Environment Canada Environnement Canada

Environmental Protection Operations
Qimugjuk Building 969 P.O. Box 1870
Iqaluit, NU X0A 0H0
Tel: (867) 975-4631
Fax: (867) 975-4645

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Ida Porter
Licensing Administrative Assistant
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Via email: iporter@nunavutwaterboard.org

RE: 2BE-DIS---- Dismal Lake Project New Application Type B Kitikmeot Region

Environment Canada (EC) has reviewed the above-mentioned application submitted to the Nunavut Water Board (NWB). The following specialist advice has been provided pursuant to the *Canadian Environmental Protection Act,* Section 36(3) of the *Fisheries Act,* the *Migratory Birds Convention Act,* and the *Species at Risk Act*.

Guyana Precious Metals Inc. is applying for a new 'Type B' water license to support exploration activities and a camp in the Dismal Lakes area of Nunavut, approximately 60 km southwest of Kugluktuk. The exploration program is proposed to consist of approximately 40 000 m of diamond drilling over a period of two years, with a camp capacity estimate of 24 persons for 200 days per year for both 2011/2012 and 2012/2013. All personnel will be housed in a camp located at the Hope Lake airstrip, already in existence. Access to the project area will be by fixed-wing aircraft while access to the drill sites will be by helicopter.

Upon review of the application, EC provides the following comments and recommendations for the NWB's consideration:

General

- The proponent shall not deposit, nor permit the deposit of chemicals, sediment, wastes, or fuels associated with the project into any water body. According to the *Fisheries Act*, Section 36 (3), the deposition of deleterious substances of any type in water frequented by fish, or in any place under any conditions where the deleterious substance, or any deleterious substance that results from the deposit of the deleterious substance, may enter any such water, is prohibited.

Drilling

- Regardless of the type of drilling conducted, the following conditions will apply:
  - Drilling wastes from land-based drilling should be disposed of in a sump such that they do not enter any body of water.
  - For lake-based winter drilling the proponent may refer to the Interim Guidelines for On-Ice drilling. Return water released to the lake must be non-toxic. Return water release must not result in an increase in total suspended solids (TSS) in the waters of the lake that exceeds Canadian Council of Ministers of the Environment (CCME)

Guidelines for the Protection of Freshwater Aquatic Life (i.e. 10 mg/L for lakes with background levels under 100 mg/L, or 10% above background for those lakes with TSS background levels above 100 mg/L).
    - Drilling additives or mud shall not be used in connection with holes drilled through lake ice unless they are re-circulated, contained such that they do not enter the water, or are demonstrated to be non-toxic.
    - If artesian flow is encountered, core-drill holes shall be plugged and permanently sealed upon project termination.
- Environment Canada assessed inorganic chloride salts and concluded that these salts in high concentrations are harmful to the environment. As a result, the proponent should ensure that when using calcium chloride ($CaCl_2$) for drilling purposes that return water is contained in a properly constructed sump and located in such a manner as to ensure that the contents do not migrate out from the sump. Please note that the proponent should not rely on permafrost integrity to contain and isolate drilling wastes.

Contingency Plan

- Refueling shall not take place below the high water mark of any water body and shall be done in such a manner as to prevent any hydrocarbons from entering any water body frequented by fish.
- EC recommends that the proponent include a provision that drip pans be used when refueling equipment on site in order to help prevent spills from occurring.
- Under Section 5.0 Response Action, the Environment Canada contact information should be updated to read 'Environment Canada (Iqaluit)-Enforcement Officer (867)945-4644'. Please note that the EC 24-hour emergency pager is no longer in service and the listing should be removed.

Waste Disposal

- In the application, the proponent states that combustible waste will be incinerated using a Model A400 Waste Incinerator manufactured by Inciner8 Ltd. EC requests that the proponent provide the NWB information demonstrating that this model of incinerator is capable of meeting the CCME Canada-wide Standards for Dioxins and Furans.
- EC recommends the use of an approved incinerator for the disposal of combustible camp wastes. EC has developed a Technical Document for Batch Waste Incineration, and is available at the following web link:
  http://www.ec.gc.ca/gdd-mw/default.asp?lang=En&n=F53EDE13-1
  The technical document provides information on appropriate incineration technologies, best management and operational practices, monitoring and reporting. This information should be incorporated into an incineration management plan for the camp. EC would like the opportunity to review this plan prior to implementation.
- If the proponent ships non-combustible waste off-site for disposal, EC suggests that confirmation and authorization be obtained from the intended community landfill (i.e., Yellowknife) prior to shipment.

Wildlife and Species at Risk

- Section 6 (a) of the *Migratory Birds Regulations* states that no one shall disturb or destroy the nests or eggs of migratory birds. If active nests are encountered during project activities, the nesting area should be avoided until nesting is complete (i.e., the young have left the nest).
- Environment Canada recommends that food, domestic wastes, and petroleum-based chemicals (e.g., greases, gasoline, glycol-based antifreeze) be made inaccessible to wildlife at all times. Such items can attract predators of migratory birds such as foxes, ravens, gulls, and bears. Although these animals may initially be attracted to the novel

food sources, they often will also eat eggs and young birds in the area. These predators can have significant negative effects on the local bird populations.

