

July 7, 2014 FILE: 3AM-IQA0612

Richard J. Sparham Project Officer, Engineering Department City of Iqaluit Box 460, Iqaluit, NU X0A 0H0

Sent via email: r.sparham@city.iqaluit.nu.ca

Re: Inquiry by City of Iqaluit Regarding Exploration and Potential Development of Potential Granular Deposit

Dear Mr. Sparham:

This letter is in response to your recent discussions on behalf of the City of Iqaluit (the City) with the Nunavut Water Board (NWB or Board) regarding the recommended regulatory process applicable to various activities the City proposes to undertake to assess the potential for development of a quarry in the northwest part of the City's current landfill site. As outlined to the Board's technical staff, it is the City's intention to commence initial site reconnaissance work including geotechnical and other studies to assess the nature and extent of the granular deposit in the northwest part of the landfill (referred to as Stage 1) this summer. Subsequently, depending on the results of the Stage 1 work, the City may then undertake site development work to prepare and develop a quarry for granular material at the site, including construction of an access road to the Northwest quarry site (Stage 2).

From a water management perspective, the Board understands that the specific Stage 1 work may involve the following:

- Attendance at the project site by a approximately 6-7 person team for approximately 10 days;
- No camp use;
- No water use (including no water use associated with drilling);
- 100-200 exploratory holes to be drilled, approximately 100-200 meters apart;
- Any wastes generated will be backhauled to an approved facility for disposal.

If this understanding is not correct, the Board asks the City to follow up directly with the Board to correct any mistaken assumptions, as the Board's discussion of regulatory options available to



the City is directly dependent on an accurate understanding of the nature of water use and waste deposit likely to be associated with the activities being proposed.

The Board understands that the specific work to be conducted in Stage 2 cannot be reasonably predicted at this point, as it will be informed largely by the results of the investigations undertaken in Stage 1. Therefore the Board cannot provide a detailed discussion of the regulatory requirements likely to be associated with Stage 2 until a more complete picture of the activities required to complete the quarry preparation and development work can be provided.

With respect to the regulatory options for the City with respect to the Stage 1 work, the City initially inquired as to whether these activities should be included in the scope of the City's expired Type "A" Water Licence 3AM-IQA0611, which currently includes the water use and waste deposit associated with the municipal undertaking, specifically water supplied for municipal purposes and waste deposit associated with municipal sewage treatment and the landfill. The Board has concluded that given the definition of "municipal undertaking" under Schedule 1, Item 3 of the *Nunavut Waters Regulations*, SOR/2013-69 (the Regulations), which is limited to: "[a] waste disposal or water system for a Municipality" it is not appropriate to extend the scope of Type "A" Water Licence 3AM-IQA0611 to the proposed Stage 1 activities and any associated Stage 2 activities. Rather, the Board has determined that it is more appropriate for the Stage 1 and potential Stage 2 activities to be regulated separately as an "industrial undertaking" under the Regulations.¹

On this basis, the regulatory options available to the City for the Stage 1 activities are as follows:

- If the proposed Stage 1 activities will not result in any use of water or deposit of waste², no authorization from the NWB is required;
- If the proposed Stage 1 activities will not result in the use of water exceeding 50 m³ per day and/or will not result in the deposit of any waste into surface water and quarrying or gravel washing above the ordinary high water mark, the City could apply for an approval

Manufacturing processes, hydrostatic testing, <u>quarrying and gravel washing</u>, petroleum and gas exploration, the production, processing, refining or storage of petroleum, petroleum products or gas, cooling systems, food processing, tanneries, the smelting or refining of minerals, metal finishing, the restoration of the site of an industrial undertaking and any other industrial activity [underlining added].

¹ Schedule 1, Item 1 of the Regulations describes an industrial undertaking as follows:

² Bearing in mind that the definition of "waste" under s. 4 of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, S.C. 2002, c. 10, is broad and is as follows:

[&]quot;waste" means any substance that, by itself or in combination with other substances found in water, would have the effect of altering the quality of any water to which the substance is added to an extent that is detrimental to its use by people or by any animal, fish or plant or any water that would have that effect because of the quantity or concentration of the substances contained in it or because it has been treated or changed, by heat or other means,



to use water and deposit waste without a licence, as set out in ss. 4 and 5 and Schedules 2 and 3 of the Regulations; OR

• Alternatively if the proposed Stage 1 activities will result in the use of more than 50 m³ but less than 300 m³ of water per day and/or will result in any deposit of waste resulting from quarrying or gravel washing below the ordinary high water mark, the City could apply for a Type "B" water licence.

Please note that while the Board is happy to outline the regulatory options available to the City under the Act and Regulations, the onus remains with the City to independently assess their compliance obligations under the applicable regulatory framework in light of the activities they plan to undertake and to apply for and obtain all required authorizations before activities commence.

I trust this provides you with the direction you require at present, but if you have any further questions, please follow up with me directly.

Yours sincerely,

Damien Côté Executive Director Nunavut Water Board

Cc: Paul Clow, City of Igaluit