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Via email: licensing@nunavutwaterboard.ca

Re: Commander Resources Ltd.. – Nadluardjuk Lake 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 the Canadian Environmental Protection Act, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Commander Resources Ltd. (Commander) is applying to amend the Type B water licence for the Nadluardjuk Lake Project to increase the daily water allowance for the Dewar Lake and Malork camps, and to increase the water allowance for drills so that two diamond drills can be operated. Camps will each accommodate approximately 25 people for 3-6 months, and will use approximately 60 litres (L) of water per person per day. The two diamond drills will use approximately 60 000 L of water in a 24 hour period.

Environment Canada provides the following comments and recommendations for the Nunavut Water Board's consideration:

General

Please note the new CEPA Storage Tank System for Petroleum Products and Allied Petroleum Products Regulations that came into force on June 12, 2008. These regulations apply to both outside, aboveground and underground storage tank systems (including the piping and other tank associated equipment) under federal jurisdiction containing petroleum and allied petroleum products that have a capacity greater than 230 litres. This includes tanks located on federal or Aboriginal lands. Exceptions are pressurized tanks, mobile tanks, tanks regulated by the National Energy Board, and outdoor, aboveground storage tank systems that have a total combined capacity of 2500 litres or less and are connected to a heating appliance or emergency generator. All storage tank system owners must identify their tank systems to EC and installation of new systems must comply with the regulation's design requirements. Further information on these regulations can be found at www.ec.gc.ca/st-rs.



- In the application it is stated that non burnable waste, bulky metals, scrap metal, waste oil empty barrels, fuel drums and hazardous wastes will be backhauled to Iqaluit. Does the proponent have permission from the City of Iqaluit to dispose of wastes?
- The Dewar Lakes Camp Questionnaire, states that "Use of Pacto toilets with incineration of waste materials will begin in 2010," and in the Malrok Lake Camp Questionnaire states that "use of Pacto toilets with incineration of waste materials will be used for this camp." Raw sewage should not be burned in batch incinerators that are typically used in the north. Raw sewage should only be burned in incineration equipment designed for this type of waste. If Commander decides to pursue sewage sludge incineration, it should provide the Board with the design specifications of the incinerator and a letter from the manufacturer stating that this equipment is suitable for burning this type of waste.
- Environment Canada recommends the use of an approved incinerator for the disposal of combustible camp wastes. The proponent is considering onsite incineration as another waste disposal option. EC has developed a Technical Document for Batch Waste Incineration, 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. 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.

Spill Contingency Plan

- The Spill Contingency Plan should be updated with a current project map and should include locations of all spill kits on site.
- In Section 5.0, Action Plan should include the following statement "all spills of oil, fuel, or other deleterious material, regardless of size, are to be reported to the NWT-NU 24hr Spill Line (867) 920-8130".

Environment Canada has no issues with the amendment provided the proponent follows mitigation measures outlined in the application, addresses the concerns listed above, and that they are in compliance with their existing water licence. Terms and conditions applied to the existing water licence should be carried forward to the amendment. Previous comments and recommendations submitted by EC staff relating to the Nadluardjuk Lake Project would still apply (see attached).

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 by email at Paula.C.Smith@ec.gc.ca.

Yours truly,

Original signed by

Paula Smith Environmental Assessment Coordinator

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