

November 8, 2012

Chuck Hubert
Senior Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
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P.O. Box 938
Yellowknife NT X1A 2N7

Dear Mr. Hubert:

Technical Report Responses – Lutsel K'e Dene First Nation

De Beers is pleased to provide the Mackenzie Valley Environmental Review Board with Responses to the Technical Submission from the Lutsel K'e Dene First Nation dated October 22, 2012.

Should you have any questions regarding this submission, please contact our office.

Regards,

Veronica Chisholm Permitting Manager

Veronica Chiebh

Attachment

c: Michael Tollis, Manager, Wildlife, Lands & Environment, Lutsel K'e Dene First Nation





Lutsel K'e Dene First Nation Technical Report Responses

November 2012

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1 INTRODUCTION

On October 22, 2012 Lutsel K'e Dene First Nation (LKDFN) submitted their technical report to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for the De Beers Canada Inc. (De Beers) proposed Gahcho Kué Project (Project). This report provides responses to those recommendations outlined in the LKDFN technical report (LKDFN 2012).

2 LUTSEL K'E DENE FIRST NATION RECOMMENDATION AND RESPONSE

2.1 ADAPTIVE MANAGEMENT ADVISORY COMMITTEE

2.1.1 Recommendation 3.1

LKDFN recommends that the Panel require a measure that establishes an armslength monitoring body that provides for independent oversight and the closing of the other gaps that the current regulatory system does not claim responsibility for. The body will be based on best practices in the territory as well as best available information that has come to light since the establishment of the existing monitoring agencies, including, but not limited to, giving the body greater means to encourage and expect compliance from the developer.

As minimal movement has come from the developer regarding this very important issue, LKDFN will be participating in a FN-led workshop to develop an appropriate proposal to the developer that addresses the concerns of the FNs. This proposal is expected to be submitted to the Board prior to the scheduled hearings.

2.1.2 Response

De Beers is currently in discussion with Aboriginal groups, including the LKDFN, on the development of a mutually agreeable mechanism to ensure that Aboriginal groups have access to the resources required to participate in the development and review of monitoring and management plans for the Project.

In areas with perceived regulatory gaps such as wildlife and air, De Beers has made clear commitments and provided detailed actions as demonstrated through the early development and submission to the public registry of the Wildlife Effects Monitoring Program, Wildlife and Wildlife Habitat Protection Plan, Air Quality and Emissions Monitoring and Management Plan, and Incinerator Management Plan (De Beers 2012a,b,c).

2.2 WATER QUALITY OBJECTIVES

2.2.1 Recommendation 3.2

LKDFN recommends that a measure be in place to ensure that the proponent is ultimately responsible for water quality at closure and beyond. With the LKDFN still unconvinced that water quality will be acceptable at closure, and with the potential for contaminants to be released in the distant future, we recommend that the maximum security bond be put in place to ease the uncertainty.

2.2.2 Response

The water quality assessment conducted for the 2012 Environmental Impact Statement (EIS) Supplement (De Beers 2012d, Section 8) concluded that water quality in Kennady Lake is expected to be acceptable for reconnection with downstream waterbodies. However, in the event that water in Kennady Lake does not meet water quality objectives post-closure, contingency measures were presented in the response to Round 1 Information Request DFO&EC_29 (De Beers 2012e), and also in more detail in response to Round 1 Information Request AANDC_12 (De Beers 2012f). These measures included:

