

Fax

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Date:

Subject:

TOR comments - SNAP

Pages:

8, including cover

Louie -

Pls see attached.

Cheers!

NT

FROM :

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Your file - Votre référence

August 2, 2001

Our file - Notre référence

Mr. Louie Azzolini
Environmental Officer
Mackenzie Valley Environmental Impact Review Board
P.O. Box 938
Yellowknife, NT, X1A 2N7

Re: De Beers Mining Inc., Snap Lake Diamond Project: Draft Environmental Assessment Work Plan and Terms of Reference:

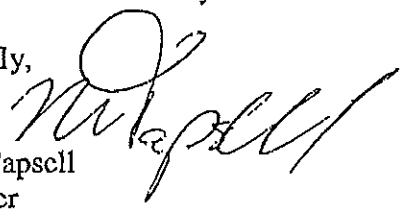
The Department of Indian Affairs and Northern Development (DIAND) is pleased to provide the attached comments on the workplan and terms of reference for the above development.

With respect to our position on the Draft Rules of Procedure (the Rules), (consistent with the department's August 4, 2000 stance at the BEIP workplan meeting), DIAND does not support the formal application of the Review Board's Draft Rules of Procedure for the Snap Lake Environmental Assessment. It is our understanding that the application of the Rules will only be possible once the requirements of section 30(2) of the Mackenzie Valley Resource Management Act have been met. DIAND will be submitting comments on the Rules when the Review Board formally requests comments.

Similar to what has been suggested previously, the department will be supportive of any efforts on the part of the Review Board to establish processes with regard to moving the workplan forward, following discussion with the other parties. In that regard, DIAND is pleased to note that at the July 20, 2001 meeting that the Review Board has agreed to implement an 'agreement registry' for documenting and filing any commitments made by De Beers Mining Inc., to the various parties.

Please contact me if any clarification is needed on the attached comments.

Sincerely,


Mary Tapsell
Manager

Canada

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DIAND**Comments on draft ToR/ Workplan - De Beers Snap Lake Diamond Project****August 3, 2001**

The Department of Indian Affairs and Northern Development (DIAND), has reviewed the draft ToR and Workplan for the Environmental Assessment being conducted by the Mackenzie Valley Environmental Impact Review Board. The following comments are presented for consideration.

General Comments

Information requirements: A suggestion from reviewers is that the Review Board introduce a degree of standardization in terms of information requirements in ToRs for projects similar in scope and magnitude of operations. It is noted for instance, there is no requirement to provide 'developer identification and performance record' (which has been requested by the Board of other developers), even though this is a completely new development by a new company.

Since responsible ministers have been informed that Board staff are not permitted to participate in information exchanges on subject matter related to the EA (eg. ToRs), it is recommended that the Board take the initiative to build in the requirement for hearings at the outset. The early identification of any future hearings, meetings or information sessions is especially important if the intent of the Board is to adhere to timelines of the draft rules of procedure (given that the Board's draft rules of procedure suggest a 30-45 day advance notification for any public hearings that may be deemed to be necessary by the Board).

Development Description – Advanced Exploration component: The Snap Lake Advanced Exploration component of the project was previously assessed and approved under a Land use permit and a water license. If the activity continues to be carried out in accordance with these instruments it is our understanding that this component should not be re-assessed unless there are changes to the permitted activities. It is understood that such permitted activities would however be considered in any assessment of cumulative effects of the overall development.

Duplication and detail: The development description is listed twice within the document package and the components of the development are singularly itemized. Besides being redundant, with listing of individual components, there is the potential to miss components not evident. This is illustrated by the contaminated soil or hazardous waste disposal area and access roads to the Esker area for quarrying not being listed. It is suggested the Board reference the different components (ie. underground operations, tailings, etc) of the project by activity, which the proponent would then identify all facets of these components.

Instructions to the Developer to omit significance conclusions

It is unclear why the Board has issued such instructions to the developer. It is incumbent on the developer to assess potential impact in terms of the frequency, magnitude, duration of impact and the potential means of mitigating the severity of such impacts. In doing so, it is difficult to avoid a significance determination of some sort. The developer's conclusions will ultimately be assessed by

the Review Board and other reviewers as to the validity of their findings and the sufficiency of supporting evidence to support those conclusions.

Timelines:

The meetings held July 20/27, 2001, with interested parties, identified the need to adopt a more flexible timetable based upon time blocks for various steps versus milestone dates which do not reflect delays or early submissions and the activities of the Review Board which may or may not be undertaken. It was also identified that an additional step be included in the milestones, to fall after submission of the final technical analysis and any public hearings to allow the public, the developer and responsible ministers the opportunity to address or clarify issues raised either through the technical analysis or through any public hearing process.

In light of the above, what changes will be made to the workplan, given that we appear to be already 1 month behind schedule?

