



Water Resources Division
Resource Management Directorate
Nunavut Regional Office
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Your file - Votre référence
7BL-AWL1722
Our file - Notre référence
GCDOCS#113400898

May 26, 2023

Robert Hunter
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU, X0B 1J0
E-mail: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Response to Proponents response to technical review comments for Water Licence 2BL-AWL1722 Renewal Application submitted by Weber Arctic Expeditions for the Arctic Watch Lodge Project in the Qikiqtani Region of Nunavut

Dear Mr. Hunter,

Thank you for the May 23, 2023 invitation to respond to the proponent's responses to Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) technical review comments for the water licence renewal application, submitted by Weber Arctic Expeditions, for its Type B Water Licence No. 2BL-AWL1722.

CIRNAC examined the application pursuant to its mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Crown-Indigenous Relations and Northern Affairs Act*. Please find CIRNAC comments and recommendations in the attached Technical Memorandum.

To clarify, CIRNAC and the Nunavut Water Board (NWB) are separate organizations. CIRNAC is the federal government. NWB is an independent institution of public governance.

If there are any questions or concerns, please contact me at michelle.blade@rcaanc-cirnac.gc.ca or Andrew Keim at andrew.keim@rcaanc-cirnac.gc.ca.

Sincerely,

Michelle Blade,
Regional Water Coordinator



Technical Review Memorandum

Date: May 26, 2023

To: Robert Hunter, Licensing Administrator, Nunavut Water Board

From: Michelle Blade, Regional Water Coordinator, CIRNAC

Subject: Crown-Indigenous Relations and Northern Affairs Canada's Response to Proponents Response to technical review comments for Water Licence 2BL-AWL1722 Renewal Application submitted by Weber Arctic Expeditions for the Arctic Watch Lodge Project in the Qikiqtani Region of Nunavut

Region: ☐ Kitikmeot ☐ Kivalliq ☒ Qikiqtani

A. BACKGROUND

The Arctic Watch Lodge, owned and operated by Canadian Arctic Holding Ltd. (the Licensee or Proponent), is situated on Somerset Island, approximately eighty (80) kilometres south of Resolute Bay, in the Qikiqtani Region, Nunavut. In 2010, the NWB issued a Type "B" water licence to the Proponent of the facility to allow for the use of water and deposit of waste in support of the facility, which is used for recreational purposes. Following the expiry of this licence on June 21, 2015, the NWB issued an Approval – Without – A – Licence (No. 8WLC-AWL1015) for the Proponent to continue to use water and deposit waste in support of the facility. As the Approval Without A Licence No. 8WLC-AWL1015 expired on June 20, 2016 and the stated intentions of the Proponent is to continue operating the facility for the foreseeable future, the Licensee submitted for the Board's consideration an application to renew the Type "B" water licence. However, because the Type "B" Water Licence No. 7BL-AWL1015 was cancelled following its expiry in 2015, the Board decided to consider the renewal application as application to replace the licence. Type "B" Water Licence No. 7BL-AWL1722 was issued on August 2, 2017.

CIRNAC provides the following comments and recommendations pertaining to the assignment application. A summary of the subjects of recommendations can be found in Table 1. Documents reviewed as part of this submission can be found in Table 2 of Section B. Detailed technical review comments and CIRNAC's response to the proponent's responses can be found in Section C.



Table 1: Summary of Recommendations

Recommendation Number	Subject
R-01	2019 Inspection actions required
R-02	2022 Annual Report
R-03	Water licence expired
R-04	Water flow meter
R-05	Actual daily quantity of water used
R-06	Spill contingency plan

B. DOCUMENTS REVIEWED AND REFERENCED

The following table (Table 2) provides a list of the documents reviewed under the submission and reference during the review.

Table 2: Documents Reviewed and Referenced

Document Title	Author, File No., Rev., Date
Water Licence 7BL-AWL1722	Nunavut Water Board, 2 August 2017
Water Licence Renewal Application	Nansen Weber, 13 March 2023
Certificate of Incorporation	Innovation, Science and Economic Development Canada, 02 March 2020
Commercial General Liability Insurance Confirmation	EQUA, 22 July 2023
NPC Letter re 150046 Application for Water Licence Renewal	Nunavut Planning Commission, 23 April 2023
Abandonment and Restoration Plan	Weber Arctic Expeditions Ltd, 2023
Spill Contingency Plan	Arctic Watch Wilderness Lodge, July 2022
Spill Photo	unknown
Appendix A – Map for Spill Response	unknown
Technical Review of Water Licence Application (No. 7BL-AWL1015)	CIRNAC, 6 July 2017
2017 & 2018 Annual Reports technical review	Nunavut Water Board, 15 July 2019
2019 Water Licence Inspection Report	CIRNAC, 9 July 2019
Water License Application- Arctic Watch Lodge	INAC, 11 January 2009
Email	INAC, 07 April 2009
2012 Water Licence Inspection Report	INAC, 13 July 2012
2013 Water Licence Inspection Report	INAC, 12 July 2013
Proponent response to CIRNAC Comments	Weber Arctic Expeditions, 17 May 2023
Spill Contingency Plan	Arctic Watch Wilderness Lodge, May 2023
2022 Annual Report	Weber Arctic Expeditions, 26 October 2022



