



Your file – Votre référence
7BL-BIL1215

June 3, 2016

Our file – Notre référence
IQALUIT-# 1069176

Licensing Department
Nunavut Water Board
P.O. Box 119
GJOA HAVEN, NU, X0B 1J0

**Re: Technical Review of Water Licence Renewal Application – Bathurst Inlet Lodge–
Bathurst Inlet Lodge Ltd. (7BL-BIL1215)**

To Whom It May Concern,

Thank you for the Nunavut Water Board's May 6, 2016 notice of the above mentioned water licence application. A memorandum is provided for the Nunavut Water Board's consideration. Comments and recommendations have been provided pursuant to Indigenous and Northern Affairs Canada's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-3877 or email at Amanda.Winegardner@aandc-aadnc.gc.ca for further information.

Sincerely,

Amanda Winegardner
Water Management Specialist
Water Resources Division
Resource Management Directorate
Indigenous and Northern Affairs Canada
P.O. Box 100
IQALUIT, NU, X0A 0H0

Encl.

Cc. Ian Parsons, A/Manager, Water Resources – INAC, Nunavut Regional Office (NRO)
Erik Allain, Manager, Field Operations – INAC, NRO

Memorandum

To: Licensing Department, Nunavut Water Board

From: Amanda Winegardner, Water Management Specialist, Water Resources Division, INAC

Date: June 3, 2016

Re: Technical Review of Type B Water Licence Renewal 7BL-BIL1215

Applicant: Bathurst Inlet Lodge Ltd. (Boyd Warner)

Project: Bathurst Inlet Lodge

Region: Kitikmeot

Comments:

A. Background

On May 6, 2016, the Nunavut Water Board (NWB) invited interested parties to review the application submitted by Bathurst Inlet Lodge Ltd. (the Licensee) for a renewal of Type B water licence 7BL-BIL1215; in order to support the continued operation of the Bathurst Inlet Lodge, located in Bathurst Inlet. Licence 7BL-BIL1215 expired in October, 2015.

Bathurst Inlet Lodge (the Lodge) has been in operation since 1969 and exists as an ecotourism operation. The Lodge hosts visitors and conferences with accommodations for approximately 20 people. The Lodge generally operates for 4-8 weeks annually (mid-June until mid-August) though the operators hope to extend the operating season in the future. The Lodge is located on titled land and is surrounded by Inuit owned houses, also occupied seasonally.

The Lodge draws water from the Burnside River, using ~ 5 m³ per day (for ~4-8 weeks per year). Waste is disposed of via a variety of means. Wastewater in the form of 'honey buckets' or Pacto bags and some food waste are buried 31 m above the high water mark. Burnable material (some food waste and cardboard) is incinerated and waste motor oil is said to be removed from site, though inadequate records have been noted in past inspection reports. There have been ongoing compliance issues noted in inspection reports from 2008-2013, though the Licensee has indicated in recent correspondence with the NWB that steps are being taken to address many of these issues; most notably to address concerns of the Lodge's use of 'Garbage Island'. An Inspector's Direction, was issued in 2013 in relation to the removal of a large amount of cached fuel drums on the shoreline of the Burnside River. The deadline for compliance requirements related to this direction has been extended twice, and the current deadline is September 30, 2016.

The Licensee is applying to renew its Type B water licence for a 25 year term. The Licensee is not proposing any major changes to its current operations. Documents relating to this licence on the public registry are sometimes labelled as 7BL-BIL1015 and sometimes as 7BL-1215; sources for this technical review are referred to by the label under which they appear in the public registry.

B. Results of review

On behalf of Indigenous and Northern Affairs Canada (INAC)'s Water Resources Division, the following comments and recommendations are provided for consideration:

1. **Licence term**

Source:

- 1) 7BL-BIL1215 Application for Water Licence Renewal, Section 25, Proposed Term of Licence
- 2) 7BL-BIL1215 New Licence

Comment: The Licensee has indicated that they would prefer the longest possible term for a renewed water licence, with an expiry around 2040. The Licensee has indicated that the Lodge is a relatively small operation and that short-term licences result in a considerable administrative burden. 7BL-BIL1215 (issued in 2012) was issued on a three-year term as the NWB stated that a short licence term would allow the Board to gain confidence in the operation of the Lodge.

Recommendation 1: INAC recognizes that the application and approval process for water licences may pose an administrative burden for small operations. However, the Licensee in question is currently under a direction to address compliance issues pertaining to the expired licence. While it is clear from the Licensee's correspondence with both the INAC inspector responsible for the file and technical advisors with the NWB that the Licensee does not think that the Lodge's operations have been characterized fairly, this does not change the nature of the direction issued against the Licensee, nor that the proponent has been granted extensions in order to meet compliance requirements under the direction. As such, a licence term no longer than five years should provide ample time for the proponent to address compliance issues.

