



NIRB File No.: 17XN011

NPC File No.: 148396

January 17, 2018

To: Grays Bay Road and Port Distribution List

Re: Notice of Ministers' Referral of the Kitikmeot Inuit Association and the Government of Nunavut's "Grays Bay Road and Port" project proposal to the NIRB for Review

Dear Parties:

On January 15, 2018 the Nunavut Impact Review Board (NIRB or Board) received the enclosed letter sent on behalf of the Honourable Carolyn Bennett, Minister of Crown-Indigenous Relations and Northern Affairs (the Minister), in coordination with the Department of Fisheries and Oceans and the Canadian Coast Guard Canada, Natural Resources Canada, and Transport Canada (the responsible Ministers) regarding the NIRB's October 31, 2017 Screening Decision Report for the Kitikmeot Inuit Association and the Government of Nunavut's "Grays Bay Road and Port" project proposal (NIRB File No.: 17XN011). The responsible Ministers have accepted the Board's recommendation and have referred the Grays Bay Road and Port Project proposal for further review by the NIRB as per section 94(1)(a)(iv) of the *Nunavut Planning and Project Assessment Act* (NuPPAA) .

The enclosed correspondence from the responsible Ministers and all information pertaining to the NIRB's Review of this project proposal can be accessed online from the NIRB's online public registry at www.nirb.ca by using any of the following search criteria:

- Project Name: Grays Bay Road and Port
- NIRB File No.: 17XN011
- Application No.: 125069

The NIRB's online public registry will allow those interested in participating in the NIRB's Review to directly add or remove themselves from receiving notifications related to the assessment. If you, or another person or organizational contact, are interested in continuing to receive the NIRB's notifications regarding this or other assessments, please register an account with the NIRB's online public registry at www.nirb.ca, search for the project, then select "Follow this Project" at the top of the page. If support is required to complete this sign-up, please contact info@nirb.ca for assistance.

In their referral to the NIRB, the responsible Ministers agreed that the five (5) particular issues or concerns relating to the proposal noted by the Board in the Screening Decision Report should be given careful consideration in the course of the review.

The following is a summary of the five (5) issues presented in the NIRB's October 31, 2017 Screening Decision Report for the Grays Bay Road and Port project proposal:

- **Potential Cumulative Effects of Increasing Mineral Development in the Kitikmeot Region**

The potential for the proposed project to result in adverse ecosystemic and socio-economic effects as a result of the combined cumulative effects of the Project and increased levels of mineral development in the Kitikmeot Region likely to be associated with the Project requires further analysis and should also be considered during the review of the project proposal. Comments received from various commenting parties have identified this issue of potential cumulative effects as a particular concern and also noted that a comprehensive environmental review would be necessary to fully account for these potential impacts.

Given the number of mineral exploration projects in the region, the importance of wildlife habitat (e.g., caribou calving and post-calving habitat) and Inuit harvesting in the region, the potential transboundary effects, and the continued encroachment of development into previously undisturbed areas throughout the region, the potential for adverse cumulative ecosystemic and socio-economic effects must factor prominently into the assessment of the Grays Bay Road and Port. The Proponent's intentions to utilize the road and port to encourage mineral exploration and potential development may also encourage the construction of an all-weather connection to the south, a potential indirect effect which requires consideration during the assessment of the Project, as well as the associated implications on further development in the West Kitikmeot Region.

- **Other Transportation Infrastructure Projects**

Other major development projects currently under Review by the NIRB have the potential to confuse or complicate the assessment of the Grays Bay Road and Port Project. The proposed Bathurst Inlet Port and Road (BIPR) Project (NIRB File No. 03UN114) would theoretically intersect the Project near the former Jericho diamond mine, with the objective of also providing access to the interior of the West Kitikmeot and Contwoyto Lake for potential mineral development projects, similar to the Grays Bay Road and Port proposal. The Izok Corridor Project (NIRB File No. 12MN043) includes development of essentially identical main road and port infrastructure, the major significant difference being the extension of the road from the area of the former Jericho diamond mine to MMG's Izok Lake property. Given the nature of the proposals, clarification may be necessary from the respective project proponents regarding implications to the feasibility of their proposals, should the Grays Bay Road and Port Project be approved to proceed.