C. RESULTS OF REVIEW

1. 2019 Inspection actions required

Comment:

On July 9, 2019, an Inspection was conducted at Canadian Arctic Holiday's Arctic Watch Lodge at Cunningham Inlet, Somerset Island, NU. The Inspector noted water licence non-compliance with respect to: unreported spills in the ATV tent, waste disposal within 31 metres from the ordinary High Water Mark, and questionable secondary containment.

Actions required from the 2019 inspection included:

- reporting all spills as per the water licence requirements;
- storing mobile sewage storage tank not within 31 metres of any water body;
- removing bulk metal and the incinerator as those sites are no longer covered under a land use permit, and should have been removed before the expiry of the Land Use Permit; and
- calculating and articulating how the fuel cache secondary containment is able to contain a minimum of 110% of the original vessel, and 10% of the aggregate volume of all other vessels located in the containment, and/or install a proper secondary containment.

Unreported spills have also been reported during the 2012 Inspection.

Recommendation:

(R-01) CIRNAC recommends the licensee clarify how the 2019 inspection non-compliance issues and actions required have been addressed, and recommends that until such time as the requirements detailed under the inspection report are met that a renewal license is not issued by the NWB.

Proponent Response:

Weber Arctic Expeditions will and does report any spills. There was never a spill in the ATV tent. Do you have any photos for reference? Our mechanical station for repairing atv's is on top of fuel berm material. We have spill pads and spill clean-up kits in the mechanical room, generator room and airstrip.

This vehicle and mobile storage unit have been moved away from the 31 meters since then. It is on a vehicle and can move at any time.

The berm is approximately 10 feet by 15 feet by 6 inches. This is 75 cubic feet. One drum is 7.3 cubic feet of fuel. The berm is big enough.

What is this Land Use Permit? The location described with our hardware storage (not scrap metal) is now part of our lease. In 2021 we removed a substantial amount of bulk metal but



not all. This is a material storage place. We use metal for construction, welding, and repairs. None of the materials present any environmental concern or danger. The incinerator is used to burn wood and paper. Any residue or ashes is bagged and sent to Yellowknife as garbage. It is included in our annual report for garbage sent to Yellowknife.

CIRNAC Response:

The 2019 Water Licence Inspection report contains photos of: fuel caches within 31 metres of the high water mark, sign of spills, 19 barrels on top of liner, and hazardous waste stored on the edge of the liner thereby secondary containment would not keep the hazardous waste in. CIRNAC notes the proponents response that the mobile sewage storage tank have been moved, however the other non-compliance issues and actions from the 2019 inspection non-compliance issues and actions required have not been satisfactorily addressed. CIRNAC maintains the recommendation that until such time as the requirements detailed under the inspection report are met that a renewal license is not issued by the NWB.

2. 2022 Annual Report

Comment:

CIRNAC reviewed the 2021 Annual Report. The 2022 Annual Report was not made available. The water licence expired on August 1, 2022.

Recommendation:

(R-02) CIRNAC recommends the 2022 Annual Report be made available as part of the Water Licence 2BL-AWL1722 Renewal Application, and to fulfill Part B Item 2 of the water licence.

Proponent Response:

We sent the annual 2022 report to your water board department in Oct 2022. Ida Porter was our contact and perhaps she no longer works for you or has moved departments? We received a confirmation from her for having received the report. This seems like just miscommunication or lost email, we will do a better job of following up with your department in the future at the end of the season. Attached is the 2022 report for your convenience.

CIRNAC Response:

CIRNAC has reviewed the 2022 Annual Report submitted as part of the proponent's May 17, 2023 response. Actual quantity of water used is reported as an average of 3.07 cubic metres per day. CIRNAC recommends the licensee specify if the actual quantity of water used exceeded 5 cubic metres on any day, and if so the water licence renewal application be adjusted to accommodate that volume.



3. Water licence expired

Comment:

Type “B” Water Licence No. 7BL-AWL1722 expired on August 1, 2022. The licensee has previously operated without a water licence.

Recommendation:

(R-03) CIRNAC recommends the licensee clarify if any activities took place on site after August 1, 2022.