2. **Spill Contingency Plan**

Source:

- 1) 7BL-BIL1015 Spill Contingency Plan (160114 version)
- 2) 7BL-BIL1215 AANDC Guideline Spill Contingency Plan
- 3) 7BL-BIL1015 Spill Report Instructions
- 4) 7BL-BIL1015 Aerial Map Photo
- 5) 7BL-BIL1015 MSDS Diesel

- 6) 7BL-BIL1015 MSDS Gasoline
- 7) 7BL-BIL1015 NT-NU Spill Report Form
- 8) 7BL-BIL1015 Spill Kit Oil Sorbent Acklands Grainger
- 9) 7BL-1215 New Licence, Part H, Spill Contingency Planning

Comment: The proponent has taken care to revise their Spill Contingency Plan (SCP) in order to bring it in line with the requirements of the expired licence, and the current SCP (2016) version is much improved over the version that was submitted in 2014 in terms of detail and inclusion of required sections. The proponent was instructed to include contingency plans for spills on snow or ice, however the proponent has stated that these plans are not needed as the lodge does not operate during seasons with snow/ice.

Recommendation 2: While INAC recognizes that the Lodge does not operate during the winter season; it is possible that a spill could be discovered by another community member during an occasional trip across the land in the winter/shoulder season months. If this were to occur, the proponent would be responsible for responding and in this case, plans for dealing with spills on ice or snow could become applicable. As such, the proponent should consider including these contingencies in their SCP.

Recommendation 3: INAC recommends that fuel be stored with secondary containment, as has been suggested in the past during inspections. Stored fuel should also be monitored routinely for spills.

Recommendation 4: The proponent has assembled the requirements of the different parts of the SCP. INAC recommends that the proponent now assemble the parts into a single PDF document that can be stored as a single file on the NWB ftp site, as well as used as a stand-alone reference for those needing to consult the plan.

Recommendation 5: INAC recommends that in addition to the provided electronic-copies of the MSDS, that the proponent also indicate in the SCP the location of hard-copies of the MSDS on site at the Lodge.

Recommendation 6: The proponent has provided a photo of the Lodge and surrounding community of Bathurst Inlet and indicated locations of fuel storage. INAC suggests that the proponent also provide this information in the form of a topographic map, as outlined as a requirement in Part H of the expired licence.

Recommendation 7: The contact information section should be formatted so that it is easy to match phone and fax numbers to contacts- at present there appear to be some formatting issues that could lead to some confusion in an emergency situation. Also note that the 'AANDC'/'DIAND' contact numbers and instructions now correspond to Indigenous and Northern Affairs Canada.

3. Monitoring data and annual reports

Source:

- 1) 7BL-1215 New Licence, Part J, Monitoring Program
- 2) 7BL-BIL1215 2012 annual report
- 3) 7BL-BIL1215 2013 annual report
- 4) 7BL-BIL1215 2014 annual report

Comment: Part J of the expired licence required that all monitoring program requirements be reported in the annual reports. These monitoring requirements included:

- Daily and annual quantities of water utilized for camp purposes in m³.
- GPS coordinates of all locations where sources of water are utilized.
- GPS coordinates of all locations where wastes associated with camp operations are deposited.

The proponent has been diligent in reporting water usage in the 2012-2014 annual reports; however the additional information (GPS coordinates) is not included.

Recommendation 8: INAC recognizes that this information has likely been conveyed during inspections; however the proponent should ensure that future annual reports include all required information as per a renewed licence.

4. Abandonment and restoration plan

Source:

- 1) 7BL-BIL1215 NWB Response to Issues Identified
- 2) 7BL-1215 New Licence, Part I, Conditions Applying to Abandonment and Restoration or Temporary Closing

Comment: The expired licence contains a condition that the proponent must submit an 'Abandonment and Restoration Plan' to the Board, 6 months prior to final Abandonment of the site. The proponent has maintained in previous correspondence with the NWB that this condition should not apply to the Lodge because the proponent holds title to the land on which the Lodge is located (as opposed to holding a lease for crown land or another arrangement). While the land is titled, the NWB has outlined their position that the NWB's jurisdiction includes abandonment and reclamation of waters flowing through privately owned land. As such, submitting an Abandonment and Restoration Plan prior to the closing or temporary closing of the Lodge helps to ensure confidence that inland waters will be left in appropriate conditions.

Recommendation 9: A renewed licence should include the requirement for an Abandonment and Restoration Plan to be submitted to the NWB with a section for temporary or seasonal closures. As required in the expired licence, a final Abandonment and Restoration Plan should be submitted prior to a permanent closure so that the NWB may ensure that adequate reclamation activities will be completed to maintain the quality and quantity of waters on or flowing through the Lodge site.