

Was on vol 20
87

To
A

Chris Cuddy
Chief
Water Resources Division

From
De

David Livingstone
Director
Natural Resources and Environment
Yellowknife

Security Classification - Classification de sécurité
Our File - Notre référence N3L2-0004
Your File - Votre référence
Date April 5, 1995

Subject
Objet

**CANADA TUNGSTEN INC. - TUNGSTEN MINE - WATER LICENCE RENEWAL
- LEVEL 1 ENVIRONMENTAL SCREENING - under EARPGO (1984)**

I am pleased to inform you that pursuant to the Environmental Assessment and Review Process Guidelines Order (1984), Indian and Northern Affairs Canada (INAC) has conducted an environmental screening of the existing Tungsten Mine project as described in the Type "A" Water Licence renewal application submitted to the Northwest Territories Water Board on December 6, 1994. A copy of the screening Decision Summary form is enclosed for your records.

rescheduled
June 14)

The Board has scheduled a public hearing into this renewal application for May 24, 1995. The licence does not expire until September 29, 1995. If the hearing is held, any additional concerns raised will be addressed prior to finalizing the licence.

There are no plans at present to resume production due to low world tungsten prices, and the property continues in a care and maintenance mode. However, the company wants to have valid authorizations in place, should economic conditions improve to the point where tungsten mining becomes viable again.

If you have any questions, please contact Mr. John Witteman, Regional Manager of Water Resources at (403) 920-8240. Thank you.

Livingstone

David Livingstone

Encl

cc: Fort Simpson District
NWT Water Board

Canada

87

(EARP)
LEVEL I SCREENING DECISION SUMMARY
 (TYPE "A" WATER LICENCE)

PROJECT IDENTIFICATION Applicant: CANADA TUNGSTEN Inc.

Licence Application: _____ Renewal: X Amendment: _____ Other: _____
 Present Licence Number: N363-0004
 Date of Application: 06/12/1994 Proposed Date of Undertaking: 30/09/1995
 Submission Title: Industrial water licence renewal
 Location: at TUNGSTEN, NWT, near Yukon border (61°57'N 128°16' W)
 Project Description: The company maintains a Tungsten mine here in a 'care & maintenance' mode. Mining & milling ceased in 1986 due to depressed world Tungsten prices. Facilities, including access road, need to be upgraded if operations resume.

SCREENING CRITERIA

Component	Summary of Impact				Significant Information Deficiencies?	
	None/ Negligible	Minor	Mitigable	Major	Major	Minor
Bio-Physical						
Plants/Animals	X		X			
Fish Habitat/ Utilization	X		X			
Water Quality	X		X			
Hydrologic Regime	X					
Soils		X	X			
Groundwater	X					
Surfacewater	X					
Air Quality	X					
Socio-Economic						
Public Concerns	X					
Land/Water Use	X					
Resource Users	X					
Employment	X					
Land Claims	X					
Others						
Consequence of Accidents	X		X			
Public Health/Safety	X					
Cultural	X					

Comments Extensive studies were undertaken in the past. This screening is based on the current mine situation & application, several issues must be addressed prior to production resuming.

Benefits of Undertaking If reopened, the mine could provide an economic boost to the region. Permit/licence help keep the project in an acceptable condition.

LEVEL I SCREENING RECOMMENDATION

- Automatic exclusion, project proceeds through regulatory process.
- No significant adverse effects or identified public concerns, project proceeds through regulatory process.
- Potentially adverse effects and/or public concerns may be mitigated with known technology, project proceeds through regulatory process.
- Project proceeds through regulatory process with conditions (Attached).
- Potential adverse impacts or further study required or significant public concern; recommend referral to DIAND Level II screening.
- Project on Comprehensive Study list; automatic referral to Level II.

Prepared by: Greg Cook Signature Title: Special Projects Date: 28/03/95
 Recommended by: John Wittman Signature Reg. Mgr. Water Resources Division Date: 06/04/95
 Approved by: Thurston Signature Director, NR&E Date: 11/04/95

Major information deficiencies are those that will require further indepth study at Level II. Minor information deficiencies are those that are acceptable for Level I screening to proceed.

