



Water Resources
Nunavut Regional Office
P.O. Box 100
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Your file - Votre référence

December 21, 2012

Our file - Notre référence
CIDM# 615626

Phyllis Beaulieu
Manager, Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0A 1J0

Re: Application for Water Licence Renewal – Kivalliq Energy Corp., Angilak Project 2BE-ANG0813

Dear Phyllis Beaulieu:

Aboriginal Affairs and Northern Development Canada (AANDC) has performed a review of the water licence application 2BE0813 submitted by Kivalliq Energy Corporation to the Nunavut Water Board (NWB). The following advice has been provided pursuant to AANDC's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act (NWNSRTA) and the Department of Indian Affairs and Northern Development Act (DIAND Act). In conducting our review, AANDC referred to the documents on the NWB's FTP-site under 2BE-ANG0813.

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4568 or by e-mail at Rory.MacDonald@aandc-aadnc.gc.ca

Regards,

Sent via Email

Rory MacDonald
Water Resources Technician

Cc. Murray Ball, Manager of Water Resources, AANDC
Robin Aitken, A/Manager of Field Operations, AANDC
Christine Wilson, Resource Management Officer, AANDC



Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Rory MacDonald – Water Resources Technician, AANDC

Existing Water Licence: 2BE-ANG0813

Re: Application for Water Licence Renewal – Kivalliq Energy Corp., Angilak Project 2BE-ANG0813

1. Project Description

Kivalliq Energy Corporation holds a water licence 2BE-ANG0813 issued by the Nunavut Water Board (NWB) on August 5, 2008 with a subsequent amendment issued January 25, 2010 to allow for the relocation of the Angilak camp due to unsuitable terrain and closer proximity to a potable water source (New Yat Lake). On July 16, 2010 Kivalliq Energy amended their licence for an increase in water use to 100m³/day to accommodate an additional drill and personnel.

On November 22, 2012 the NWB distributed Kivalliq Energy Corporation's renewal application for a Type B water licence to allow for water use and waste disposal associated with the Angilak Project. The renewal application proposes no new changes.

2. Results of Review and Recommendations

AANDC Water Resources Division offers the following comments and recommendations for the Board's consideration.

A. General

- Block 13 of the Water Licence Renewal Application Form (2012) states that a total of 62.5m³/day (60 m³ for drilling and 2.5 m³ for camp use) of water will be required under the renewed licence; however, Amendment 2 to the existing Licence (2BE-ANG0813) allows for the use of 100 cubic meters per day (92 m³ for drilling and 8 m³ for camp use) of water. Further, Kivalliq Energy Corp's water licence renewal states that no change in water use is considered under the 2012 water licence renewal application. It should be noted that 100m³/day of water use is requested.
- Kivalliq Energy has requested a licence term of 10 years. AANDC recommends a licence term of five (5) years to promote timely opportunities for interested parties to review and comment.
- Prior to issuing any water licence, all other applicable regulatory authorizations should be issued (i.e., land use permit, NPC conformity decision, NIRB screening decision, etc.).

B. Hazardous Waste

- AANDC recommends that Hazardous waste, waste oil materials and hydrocarbon contaminated soil stored on-site should be clearly labeled with labels visible under all conditions and in all seasons. This recommendation is intended to prevent possible damage or misplacement of the containers.
- AANDC recommends that the Proponent remove all hazardous materials/waste oil from the site on a regular basis to prevent the over accumulation of these materials.



Hazardous waste/waste oils must be disposed of at an approved facility outside of the Territory of Nunavut (no known facilities within Nunavut). All transfer of this type of waste must be in accordance with the Government of Nunavut's "Guideline for General Management of Hazardous Waste - January, 2002". In addition hazardous wastes should be stored within a lined secondary containment structure to prevent any off site impacts (other secured structures would also be acceptable).

C. Drilling

- The Kivalliq Energy Corporation indicated in their initial licence application (2008) that there would be ice-based drilling activities. In addition to current conditions under Part D, Item 7,8, and 9, AANDC has the following recommendations for ice-based drilling:
 1. Secondary containment of fuel is highly recommended for ice-based drilling.
 2. Spill Plan should reflect ice-based drilling and a spill kit should be on site for ice-based drilling.