- Section 5.1 of the *Migratory Birds Convention Act* prohibits persons from depositing substances harmful to migratory birds in waters or areas frequented by migratory birds or in a place from which the substance may enter such waters or such an area.
- In order to reduce aircraft disturbance to migratory birds, Environment Canada recommends the following:
  - Fly at times when few birds are present (e.g., early spring, late fall, winter)
  - If flights cannot be scheduled when few birds are present, plan flight paths that minimize flights over habitat likely to have birds and maintain a minimum flight altitude of 650 m (2100 feet).
  - Minimize flights during periods when birds are particularly sensitive to disturbance such as migration, nesting, and moulting.
  - Plan flight paths to avoid known concentrations of birds (e.g., bird colonies, moulting areas) by a lateral distance of at least 1.5 km. If avoidance is not possible, maintain a minimum flight altitude of 1100 m (3500 feet) over areas where birds are known to concentrate.
  - Avoid the seaward side of seabird colonies and areas used by flocks of migrating waterfowl by 3 km.
  - Avoid excessive hovering or circling over areas likely to have birds.
  - Inform pilots of these recommendations and areas known to have birds
- The following comments are pursuant to the *Species at Risk Act* (SARA), which came into full effect on June 1, 2004. Section 79 (2) of SARA, states that during an assessment of effects of a project, the adverse effects of the project on listed wildlife species and its critical habitat must be identified, that measures are taken to avoid or lessen those effects, and that the effects need to be monitored. This section applies to all species listed on Schedule 1 of SARA. However, as a matter of best practice, Environment Canada suggests that species on other Schedules of SARA and under consideration for listing on SARA, including those designated as at risk by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC), be considered during an environmental assessment in a similar manner. The Table below lists species that may be encountered in the project area that have been assessed by COSEWIC as well as their current listing on Schedules 1-3 of SARA (and designation if different from that of COSEWIC). Project impacts could include species disturbance, attraction to operations, and destruction of habitat.

Terrestrial Species at Risk potentially within project area [1]	COSEWIC Designation	Schedule of SARA	Government Organization with Primary Management Responsibility [2]
Peregrine Falcon	Special Concern (*anatum-tundrius* complex[3])	Schedule 1 - Threatened (*anatum*) Schedule 3 – Special Concern (*tundrius)*	Government of Nunavut
Eskimo Curlew	Endangered	Schedule 1	EC
Short-eared Owl	Special Concern	Schedule 3	Government of Nunavut
Grizzly Bear	Special Concern	Pending	Government of Nunavut
Wolverine (Western population)	Special Concern	Pending	Government of Nunavut

[1] The Department of Fisheries and Oceans has responsibility for aquatic species.

[2] Environment Canada (EC) has a national role to play in the conservation and recovery of Species at Risk in Canada, as well as responsibility for management of birds described in the Migratory Birds Convention

Act (MBCA). Day-to-day management of terrestrial species not covered in the MBCA is the responsibility of the Territorial Government. Populations that exist in National Parks are also managed under the authority of the Parks Canada Agency.

[3] The *anatum* subspecies of Peregrine Falcon is listed on Schedule 1 of SARA as threatened. The *anatum* and *tundruis* subspecies of Peregrine Falcon were reassessed by COSEWIC in 2007 and combined into one subpopulation complex. This subpopulation complex was listed by COSEWIC as Special Concern.

  - For any Species at Risk that could be encountered or affected by the project, the proponent should note any potential adverse effects of the project to the species, its habitat, and/or its residence. All direct, indirect, and cumulative effects should be considered. Refer to species status reports and other information on the Species at Risk registry at www.sararegistry.gc.ca for information on specific species.
  - If Species at Risk are encountered or affected, the primary mitigation measure should be avoidance. The proponent should avoid contact with or disturbance to each species, its habitat and/or its residence.
  - Monitoring should be undertaken by the proponent to determine the effectiveness of mitigation and/or identify where further mitigation is required. As a minimum, this monitoring should include recording the locations and dates of any observations of Species at Risk, behaviour or actions taken by the animals when project activities were encountered, and any actions taken by the proponent to avoid contact or disturbance to the species, its habitat, and/or its residence. This information should be submitted to the appropriate regulators and organizations with management responsibility for that species, as requested.
  - For species primarily managed by the Territorial Government, the Territorial Government should be consulted to identify other appropriate mitigation and/or monitoring measures to minimize effects to these species from the project.
  - Mitigation and monitoring measures must be taken in a way that is consistent with applicable recovery strategies and action/management plans.
- Eskimo Curlew is designated as Endangered and listed on Schedule 1 of the *Species at Risk Act*. Eskimo Curlew could potentially occur within the project area. However, there have been no reliable sightings of Eskimo Curlew since 1998 and the National Recovery Team for this species has determined that recovery is not feasible at this time. It is EC's view that, in light of its current status, there is no need for further action with respect to Eskimo Curlew. An appropriate mitigation and monitoring plan will be developed with the Proponent if it is established that this species does occur in the area.
- All mitigation measures identified by the proponent, and the additional measures suggested herein, should be strictly adhered to in conducting project activities. This will require awareness on the part of the proponents' representatives (including contractors) conducting operations in the field. Environment Canada recommends that all field operations staff be made aware of the proponents' commitments to these mitigation measures and provided with appropriate advice / training on how to implement these measures.
- Implementation of these measures may help to reduce or eliminate some effects of the project on migratory birds and Species at Risk, but will not necessarily ensure that the proponent remains in compliance with the *Migratory Birds Convention Act*, *Migratory Birds Regulations*, and the *Species at Risk Act*. The proponent must ensure they remain in compliance during all phases and in all undertakings related to the project.

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

Yours truly,

Paula C. Smith
Environmental Assessment Coordinator

cc: Carey Ogilvie (Head, Environmental Assessment-North, EPO, EC, Yellowknife, NT)
Ron Bujold (Environmental Assessment Technician, EPO, EC, Yellowknife, NT)
Allison Dunn (Sr. Environmental Assessment Coordinator, EPO, EC, Iqaluit, NU)