



July 18, 2014

Your file - Votre référence
8BC-NNF----

Our file - Notre référence
IQLAUIT-# 820104

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
Gjoa Haven, NU X0E 1J0

Re: Aboriginal Affairs and Northern Development Canada's Review of a new Water Licence Application (8BC-NNF----) from Defence Construction Canada and the Department of National Defence.

Dear Ms. Beaulieu:

Thank you for your email of June 25, 2014, concerning the above mentioned application. A memorandum is provided for the Board's consideration. Comments and recommendations have been provided pursuant to Aboriginal Affairs and Northern Development Canada's mandated responsibilities under the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*.

Please do not hesitate to contact me by telephone at 867-975-4282 or email at ian.parsons@aandc-aadnc.gc.ca for further information.

Sincerely,

Ian Parsons
Regional Coordinator
Water Resources Division
Resource Management Directorate
Aboriginal Affairs and Northern Development Canada
Iqaluit, NU X0A 0H0

Encl.

c.c.: Murray Ball, Manager, Water Resources, AANDC Nunavut
Erik Allain, Manager, Field Operations, AANDC Nunavut

Memorandum

To: Phyllis Beaulieu, Nunavut Water Board

From: Ian Parsons, Aboriginal Affairs and Northern Development Canada

CC: Murray Ball (AANDC), Erik Allain (AANDC), Megan Porter (NWB) and Robin Ikkutisluk (NWB)

Date: July 15, 2014

Re: Water Licence Application, #8BC-NNF----

Licensee: Department of National Defence (DND)
Project: Nanisivik Naval Facility
Region: Qikiqtani

Comments:

A. Background

On June 25, 2014, the Nunavut Water Board (NWB) provided notification of DND's (the "Licensee") application for a new Water Licence #8BC-NNF---- to allow for the use of water and deposit of waste for a port and ship refueling station.

Interested parties were asked to review this application and provide comments by July 25, 2014.

B. Results of review

On behalf of Aboriginal Affairs and Northern Development Canada (AANDC), the following comments and recommendations are provided:

1.	<p>General</p> <p>Comment:</p> <p>The applicant has indicated in Block 9 of the application form that a contractor will be engaged to develop certain plans for the facility, to be submitted to the NWB for approval. These plans include: the operation and decommissioning of the construction camp; and the handling of "oily wastewater" as describe throughout the application. The applicant stated that the contract had yet to be awarded, however it was expected to be awarded in June 2014.</p> <p>Recommendation:</p> <p>It is recommended that these plans should be submitted to, and approved by, the NWB prior to any water licence being issued as these plans either directly or indirectly deal with the use of water or the deposit or potential deposit of waste into water and are required for effective evaluation of the application. Terms and conditions developed by the NWB and issued as part of the licence would be expected to reflect mitigation and monitoring requirements specific to the plans in order to manage the environmental risks (related to the Crown's obligation to protect fresh water) associated with the project.</p>
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3.	<p>Roads on site</p> <p>Comment: The applicant states additional open-water-season roads will be built on site. Very little detail is available in the application on how the roads will be built. It is also stated that some of these roads will require the installation of culverts, as they will cross waterways.</p> <p>Recommendation: Additional detail is required on the development and construction of these new roads. Some of this detail would include but is not limited to: time of year of road construction, erosion/sedimentation mitigation measures, road construction materials (what type and where sourced).</p>
4.	<p>Pits, Quarries and Borrow Areas</p> <p>Comment: The applicant states in their water licence application that they will use an old quarry area about 3km from the dock site. The construction contractor will be required to apply for the land use permit for this purpose.</p> <p>Observation: There are potential risks to water from quarry operations, depending in part on quarry location and type of rock being quarried. It is therefore desirable that a quarry plan be included with the licence application, or submitted 60 days prior to quarrying for NWB review. Also, in this case, there is another land owner in this immediate area that may have exclusive rights to the quarry/borrow area being considered. The applicant should determine land ownership and ensure the appropriate authorizations are in place before finalizing quarry plans.</p>
5.	<p>Operation & Maintenance (O&M) Plan for the Naval facility</p> <p>Comment: The applicant states in the water licence application that the O&M plan will be developed by the contractor in future years.</p> <p>Recommendation: The licensee should submit the O&M plan at least 90 days prior to the start up of the facility to allow for adequate time for reviewing and approval of the plan.</p>
6.	<p>Hydrostatic Testing</p> <p>Comment: The applicant has indicated that after construction of the Tank Farm the Tanks will have to be hydrostatically tested using either freshwater (from either Arctic Bay or East Twin Lake) or seawater. However the applicant does not describe how the water will be discharged from the tanks.</p> <p>Recommendation: AANDC recommends that the applicant provide details on how will the water be discharged from</p>

	the tanks upon the completion of hydrostatic testing. Will the water be tested prior to discharge to the environment? What erosion protection measures will be in place prior to the discharge of the water from the tanks? At what rate will the water be discharged from the tanks?
7.	<p>Spill Contingency Plan</p> <p>Comment: The applicant states under section 3.1.1 Fuel that <i>"Welded Steel drip pans will be installed to contain leaks and drips under the Wharf ship-to-shore connection, at all connection points and under sample points."</i></p> <p>Recommendation: It would also be beneficial to patrol the refueling piping during refueling operations to watch for leaks and drips.</p> <p>Comment: The applicant has stated in Section 5.0 Mitigation Measures that <i>"Prior to discharge, all wastewater will be tested to ensure that it complies with the criteria outlined in the water use licence issued by the Nunavut Water Board."</i></p> <p>Recommendation: The water use licence should require notification to an AANDC Water Resource Officer 10 days prior to any wastewater discharge event.</p> <p>Comment: The spill contingency plan does not contain an AANDC contact in the event of a spill.</p> <p>Recommendation: The applicant should include the contact information for the AANDC Manager of Field Operations. The Manager should be contacted in the event of any spill. The contact information is as follows; Manager, Field Operations, AANDC. Phone # 867 975-4295, Fax 867 975-6445.</p>
8.	<p>Abandonment & Restoration (A&R) Plan for the Naval facility</p> <p>Comment: The applicant has indicated that the contractor will be responsible for the decommissioning of the construction camp and facilities that will no longer be required once the naval facility is operational. However there is no mention of an A&R Plan for the naval facility and its associated structures (i.e., tank farm, dock and all other associated structures).</p> <p>Recommendation: The applicant should submit a preliminary A&R plan for the entire Nanisivik Naval Facility to the NWB for review and approval before the site becomes operational.</p>

Prepared by Ian Parsons