Environmental Protection Operations Qimugjuk Building 969 P.O. Box 1870 Iqaluit, NU XOA 0H0

Tel: (867) 975-4631 Fax: (867) 975-4645

November 20, 2009

Phyllis Beaulieu Manager of Licensing Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel: (867) 360-6338

Fax: (867) 360-6361

Via email at: licensing@nunavutwaterboard.org

Our file: 4703 001 082 NWB file: 2BE-ANG0813

Re: NWB 2BE-ANG- Angilak Project- Amendment – Type "B" Water License

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the *Canadian Environmental Protection Act*, Section 36(3) of the *Fisheries Act*, the *Migratory Birds Convention Act*, and the *Species at Risk Act*.

Kivalliq Energy Corporation (Kivalliq Energy) is applying for an amendment of their water licence to move the location of their exploration camp. It was determined that the location of the small camp established in 2008 was in a low lying area with high potential for flooding. Two new locations have been selected at UTM 6937404m N/ 526312 m E or 6937672 m N/ 528031m E, and is pending approval from the Nunavut Water Board (Board) and Indian and Northern Affairs. The proposed exploration camp would support various project activities including an airborne geophysical survey, rock sampling, and sampling of old core samples. The project is proposed to occur from March 2008 to March 2013.

Based on the information presented at this time, EC has no real concerns with amending this water license. Comments and recommendations submitted for the project on July 18, 2008 in response to the NIRB Part 4 Screening, would apply to this water license application (see attached). Further, Environment Canada provides the following comments and recommendations for the Board's consideration:

Camp

• Kivalliq Energy has indicated that they will be using an incinerator to manage some camp wastes. EC would like to note that a Technical Document for Batch Waste Incineration has been developed, and is available at the following web link:

http://www.ec.gc.ca/drgd-wrmd/default.asp?lang=En&n=82401EC7-1

The technical document provides information on appropriate incineration technologies, best management and operational practices, monitoring and reporting.

Spill Contingency Plan and Abandonment and Reclamation Plan

• Please note section 7.0 of the Abandonment and Reclamation Plan and Sections 5.1, 5.3 and 6.2 of the Spill Contingency Plan the 24 hr emergency line for Environment Canada (867-

- 766-3737) should be removed as this number is no longer in service.
- Once a camp location is determined, the revised Spill Contingency Plan should contain a site map which includes fuel caches and spill kit locations.
- According to the Indian and Northern Affairs Inspection Report, completed August 11, 2009, no secondary containment was found for any fuel cache on site. When storing barreled fuel on location, EC recommends the use of secondary containment, such as self-supporting insta-berms, rather than using natural depressions. Further, all fuel caches shall be located above the high water mark of any water body and in such a manner as to prevent the contents from entering any water body frequented by fish.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 975-4631 or by email at ca.

Yours truly,

Original signed by

Carrie Spavor Environmental Assessment Coordinator

c.c: Carey Ogilvie (Head, Environmental Assessment-North, EPO, Yellowknife, NT)
Ron Bujold (Environmental Assessment Technician, EPO, Yellowknife, NT)