- **Effects of Increased Shipping in the Kitikmeot Region**

While not directly associated with the infrastructure of the proposed Project, the Back River Project (NIRB File No. 12MN036) was allowed to proceed to development, and the planned annual shipping to its sealift facility on Bathurst Inlet would occur in concert with other existing shipping operations for the Doris North Gold Mine (NIRB File No. 05MN047) and for annual resupply to communities in the Kitikmeot Region. If approved to proceed, the Grays Bay Road and Port Project would contribute significantly to the increasing frequency and amounts of goods and fuel being shipped within the Kitikmeot Region, measures for accident prevention, spill response capabilities, and the effects of climate change on the open water shipping season within the Kitikmeot Region will warrant special consideration during the Review for the Project.

- **Effects on the Bathurst Caribou Herd**

While it has been noted that both the Dolphin Union and Bathurst herds are present in the project area, multiple parties have raised concerns primarily regarding the project's location at least partly within the calving and post-calving areas of the Bathurst herd, as well as its location along the migratory route between Nunavut and the Northwest Territories. Recent assessments of projects in the region—Doris North (05MN047), Phase 2 Hope Bay Belt (12MN001), and Back River (12MN036)—have demonstrated that potential adverse impact on caribou and caribou habitat is a matter of significant interest and concern among members of the public, Inuit, other Indigenous groups, and other stakeholders, as have the comments received by the NIRB in response to this project proposal. Given the significant size and location of the proposed project, an in-depth assessment of this particular project and its potential for inducing further development projects is necessary.

- **Transboundary Issues**

The proposed project has the potential for adverse effects on the Bathurst caribou herd which has the potential to affect important traditional harvest activities of communities in both Nunavut and the Northwest Territories. Consequently, as in previous NIRB reviews¹ and as noted by several commenting parties, transboundary issues must be considered in the context of this review as the potential for effects on the Bathurst caribou herd have been identified as central concerns of the Government of the Northwest Territories as well as several nearby Indigenous communities in the Northwest Territories. The connection of the proposed road to the Tibbett-Contwoyto Winter Road and the stated possibility raised by the Proponent of connecting to an all-weather road coming from the south to the Nunavut border over the long term also raises further transboundary issues that should be assessed during the review of the Project. The existence of an all-weather road connecting tidewater to the diamond mines in the NWT and beyond to potential connections with the southern road system also likely warrants further assessment of both environmental and socio-economic transboundary impacts. While any future connection to the NWT road network is, at the moment, hypothetical only, as the issue has been raised within the project proposal documentation the Board anticipates that further investigation of any planned infrastructure connections may be necessary during any Review of the Project.

¹ See for example the discussion of these issues in relation to the Back River Project, NIRB File No. 12MN036 Final Hearing Report for the Back River Project, Sabina Gold & Silver Corp., June 15, 2016 and Revised Final Hearing Report for the Back River Mine Project, Sabina Gold & Silver Corp., July 17, 2017.

The NIRB looks forward to working with organizations and groups in adjacent jurisdictions to effectively engage with potentially affected parties and to facilitate a thorough assessment of transboundary impacts related to the Project.

- **Participant Funding**

In acknowledging the NIRB's recommendation that Indigenous and Northern Affairs Canada (INAC) consider the need for providing access to participant funding to support the Review of this project proposal, INAC assured the Board that *"the Department will certainly consider its ability to make funds available to potentially affected groups if there is a demonstrable need"*. Once the NIRB provides further direction to parties in the coming days regarding the anticipated process, timelines and requirements for the Review of this project proposal, the Board expects that any parties which may require access to participant funding to facilitate their successful engagement in this assessment will have the information necessary to engage with INAC officials to discuss the associated application process.

NEXT STEPS

Please be advised that the NIRB will be issuing correspondence to all parties in the coming days outlining the next steps in the Board's Review of the Grays Bay Road and Port Project proposal, including anticipated timelines and opportunities for public engagement.

Should you have any questions regarding the NIRB's Review of the Grays Bay Port and Road project proposal, please contact Keith Morrison, Technical Advisor II, at kmorrison@nirb.ca or (867) 983-4617.

Sincerely,



Kelli Gillard
Acting, Director, Technical Services
Nunavut Impact Review Board

cc: Stanley Anablak, President of the Kitikmeot Inuit Association
Paul Emingak, Kitikmeot Inuit Association
Jim Stevens, Government of Nunavut
Georgina Williston, Environment and Climate Change Canada
Mark D'Aguiar, Fisheries and Oceans Canada
Tracey McCaie, Indigenous and Northern Affairs Canada
Rob Johnstone, Natural Resources Canada
Rachelle Besner, Natural Resources Canada
Transport Canada

Enclosure: Ministerial Referral Letter, NIRB File No. 17XN011 (January 15, 2018)