and
- (b) that the adverse effects of that use, deposit or failure are causing, or may cause, a danger to persons, property or the environment.

Report to Minister

(2) The inspector shall advise the Minister and the Board of any direction given under subsection (1).

Review by Minister

(3) Where an inspector gives a direction to a person under subsection (1), the Minister may, and if so requested by the person shall, review the direction without delay, and after completion of the review may alter or revoke the direction.

(4) Where a person fails to comply with a direction given under subsection (1), the inspector may take the measures referred to in that subsection and may, for that purpose, enter any place in Nunavut, other than a place that is designed to be used and is being used as a permanent or temporary private dwelling-place.

Recovery of Her Majesty's costs

(5) Any portion of the reasonable costs incurred by Her Majesty in right of Canada under subsection (4) that is not recoverable from the security furnished and maintained under section 76 may be recovered as a debt due to Her Majesty from the person to whom the direction was given.



484	Indigenous and
- AP	Northern Affairs Canada

SECTION 3	Comments (s)	Non-Compliance with Act or Licence. (s.)	Action Required (s.3)

- The proponent will submit to the inspector a topographical map that includes the area of contamination (e.g.: route to landfarm, material storage...etc), nearby water bodies (e.g.: names of lakes and approximate distances), local infrastructure and date.
- The proponent will submit to the inspector a record of tank inspection before and after spill no. 17-103.
- The proponent will submit to the inspector the construction schedule for the Meliadine Gold Mine, landfarm facility and fuel farm facility associated with water licence no. 2AM-MEL1525.
- The proponent will develop and submit a plan that addresses the immediate measure that will need to taken to contain the spill and contaminated snow. This plan should be submitted to the inspector as soon as it is available.

At the time of the inspection it was clear that AEM was conducting a detailed investigation into the spill 17-103. A follow up inspection will be conducted by INAC once the information is better understood.

Licensee or Representative	Inspector's Name
	WRO C Wilson
Signature	Signature
	Original signed on file
Date	Date
	April 10 th , 2017

Office Use Only:	Follow-up report to be issued by Inspector	⊠ Yes □ No
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cc. Erik Allain, Manager Field Operations, INAC

Jeff Pratt, Environmental Coordinator, AEM Jamie Quesnel, Environmental Superintendent, AEM

Photo Log, April 10th, 2017 Attached:

Appendix 1- Spill Report no.17-103, 04.8.17

Appendix 2- Spill Report no. 17-103, Follow up, 04.09.17

Appendix 3- Document collected during the inspection Reference Picture, 04.10.17

Appendix 4- Reference Map, Water Shed 04.10.17

Appendix 5-Spill Reference Map 04.11.17



















Looking West: Source (tank 18), valve and hose system.





Looking South from tank 18: Excavated area and bypass road.







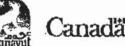






Looking North North West: Snow block





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.nt.ca

REPORT LINE USE ONLY

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NT-NU SPILL REPORT

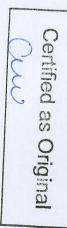
OIL, GASOLINE, CHEMICALS AND OTHER HAZARDOUS MATERIALS

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TEL: (867) 920-8130 FAX: (867) 873-6924 EMAIL: spills@gov.nt.ca

REPORT LINE USE ONLY

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K	Agnico Eagle reports that a Diesel spill of approximately 30,000 liters has occurred at the fuel tank storage facility at the Meliadine project on Saturday, April 8, 2017. The spill was caused by a leak from a hose on one of the 100,000-litre tanks and occurred between two fuel truck refills. At this time, cleaning is still under progress and there is no indication that the spill exceeded the storage tanks' area. No fuel has entered any fresh water system. Investigations remain underway to determine the root cause of the spill. Contact 819-759-3555 Jeffrey Pratt: Ext: 3928 / Meliadine Environmental Tech Ext: 3903 / 3925											
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OVERVIEW

