



Water Resources Division
Nunavut Regional Office
Iqaluit, NU X0A 0H0

Your File: 3BC-BAF0409
Our File/CIDM's #: 311411

February 25, 2009

Richard Dwyer
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0A 1J0

Re: 3BC-BAF0409 – Water License Amendment – Brevoort Island Project – Department of National Defence (DND)

3BC-BAF – New Water License Application – Brevoort Island Project – Nasittuq Corporation

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of a Type "B" Water License #3BC-BAF0409, Brevoort Island Project - Department of National Defence (DND) as well as the new application for the same site submitted by Nasittuq Corporation.

INAC has reviewed the following documents:

- Cover letter dated September 30, 2008
- Water Licence Application Form
- Supplementary Questionnaire
- English and Inuktitut summaries
- Letter dated October 14, 2008 with drawings attached
- Letter dated November 28, 2008 – Response to Issues and Concerns
- Site Specific Spill Contingency Plan for BAF-3, dated November 25, 2008
- Insurance Cover Note, dated September 28, 2006
- 2007 Annual Report
- INAC 2008 Inspection Report

All associated documents related to this license posted on your ftp site under 3BC-BAF0409 were included in my review (see attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by email at Andrea.Cull@ainc-ianc.gc.ca

Yours truly,

Original Signed By

Andrea Cull
Water Management Specialist



Technical Review Memo

To: Richard Dwyer – Licensing Administrator, Nunavut Water Board

From: Andrea Cull – Water Management Specialist, Indian & Northern Affairs Canada

Re: 3BC-BAF0409 - Department of National Defence (DND) – Brevoort Island Project – Water License Amendment Application

Water licence #3BC-BAF0409 is due to expire Feb 28/09. DND submitted an amendment application to the NWB on Feb 11/09 requesting that the water licence be extended for a period of six months to allow work to continue on site and provide such time that Nasittuq Corporation is issued a new water license. At that time, DND intends to apply to cancel their licence. INAC is not opposed to this amendment request.

Re: Nasittuq Corporation – Brevoort Island Project – New Water Licence Application

The new water license application submitted by Nasittuq Corporation was received on October 7/08 by the Nunavut Water Board. This application replaces the previous application, requesting a name change from Department of National Defence (DND) to Nasittuq.

As a result of the review INAC recommends that the Nunavut Water Board impose applicable standard conditions from the existing DND license #3BC-BAF0409. In addition the following comments/recommendations are provided for your consideration in the license approval process.

Recommendations/Comments:

1. Water Use

With the exception of visits from staff on scheduled quarterly maintenance trips and on an as needed basis the Brevoort Island Project site will be unmanned from October to April,. For the purposes of allowing the facility to operate at peak capacity from May to September, Nasittuq requested that the water license allow the drawing of 594 m3/day once in a year. The site has two 854 m3 raw water tanks. The lowest level allowed for the tank is approximately 260 m3.

According to the application information provided, the Brevoort Island Project's water use will vary depending on the number of people on-site, i.e. from 0 m3/day (unmanned status) to a maximum of 3 m3/day (height of seasonal activity, ramped up site at full capacity). This meets the Type "B" water license criteria for Municipal Undertakings, Schedule VI, Northern Territories Water License Regulations.

2. Waste

Solid Waste - Incineration

The NWB should impose a condition that identifies products suitable for burning in an approved incinerator, such as paper products, food wastes, cardboard packing and untreated wood, etc. The burning of plastics, wood treated with preservatives, Styrofoam, electrical wire, asbestos, or painted wood should be prohibited from the Incinerator to prevent the formation of Dioxins and Furans. This is to prevent the deposition of this material from incomplete combustion and/or leachate from contaminated ash residues from impacting any surrounding waters.



Hazardous and Liquid Wastes

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

Unless otherwise specified by the water resources inspector or licence issuing agency, all hazardous materials should be removed from the site on a regular basis to prevent large accumulations. This type of waste must be disposed of at an approved facility outside of the Territory of Nunavut (no known facilities within Nunavut). All transfer of this type of waste must be in accordance with the GN "Guideline for General Management of Hazardous Waste - January, 2002". In addition hazardous wastes should be stored within a lined secondary containment structure to prevent any off site impacts (other secured structures would also be acceptable).

It was noted during an INAC Water Resources Officer's inspection of the facility on Aug 19/08 that hazardous wastes are back hauled via sea-lift - records to be provided with annual report.

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.

4. Spills

Any spill or unauthorized discharge from the sewage lagoon or solid waste disposal area must be reported to the Nunavut Spill Report Line and include a faxed copy of the Nunavut Spill Report Form. This form can be obtained from the Nunavut Water Board public registry at <http://www.nunavutwaterboard.org>. Please note that the 24-hour Spill Report Line telephone number is (867) 920-8130 and facsimile number is (867) 873-6924. Furthermore, INAC requests the proponent report all spills to Peter Kusugak, INAC Manager of Filed Operations, phone: 867-975-4295, fax 867 975-6445 as well as the Nunavut Spill Report Line.

The Brevoort Island project site will be unmanned from October to April, which increases the risk of spills or related adverse environmental impacts being undetected (please note previous 2007 aviation fuel spill at this site). Therefore, 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.

As a result of the 2007 spill of fuel at this facility INAC is recommending that the NWB require the proponent to submit a progress report detailing clean-up activity to date, including any monitoring results, as an addendum to the Annual Report. Preferably this would be part of the 2008 Annual Report.

5. Security

The NWB should impose a condition that requires the applicant, on an annual basis, to provide up to date proof of environmental liability insurance. This could be included as a requirement of the Annual Report also.

6. Confidential Drawings of On Site Fuel Storage Tanks.

INAC is not opposed to the NWB keeping these drawings confidential.

Cc. Kevin Buck, Manager of Water Resources – Indian and Northern Affairs Canada, Nunavut Regional Office