DIAND expects to meet the overall timelines given in the workplan and feels that the timeframes are realistic if information gaps are identified early and if the EA process facilitates the efficient dissemination and analysis of this information. It is appreciated that the Review Board's timing of 13- 15 months for assessment is consistent with other jurisdictional assessments of similar developments. (If more detail is required on similar EA processes in other jurisdictions such as Alaska, DIAND will be pleased to provide this information).

It is suggested that DeBeers discuss with the appropriate agencies, the requirements for regulatory instruments and/or related commitment documents in order to enable a thorough and complete assessment. In order to prevent additional delay to timelines, the developer is encouraged to submit all the necessary applications as soon as possible so that they may be considered part of this assessment.

For instance, at this point, Crown land applications have not been submitted for the project area by De Beers Canada Mining Inc. Consequently, DIAND's comments and future processing may not reflect all land issues resulting from the examination of the land requirements and information contained in land applications. Information to date, indicate there would be requirements for several surface leases, a waterlot lease, a quarry permit and fuel tank registration.

Specific Comments

Lines 23-25 - Public consultation: The listing of specific communities which are deemed to be 'affected by the proposed development' should be removed. It is the developers responsibility to assess (in its assessment of potential socio-economic impacts), which would be the 'affected communities' and to give appropriate supporting evidence for their conclusions including proposed mitigations. It would seem that it is at this point that the Review Board and other assessors would analyse the evidence presented by the developer.

Line 56 - references "drilling" development. Is it not a mine or underground mining development?

Line 62 - decommissioning of advanced exploration project has already been assessed, (see comments in section above regarding reassessment). If the Board considers that reassessment of approved components is in fact necessary, the first exploration camp is not listed as a component for reassessment.

Lines 63 to 114 - the development should be broken down by activity versus individual or specific development, as it implies the major components are only those listed. For example, hazardous waste disposal area is missing, total site transportation routing, contractors lay down area, continuing exploration activities, etc.

Line 117 - Sec 5.4.1 Hazardous Materials: Should also include location for hazardous or contaminated materials and details on how they will be removed from site.

Line 119 - Sec 5.4.1 Accidents and Malfunctions: Include the potential for explosions related to hazardous materials for fuels. Malfunctions of the waste rock/kimberlite pile.

Line 125 - Sec. 5.4.3 Closure and Reclamation: Section should include additional information besides costs. Abandonment & Restoration (A&R), components and activities should be listed. Rationale and alternatives that have been discarded should be listed. For example, the removal of all material from site versus partial or total burial, including costs. Details of where materials will be disposed of or hauled to. Disposal of structural foundations in the bottom of the mine water clarification pond requires substantiation.

Line 128 - Exploration program closure has already been assessed. Unless it is changing as a result of this project, should it be included?

Line 177 - Access to esker site should be added

Lines 196-210: Alternatives: Clarify what is needed and why. The broad-based range of technical information required appears to be so generic as to cause potential confusion over expectations. For instance, listing 'mine production rates' and 'mine development scheduling' gives very little guidance to the proponent as to what is expected. If the intent is to obtain from DeBeers an indication of potential future expansions (possibly because of the tonnage suggested by Winspear during takeover discussions), the Board should clarify that intent.

Lines 209-210: It is to be expected that developers would be reluctant to share confidential information and the Review Board should keep this in mind.

Line 277 - Sec. 5.6.2 Terrain: should be expanded to include quarry development at esker (gravel, sediment, overburden and aggregate use)

Line 364 - Sec. 5.7.2 Land and Resource Use: Include Lupin winter Road and maintenance camp at Lockhart Lake

Lines 371-387 - Economy: Much of the very detailed data requested appears to be the purview of governments (availability of skilled workers for instance) not the developer. It is not particularly useful for the developer to simply re-gurgitate the statistics held in government agencies. If the Board is looking for a broad overview from the developer, this should be clarified.

Lines 415-422: Cumulative Socio-economic impact: In addition to the Tahara mine, which is noted, it is suggested that the Review Board also consider the Con/Giant operations in its analysis. The socio-economic linkages of potential closure of Con in 2004, which aligns with the proposed start up of Snap Lake, should be considered in terms of assessing potential cumulative socio-economic impacts.

Line 449 - Sec. 5.11 Follow-up Programs: In addition to describing the reporting procedures, also include information on how the information will be utilized to determine what remediation action will be done and how (ie. the learning process).

Suggested inclusions to ToRs (Land based components).

There is no section on Developer identification(company structure, history, financial status, etc) and their performance record on other projects. This could be supplemented with information of the company's policies on A&R and progressive reclamation.

There is no section on regulatory regime, which should include mapping of the claim block, authorizations, permits and licenses required to conduct the project. This section can also include tenure requirements as well.

