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[Licensing] Re: 8BC-AEA Amaruq Axploration Access Road

1 message

David Abernethy <David.Abernethy@aandc-aadnc.gc.ca>

Fri, May 22, 2015 at 12:10 PM

To: "Kharatyan, Karén" <karen.kharatyan@nwb-oen.ca>

Cc: "Costello, Karen" <Karen.Costello@aandc-aadnc.gc.ca>, "Department, Licensing" <licensing@nwb-oen.ca>, "Hohnstein, David" <david.hohnstein@nwb-oen.ca>, "Keim, Andrew" <Andrew.Keim@aandc-aadnc.gc.ca>

Hi Karen,

I am fine. Thanks for asking. Keeping busy on several fronts but I think this is normal for most people. I'm glad its Friday afternoon.

The department has discussed the need for reclamation security for certain licence activities because of the costs that would be required to reclaim sites if companies can't fulfill their closure plans. However, I realize that setting water licence security is complicated. It is difficult to comment on submitted cost estimates (short review period and outside assistance is usually needed) and it is well known that regional Inuit associations can request security under land leases.

I think it would be unfair for Agnico Eagle to provide security under this licence until these issues are resolved. I am also reviewing North Country Gold Corp's type B water licence amendment application (2BE-CRA) and note that the most recent renewal application included a reclamation cost estimate. I believe the licence doesn't require reclamation security. Furthermore, as you state, reclamation security is not required under the Meliadine All-Weather Road licence, No. 2BW-MEL. So, it is not uncommon for large undertakings to not have licensed security requirements (or undervalued security requirements, e.g., Boston).

I understand that the department (AANDC) will likely seek reclamation security from Agnico Eagle for this activity under a Crown Land Lease(s). This is likely sufficient for the time being.

Do you know what mechanisms can be used to require water licence reclamation security from licensees apart from amendment and renewal applications? I think several type B licensed undertakings will need to be re-assessed with respect to this issue once the department and regional Inuit associations find common ground on how to apply reclamation security to licences and leases.

I'd be happy to set-up a teleconference call to discuss this matter further.

Regards,
David

David Abernethy

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>>> Karén Kharatyan<karen.kharatyan@nwb-oen.ca> 5/22/2015 12:53 PM >>>

Hi David,

Howe are you?

I have a quick question regarding comments that you provided with respect to Agnico-Eagle's licence application for the Amaruq Road construction.

In the Issue No. 1 (Licence Term) you it was stated that *provided that there will be opportunities to revisit reclamation cost estimates and **water licence reclamation security requirements** throughout the licence term, it is reasonable to issue a 10 year water licence for the construction...*

Are you recommending to include a reclamation security requirement as a licence term? Although a reclamation cost estimate has been provided within the conceptual closure and reclamation plan, however, I am not sure that the Board's intention was to include a security requirement as a licence term. No security requirement was for example included within the 2BW-MEL licence for Meliadine All Weather Road.

Regards,



 **David Abernethy.vcf**
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