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October 30, 2026

Crown-Indigenous Relations and Northern Affairs Canada
Water Resources Division
Resource Management Directorate
Nunavut Regional Office
918 Nunavut Drive
Iqaluit, NU, X0A 3H0

Attention: William Quere, BSc., Regional Coordinator

Crown-Indigenous Relations and Northern Affairs Canada's Review of the Licence Amendment/Renewal Application for Hamlet of Pond Inlet, Type B Water Licence No. 3BM-PON2025

Dear Mr. Quere

This memo provides responses to regulatory comments submitted by Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) regarding the Type B Water Licence Renewal and Amendment application for the Municipality of Pond Inlet (Licence No. 3BM-PON2025).

To clarify the scope of this regulatory process, the Licensee is applying for a two-year licence term to support ongoing infrastructure construction, civil site preparation, and raw water reservoir expansion while maintaining the existing operational water withdrawal limits.

Technical Responses

R-01

CIRNAC recommends the applicant ensure an adequate offset of 31 m to the ordinary high-water mark for any water body is being adhered to in all plans as required by licence.

Further, the Full Erosion and sediment Control plans should be added to the main document while ensuring that erosion and sediment controls are wholly inclusive of the proposed construction and life of the facility.

Response:

Due to the requested term of this license, the additional capacity of the reservoir will not be used during its effective period, and therefore the existing high-water level will not change. The distance

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from the new facility to the existing high-water level is 37 m, the distance from the generator building to the existing high-water level is 43 m, the distance from the fuel tank to the existing high-water level is 49 m, and the distance from the waste tank to the existing high-water level is 43 m.

Under the future Type A licence amendment there will be the intent to raise the water level, at which time the building will be 30.63 m from the OHWL, however the fuel tank will be 42.43 m away, the generator building will be 36.59 m away, and the wastewater storage tank will be 39.51 m away.

Per clause 4(a) of the *Nunavut Waters Regulations,* waste will not be deposited to surface waters or within 31m of the ordinary high-water mark of any body of water.

Per Part D Item 2 of expired licence 3BM-PON2025, the Licensee shall locate areas designated for Waste disposal at a minimum distance of thirty-one (31) metres from the ordinary High Water Mark of any Water body such that the quality, quantity or flow of Water is not impaired, unless otherwise approved by the Board in writing.

Per Part E Item 7 of expired licence 3BM-PON2025, with respect to earthworks, the deposition of debris or sediment into or onto any water body is prohibited. These materials shall be disposed a distance of at least thirty-one (31) metres from the ordinary High Water Mark in such a fashion that they do not enter the water.

Erosion and sediment control information has been added to the Water Supply Facility O&M Document, and an updated document has been included with this submission:

Pond Inlet - OM Plan Water Supply Facility October 2026

R-02:

CIRNAC recommends that the applicant clarify whether there have been unauthorised discharges, maintenance to facilities, or other details necessary for the Annual Report in general and in relation to the compliance report.

Response:

The ongoing seepage along the eastern lagoon berm flows toward the adjacent wetlands area. A 2022 Dam Safety Inspection confirmed the berm was not structurally compromised, and recent water sampling verified that the exfiltrating water meets all PON-4 Effluent Quality Limits. Part III of the 2025 Annual Report has been updated to reflect this ongoing situation. Initial spill reporting on the Spill Report database was updated in April 2026.

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Work at the sewage lagoon was limited to regular monitoring and localized berm stabilization earthworks (placement and compaction of granular material) to mitigate active seepage paths.

R-03:

CIRNAC recommends the applicant confirm when the plan was updated and what immediate actions have already been taken for the noncompliant issues.

Response:

An updated compliance plan has been included with this response:

Pond Inlet Compliance Plan October 2026

Clarification on each item previously noted from the 2021 inspection report is provided below:

1. Item B-5: A replacement flow meter has been installed in the water treatment plant / pumphouse station.
2. Item D-2: A cleanup was undertaken through the Government of Nunavut Department of Environment pilot project. Under this initiative, over 870 drums were emptied, 18 totes of waste liquid were shipped south for disposal, 80 drums were packaged, 74 totes were winterized, and 2 Quatrex bags were made ready for shipment.
3. Item D-6: A Dam Safety Inspection completed by Wood evaluated the facility and determined that the berms are not structurally compromised. The seepage from the eastern berm flows directly toward the adjacent designated wetland treatment area. Recent sampling of this exfiltrating water confirmed that all parameters are below the grab sample Effluent Quality Limits (EQL) established for monitoring station PON-4. Granular fill placement along the outer toe of the berm has been utilized as a short-term containment measure to stabilize the area while long-term engineering solutions are assessed.
4. Item D-10: Routine landfill maintenance included gathering and consolidating hazardous materials. Spent batteries were collected and secured within a dedicated sea can, and waste oil was placed into a lined secondary containment berm.
5. Item D-11: The Dam Safety Report confirmed that the berm structure is stable. The discharge acts as slow exfiltration into the adjacent wetland rather than uncontrolled surface flooding. Toe-berm stabilization earthworks have been implemented to contain active seepage paths in the interim.

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6. Item F-9(c): Granular fill placement along the outer toe of the berm has been utilized as a short-term containment measure to stabilize the area while long-term engineering solutions are assessed. Both spill reports were updated in April 2026 as this is an ongoing event.
   - Revision history for 2020-288 indicates that this report was updated in April of this year by someone who "*added Supporting documents and corrected errors and missing information.*"
   - Revision history for 2021-130 indicates that this report was updated in April of this year as well, where a "*supporting document added by ECCC NEEC LTa.*"

   At this time, we are requesting that CIRNAC confirm if they have received the appropriate follow-up necessary for this ongoing situation.

R-04:

CIRNAC recommends the applicant confirm if these items have been added to the plan or provide an updated plan containing them if they were not.

Response:

Burning best practices are a section intended for the Solid Waste Disposal Facility O&M Plan, and a review has been conducted to ensure those details are included in the Pond Inlet Solid Waste Disposal O&M Plan. This amendment does not belong in the Sewage Disposal Facility O&M Plan. A revised Sewage Disposal Facility O&M Plan has been provided with this response as an additional attachment:

Pond Inlet - OM Plan Sewage Disposal Facility October 2026

Sincerely,

Dillon Consulting Limited

Kayla Clouter, CET
Project Manager

Our file: 26-4282