



Public Works and Government Services
Canada

Travaux publics et Services gouvernementaux
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NWSO Project Office
Ottawa, Canada
K1A 0K2

6 December 2007

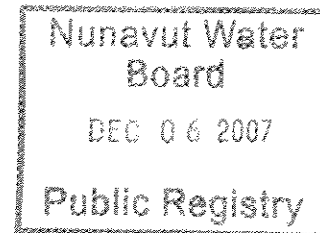
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Ser. No. NWS-0757

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

ATTENTION: Dionne Filiatrault
Director of Licensing

Subject: Application for License Amendment



Dear Ms. Filiatrault:

To confirm our conversation in November 2007, it has been brought to the attention of the Government of Canada ("Canada") that the Nasittuq Corporation ("Nasittuq") mistakenly named the Department of National Defence as the "Licensee" in six (6) water licenses approved by the Nunavut Water Board, copies of which are attached hereto (the "Water Licenses"). Canada is seeking the assistance of the Nunavut Water Board (the "Board") to correct this error.

Nasittuq was awarded a contract by Canada to operate and maintain the North Warning System (the "NWS") in November 2001 (the "Contract"). Pursuant to the Contract, possession, care, custody and control over the NWS passed from Canada to Nasittuq. In this regard, Nasittuq became responsible for all aspects of the NWS sites including, but not limited to all environmental, financial, health and safety, management and security activities. As a result, Nasittuq is responsible for operating, maintaining, managing and controlling the "waste", as such term is defined in the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (the "Act"), on the six (6) sites (the "Sites") for which the Water Licenses have been obtained.

Sub-paragraph 43(1)(b)(iii) of the Act provides the Board with the authority to amend any condition of a license where the Board considers the amendment to be in the public interest.

In the interest of providing transparency to the public concerning the identity of the operator who is responsible for operating, maintaining, managing and controlling the waste of the Sites subject to the Water Licenses, it is requested that the Board amend the name of the "Licensee" from the Department of National Defence to the Nasittuq Corporation in the following Water Licenses:

(1) Water License NWB6BAF0409 – Type "B", located in BAF-3 North Warning System Site, Brevoort Island, Baffin Region, Nunavut (the "Licensee"). The License was issued on February 17, 2004 to the Department of National Defence, Government of Canada, expiring on February 28, 2009;

Canada

(2) Water License NWB6FOH0409 – Type "B", located in FOX-M North Warning System Site, Hall Beach, Baffin Region, Nunavut (the "License"). The License was issued on June 25, 2004 to the Department of National Defence, Government of Canada, expiring on 30 June 30, 2009;

(3) Water License NWB6SHE0409 – Type "B", located in CAM-3 North Warning System Site, Shepherd Bay, Kitikmeot Region, Nunavut (the "License"). The License was issued on February 17, 2004 to the Department of National Defence, Government of Canada, expiring on February 28, 2009;

(4) Water License NWB6CAM0409 – Type "B", located in CAM-M North Warning System Site, Cambridge Bay, Kitikmeot Region, Nunavut (the "License"). The License was issued on June 24, 2004 to the Department of National Defence, Government of Canada, expiring on June 30, 2009;

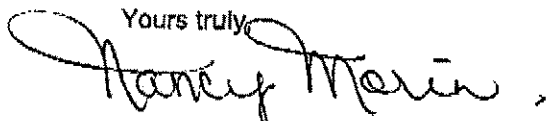
(5) Water License NWB6DYE0409 – Type "B", located in DYE-M North Warning System Site, Cape Dyer, Baffin Region, Nunavut (the "License"). The License was issued on February 17, 2004 to the Department of National Defence, Government of Canada, expiring on February 28, 2009;

(6) Water License NWB6FOX0409 – Type "B", located in FOX-3 North Warning System Site, Dewar Lakes, Baffin Region, Nunavut (the "License"). The License was issued on February 17, 2004 to the Department of National Defence, Government of Canada, expiring on February 28, 2009;

It should be noted that Canada has not given its authority to Nasittuq to act as its agent in this matter. In fact, the Contract requires Nasittuq to obtain all necessary permit and licenses under federal, provincial and municipal legislation so that it may carry out its contractual obligations on its own behalf. Therefore, Nasittuq is not an agent of Canada.

Thank you in advance for assisting Canada in resolving this matter. Should you require any additional information, please feel free to contact me.

Yours truly,



Nancy Morin
Supply Team Leader/NWS Contract Authority
North Warning Systems
Tel: 998-8674 - Fax: 991-1148

c.c. Marie-José Régimbal, Counsel
LCol Beaton, DND (Without Attachments)
Nasittuq Corporation (Without Attachments)