The North Pile will be the location for the disposal of a variety of materials. It ranges from solid inert waste, sewage sludge, mine rock and processed kimberlite. Information on the interaction of these materials should be provided, including long term management plans for ensuring the stability of the material.

A plan which details the quarrying of the esker south of the minesite. Information on esker quantities, size, along with a quarry management plan detailing timing and amounts of material required should be provided. Impacts to the environment should be provided.

Suggested inclusions to ToRs (Water based components)

The following comments pertain to the various components of the project that may directly or indirectly affect surrounding waters, from both a water quality and quantity standpoint. With this in mind, the Review Board may want to consider that the following items be required of the proponent through the final terms of reference and submitted by the proponent in its Environmental Assessment (EA) submission.

The identification and description of all contaminant sources resulting from the project and their related pathways to the receiving environment.

The predicted water quality of all waste streams and containment ponds throughout the project, including minewater, seepage, surface runoff and collection ponds, process plant discharges, the minewater settling pond and the sewage treatment facility throughout construction, operations and upon closure.

A detailed characterization of geochemical influence on inflowing groundwater from all potential sources, including: mine rock exposed on underground walls, materials temporarily stored underground (muck, ore and /or waste rock); and water released or leached from backfill (kimberlite paste, quarried rock concrete and mine rock concrete).

A description of the management of waste rock and kimberlite paste, outlining disposal areas, disposal methods, runoff containment and predicted water quality. This should include the design specifications and management of the north pile.

A detailed description of the hydrology of the Snap Lake watershed including an overview of the Lockhart River Drainage basin.

A description of the predicted mine inflows and underground hydrogeology, water handling procedures, water balance predictions and contingencies for potential higher than expected flows, impacts of discharges on the hydrology of the lake and water balances for waste water containment facilities including contingencies and excess holding capacities.

A detailed description of the ground and permafrost conditions at the site including the following:

- a description of surface materials and geology of the site including ground ice content.
- a description of permafrost configuration including the frozen/unfrozen interfaces in the underground portion of the mine.
- a determination of ice wedge occurrences and extent beneath containment structures.
- an assessment of the water content of the processed kimberlite to be deposited in the north pile and the potential for pore-water expulsion during freeze back of the pile.
- an assessment of the implications of climate change for the project.

A detailed description of the potential environmental effects on the receiving environment, the proposed mitigation of those effects including the alternative options considered and the rationale for the selection of the preferred options and an analysis of any residual effects.

Suggested inclusions to ToRs (general)

It is noted that the Review Board's draft guidelines for Environmental Impact Assessment in the Mackenzie Valley (sec. 6.6.3.1) include a consideration of the Scope of Assessment (in addition to the Scope of Development). Was it the intent of the Board to elicit this information in section 5.6 – *Environmental Impacts*?

For additional clarity, it is suggested that a section detailing the 'Scope of the Assessment' be included as a companion to section 5.2 'Scope of the Development'. It is suggested that the developer be given guidance that such boundaries (spatial and temporal), should be discussed in the context of the description for each specific VEC that the developer identifies.

Additionally, it may be useful as guidance to the developer, to include a brief discussion on what is meant by the terms 'spatial boundaries' (ie, project related, local and regional scope) and 'temporal boundaries.'

Section 5.12 Compensation: It is unclear if the Review Board is requesting information on compensation in relation to community impact benefits agreements or, in relation to compensation as a means of mitigation of an impact. While compensation is considered to be a form of mitigation in many EA processes, the Review Board has stated that 'compensation is not a mitigation' (BHP Report on Environmental Assessment – sec. 4.6.2.2.1.1). Clarification on the Board's intent would be helpful.

Concluding comments

To help cut down on the number of unnecessary IR s and the redundancy of several parties requesting the same information, it would be helpful if the Review Board staff could consider holding an informal scooping meeting to discuss potential IR s with the developer and all the other parties to the EA. It is important to inform all parties early in the process if such a session is being contemplated in order to facilitate the efficiency of the IR process.

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Date: Friday, August 10, 2001

From: Luciano Azzolini, Environmental Assessment Officer

Pages: 7 including these two cover pages

File: EA01-004 De Beers Snap Lake Diamond Project

Subject: **COMMENTS RECEIVED ON DRAFT TERMS OF REFERENCE AND
DRAFT WORK PLAN.**

The Canadian Arctic Resources Committee (CARC) was the first to submit comments on the Draft Terms of Reference and the Draft Work Plan for the De Beers Environmental Assessment.

I overlooked sending out CARC's comments in the 47-page fax that went out to you either today or yesterday, and my apologies to Kevin O'Reilly of CARC for the oversight.

The document accompanying this transmission contain confidential information intended for a specific individual and purpose. The information is private, and is legally protected by law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or taking any action in reference to the contents of this telecopied (faxed) information is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original to us by regular mail.

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