- Water quality will be monitored throughout the mine life and compared to benchmarks to identify future risk and proactively deal with potential issues during mine operations and closure before Kennady Lake is fully restored. During closure, the rate of refilling of Kennady Lake will be determined by supplemental pumping of water from Lake N11 and by water flowing into Kennady Lake after the removal of dykes E, F and G. The following measures can be applied to identify the risk and deal with the potential water quality issues:
 - If a specific water quality issue is identified during mine operation, the overall water and mine waste management plans will be modified to mitigate the issue.
 - If a risk is identified during mine closure, the closure and refilling plan will be adjusted accordingly. For example, breaching of Dykes E, F, and G can be delayed and refilling pumping from Lake N11 may be adjusted to allow a longer closure period to deal with the potential water quality issue before the water level in the controlled basin is raised to its original lake elevation of 420.7 metre (m).
 - Identify the key sources of the poor quality water and develop specific plans to improve the water quality.
- In an unlikely case that the water quality cannot meet discharge criteria
 after the water level in the controlled area continues to rise towards the

original lake elevation of 420.7 metres above sea level (m), the following measures can be applied:

- Delay or constrict the flow rate after breaching of Dykes E, F, and G.
- Reduce the refilling pumping from Lake N11 to allow a longer closure period.
- Isolate the poor quality water from the area where the water quality can meet discharge criteria.
- Raise the containment dykes to store the poor quality water until the water quality meets discharge criteria.
- Treat the poor quality water zone.

2.3 CARIBOU IMPACTS

2.3.1 Recommendation 3.3

LKDFN recommends that the Board require the proponent to develop a study that accurately assesses the caribou herds' relationship, and behavior modifications when encountering the winter roads. It should investigate the impacts to population in the long term of no longer having access to portions of their traditional ranges, as well as the altered migration patterns associated with the road/mine developments since the early 90s.

2.3.2 Response

De Beers will consider this recommendation within the Adaptive Management Response Framework if caribou are present in suitable densities to allow for an informed assessment. The options for monitoring of the Project Winter Access Road have been presented in the Wildlife Effects Monitoring Plan submitted to the public registry on October 4, 2012 (De Beers 2012a; also refer to responses to Tłįchǫ Government Recommendation #12 [De Beers 2012g] and to YKDFN Recommendation #7 [De Beers 2012h]).

3 REFERENCES

- De Beers (De Beers Canada Inc.). 2012a. Wildlife Monitoring Plan. De Beers Canada Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board. October 2012. Available at: http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0
- De Beers. 2012b. Air Quality & Emissions Monitoring & Management Plan. De Beers Canada Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board. October 2012. Available at: http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0
- De Beers. 2012c. Incinerator Management Plan. De Beers Canada Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board. October 2012. Available at:

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 - De Beers. 2012d. Environmental Impact Statement Supplemental Information Submission for the Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board, Yellowknife, NWT, Canada.
- De Beers. 2012e. Fisheries & Oceans Canada and Environment Canada Joint Information Request Responses Gahcho Kué Project Environmental Impact Review. Submitted to the Mackenzie Valley Environmental Impact Review Board. April 2012. Available at:

 http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage=0
- De Beers. 2012f. Aboriginal Affairs & Northern Development Canada Information Request Responses Gahcho Kue Project Environmental Impact Review. Submitted to the Mackenzie Valley Environmental Impact Review Board. April 2012. Available at:

 http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0
- De Beers. 2012g. Tłįcho Government Technical Report Responses. De Beers Canada Inc. Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board. November 2012. Available at: http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0

- De Beers. 2012h. Yellowknives Dene First Nation Technical Report Responses. De Beers Canada Inc. Gahcho Kué Project. Submitted to the Mackenzie Valley Environmental Impact Review Board. November 2012. Available at: http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0
- LKDFN (Lutsel K'e Dene First Nation). 2012. De Beers Canada's Proposed Gahcho Kue Mine Technical Report. Submitted to the Mackenzie Valley Environmental Impact Review Board. October 22, 2012. Available at: http://reviewboard.ca/registry/project_detail.php?project_id=37&doc_stage= 0

4 ACRONYMS AND ABBREVIATIONS

De Beers Canada Inc.

EIS Environmental Impact Statement
LKDFN Lutsel K'e Dene First Nation

MVEIRB Mackenzie Valley Environmental Impact Review Board

Project Gahcho Kué Project