

Serial No. 2317-CNC
Via E-Mail: licensingadmin@nunavutwaterboard.org

10 March 2009

Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

Attention: Mr. Richard Dwyer, Licensing Administrator

**Subject: Response to Comments Provided by INAC to Water License
Amendment for BAF-3**

**References: A) 3BC-BAF0409 – Water Licence Application for BAF-3
B) INAC Technical Review Memo from A. Cull to R. Dwyer,
dated 25 February 2009, File Number 311411
C) E-Mail from R. Dwyer to L. Chawner dated 27 February 2009**

Dear Mr. Dwyer:

Thank you for forwarding comments from Indian and Northern Affairs Canada (INAC) regarding our water license application for BAF-3. We have reviewed their comments, and wish to provide responses to areas of particular concern to Nasittuq, as noted below:

1. INAC's Technical Review Memo, paragraph 3 states: "As a result of the review INAC recommends that the NWB impose applicable standard conditions from the existing DND Licence #3BC-BAF409."

Comment: Recent INAC water license inspections at this and other sites has highlighted what Nasittuq believes to be confusion over interpretation of specific conditions of the license. We are concerned regarding the generic nature of this comment, and would appreciate further clarification as to which standard conditions would be included in the new license.

2. INAC's Technical Review Memo, Recommendations/Comments –
Article 2 – Waste - “Solid Waste – Incineration”

- (a) “The NWB should impose a condition that identifies products suitable for burning in an “approved” incinerator, such as paper products,...The burning of plastics...should be prohibited from the incinerator to prevent the formation of Dioxins and Furans”.

Comment: INAC has provided Nasittuq with a draft document which states that an incinerator should meet the Canada Wide Standards for Dioxins and Furans. If a given incinerator meets this standard, Nasittuq does not feel that there should be a restriction on incinerating the types of waste noted in (2) (a) above. To date, the NWB has yet to identify a suitable incinerator which meets this standard. Nasittuq's application asks the NWB to issue a licence that states the current BAF-3 incinerator meets licence requirements and can be used to incinerate combustible waste.

Article 2 – Water - “Hazardous and Liquid Wastes” 1st paragraph.

- (a) “Hazardous waste materials stored on-site should be clearly labeled so they will be visible under all conditions, in all seasons. This recommendation is intended to prevent possible damage to the containers.”

Comment: Nasittuq currently has a very comprehensive hazardous materials management program, and we do not feel that this is warranted. We have had no examples in the past of containers of hazardous materials being damaged. Bear in mind that for the majority of the year, this site is unattended, which essentially eliminates the danger of this occurring. Further, with few exceptions, hazardous materials are removed from the site annually, so there is normally only a small amount of hazardous materials on site at any one time, which further reduces the risk of any damage to these containers.

Article 2 – Water - “Hazardous and Liquid Wastes”, 2nd paragraph

- (a) “In addition hazardous wastes “should” be stored within a lined secondary containment structure to prevent any off site impacts...”

Comment Please clarify what is meant by “should” as it is ambiguous. Does INAC mean should as in “optional”, or should meaning “must”? Given the unattended status of this site, a lined secondary containment area will only fill up with precipitation (snow, melt water, rain), and therefore we believe will be of little benefit. As noted above, this site normally only has a small

amount of hazardous material at any one time. However, if this is to become a condition of the license, we would look to the NWB to establish the standard as to what is acceptable as a lined secondary containment.

Article 2 – Water - “Hazardous and Liquid Wastes”, 4th paragraph

- (a) “INAC recommends that the proponent submit copies of all manifest forms related to the transport of hazardous waste as part of the annual report for this site.”

Comment Please clarify what is meant by “all manifest forms”. Nasittuq completes manifests as required by the Interprovincial Movement of Hazardous Waste Regulations (SOR/2002-301) issued under CEPA 1999. These are sent to the Government of Nunavut’s Department of the Environment as required under the Regulations. These manifests list the regulated waste dangerous goods; they do not list the non-regulated waste items such as waste oil. As a result of the reporting Nasittuq currently provides to the Government of Nunavut, Nasittuq does not understand this additional requirement to provide manifests. Please note that Nasittuq already provides a list of waste dangerous goods, regulated and nonregulated, in the annual report to the NWB.

Article 4 - Spills – 1st paragraph

- (a) “Any spill or unauthorized discharge from the sewage lagoon or solid waste disposal area must be reported to the Nunavut Spill Report Line....”

Comment Please note that BAF-3 does not have a sewage lagoon. Nasittuq requests that INAC provide an example of a spill or unauthorized discharge from a solid waste disposal area.

Article 4 - Spills – 2nd paragraph

- (a) “...INAC requests that the NWB impose a condition that requires the proponent to install a remote leak detection system which will generate an appropriate site response in a timely manner.

Comment Nasittuq does not have the authorization to implement a project of this nature. All such improvement to the infrastructure are approved and funded by DND. Therefore, this would be a condition of the license that Nasittuq could not comply with.

In closing, as noted above, recent INAC inspections of the existing water licenses have highlighted areas of concern primarily for the four (4) sites which are unattended the majority of the year. While we appreciate receiving comments such as those above, Nasittuq request that we meet with the NWB to review the final draft water license for each of the six (6) sites (CAM-MAIN, Cambridge Bay, CAM-3, Shepherd Bay, FOX-MAIN, Hall Beach, FOX-3, Dewar Lakes, DYE-MAIN, Cape Dyer and BAF-3, Brevoort Island) prior to them being issued. We recognize that the NWB has final authority over these licenses; however we feel that the nature of our operation is unique. This face-to-face meeting and joint review of the draft license will ensure that the requirements are clear and attainable. We are prepared to meet in your office on a date of your choosing, and will ensure key Nasittuq personnel are available to attend.

Should you require further information please do not hesitate to contact the undersigned at (613) 787-3857 or Louise.Chawner@Nasittuq.com.

Yours sincerely,
NASITTUQ CORPORATION

Louise Chawner
Sr. Supervisor, Contracts

cc: Sr. Manager, Planning and Design, Environmental Supervisor, Sr. Manager, Contracts and Supply Chain, Sr. Manager, Maintenance and Contracts