Proponent Response:

Prior to Covid-19 Ida Porter was our contact at the water board and had dealt with our licenses. Knowing our water permit was going to expire on Aug 2nd, 2022; Nansen Weber contacted Ida Porter and the Gjoa haven water board via email and telephone on several occasions on January 27th 2022 and through Feb 28th, 2022. We never received any response. Additionally we did not receive a response indicating that Ida Porter had changed departments or is no longer working for the waterboard. We realize positions in the water board may have changed during covid in 2020 and 2021. We did our best to reach out and nobody from the department took the time to respond or follow up with a simple courtesy notifying us that our permit was going to expire. It was not our intention to purposely avoid contact with the department, again we have had multiple conversations since 2016 with the department and nobody even bothered to tell us we had outstanding payments for the license. A simple end of season follow up from your department would help operators promptly supply information and yearly feedback and payments on time. Weber Arctic will make sure to have better due diligence on our required permit yearly reports and payments, so this does not happen in the future. We did operate the remaining season of 2022 from Aug 2nd to Aug 24th.

CIRNAC Response:

The proponent confirms they operated without a water licence from August 2 to 24, 2022. CIRNAC insists site activities only take place with a valid water licence and that the terms and conditions of the water licence are met.

4. Water flow meter

Comment:

In the 2021 Annual Report, the licensee indicated the water flow meter stopped working in 2021 and would be replaced in summer 2022.



Recommendation:

(R-04) CIRNAC recommends the licensee clarify if the water flow meter is operational, and on what date it resumed function.

Proponent Response:

Yes a functional water meter was installed and was operating for 2022. We will make sure it is functional prior to season commencing and maintain it during the season.

CIRNAC Response:

CIRNAC considers this recommendation resolved.

5. Quantity of daily water used

Comment:

In the 2021 Annual Report, the actual quantity of water used was reported as an average in cubic metres per day. Type “B” Water Licence No. 7BL-AWL1722 permits a quantity of water not to exceed 5 cubic metres per day.

Recommendation:

(R-05) CIRNAC recommends the licensee specify if the actual quantity of water used exceeded 5 cubic metres on any day, and if so the water licence renewal application be adjusted to that volume. Furthermore, CIRNAC recommends that any and all outstanding water use fees be paid prior to the issuance of any renewal water license.

Proponent Response:

Payment was given to your department to be processed as of Wednesday May 17th, 2023 for the entire outstanding amount on file. It is customary in business to invoice customers and clients for outstanding invoices.

We used an average of 3.07 cubic meters per day in 2022.

CIRNAC Response:

The proponent’s response reiterates the average water use value in cubic metres per day in 2022. This does not satisfy CIRNAC’s if the measured quantity of water used exceeded 5 cubic metres on any day. CIRNAC recommends the proponent provide the information requested.



6. Spill contingency plan

Comment:

Section 12.0 of the 2023 Spill Contingency Plan states “disposal of soil/substrate or sorbent materials are bagged and shipped to Resolute for disposal.” The plan does not indicate where onsite the impacted materials are stored, and with what secondary containment, until transported offsite.

Recommendation:

(R-06) CIRNAC recommends the licensee clarify where materials impacted by a spill will be temporarily stored onsite, and with what secondary containment, until they are transported offsite.

Proponent Response:

Disposal of soil/substrate or sorbent materials are bagged or put in a sealed container and shipped to Resolute or Yellowknife for disposal. Contaminated materials that are awaiting transportation are stored in an existing fuel berm. Records of spills and disposal of such to be maintained. (documentation, photos and copy of Nunavut spill Form.)

An updated spill plan is attached.

CIRNAC Response:

CIRNAC has reviewed the revised May 2023 Spill Contingency Plan and notes the text “contaminated materials that are waiting transportation are stored on in an existing fuel berm” has been added to Section 12.0. CIRNAC recommends a photo of the referred to existing fuel berm area is included in the Spill Contingency Plan along with: a site map indicating where the referred to fuel berm area to be used is located on site, and a calculation of the volume of impacted materials that can be added to the referred to fuel berm area while maintaining a minimum of 110% of the original vessel and 10% of the aggregate volume of all other vessels located in the containment.

In accordance with the Spills Working Agreement, CIRNAC is the designated lead agency on spills which occur at facilities authorized by federal legislation. This means that if a spill occurs at any facility authorized by the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* under the water licence CIRNAC would be the lead agency to consult. CIRNAC recommends Table 1: Spill Contingency Plan – Contact List of the Spill Contingency Plan is amended to include the correct contact for distribution of for spills at facilities authorized by the water licence and include the Field Operations, On-call Inspector contact telephone number 867-975-4284.