DETAILED LEVEL I SCREENING REPORT

For Administrative Use
File: _____
Date: _____
Due date: _____
Municipal _____
Industrial _____
Maps Dwg _____

**Environmental Assessment and Review Process (EARP)
Indian and Northern Affairs Canada,
Northern Affairs Program, Water Resources Division**

1. PROJECT IDENTIFICATION

Applicant: CANADA JUNGSTEN INC., VANCOUVER
 Licence Application: _____ Renewal: X Amendment: _____ Other: _____
 Present Licence Number: N363-0004 Type "A": X Type "B": _____
 Date of Application: 06/12/1994 Proposed Date of Undertaking: 30/09/1995
 Submission Title: Industrial water licence renewal application
 Location: Tungsten, NWT - on Flat River (61°57'N - 125°16'W)
 Project Description: This is an underground tungsten mine which is presently being maintained in a "care & maintenance mode" since operations ceased in 1986 due to low metal prices. This is a full-blown development, although some facilities have been dismantled/removed.
 Relevant Plans/Studies: Several technical & environmental studies have been produced over the years mostly as a requirement of the licence.
 NAP District: Fort Simpson
 Class exemption from further screening: Yes _____ No X If "Yes" explain decision and then proceed to "Recommendations": _____

Previous screening of similar projects Yes X No _____, Describe: Several other base metal mines around the area
 Date distributed: 17/01/1995 Date Comments due: 24/02/1995
 Other regulatory permits:
 Ocean Dumping Fisheries Act TLA
 Other ? (LUPs / leases)

2. Description of Potential Environmental Effects and Concerns:
(Based on current mine situation & application/proposal)

2.1 Bio-Physical

2.1.1 Plants/Animals: No concerns were identified. The area has been disturbed, and will be restored/revegetated. Some areas have already been revegetated. This is an area of alpine sub-arctic vegetation, some grizzly, caribou & moose.
 Significance of Impact or Deficiency: neg-minor, mitigable

2.1.2 Fish Habitat/Utilization: few lakes, mostly creeks & rivers, hosting grayling, Dolly Varden & whitefish. No current impacts were identified. Lots of studies in the past included fish. DFO notes screens on pipes required, tailing areas to be impacted, plans updated.
 Significance of Impact or Deficiency: neg - mitigable

(1943 - 1980/82: elevated Cu & Pb in Flat River)

2.1.3 Water Quality: No concerns with present operations. The company is meeting effluent quality limits imposed by its licence. Cyanide was closed in 1982. Acid rock drainage tests have shown waste rock to be non acid generating. Continued monitoring required - bioassay re E.P.
 Significance of Impact or Deficiency: neg-minor - mitigable

2.1.4 Hydrologic Regime: No specific concerns noted. The area is in a river valley, hemmed in by low mountains, few lakes, mostly creeks & rivers. Snow builds up in winter. Seeps, creeks, springs melt. E.P. suggests water volume restrictions on Flat R. be reassessed.
 Significance of Impact or Deficiency: neg -

(Erosion...)
 2.1.5 Soils: Limited topsoil - mostly as alluvial/glacial sands & gravels. About 75 hectares (or so) have been disturbed from site roads, operations etc. ATR plans require adequate ground cover (reveg) & drainage controls to control surface erosion - ongoing dusting of
 Significance of Impact or Deficiency: neg-minor, mitigable

2.1.6 Groundwater: several studies were conducted in the past, including seeps, ATR. Company notes ongoing monitoring shows no progress in surface or groundwater contamination since 1986. No concerns noted now, but ongoing monitoring req'd.
 Significance of Impact or Deficiency: neg - mitigable

2.1.7 Surfacewater: No real concerns noted. There is the potential for contaminant releases to Flat River, esp. with startup. As above, monitoring required, as well as upgrading & inspection of facilities.
 Significance of Impact or Deficiency: neg - mitigable

2.1.9 Air Quality: Concerns noted. Being in mountain valley area, there is presumably potential for some air quality impairment from on site burning, operation of concentrator etc. - Potential - Tailings dust (cover) - Significance of Impact or Deficiency: insign - / mitigable.

2.2 Socio-Economic

2.2.1 Public Concerns: None raised by reviewers. (Overall, reviewers were concerned about the state of facilities & potential problems, & condition of tailing ponds, if the project started up.)
Significance of Impact or Deficiency: insign

2.2.2 Land/Water Use: A&R plan noted only land use in this area is mining; with limited wildlife & forestry potential. Some recreational use - concerning etc. possible, but mine as is doesn't affect use.
Significance of Impact or Deficiency: insign.

2.2.3 Resource Users: No concerns identified. There has been limited development in this area - isolated, no nearby communities. There is some potential for wilderness recreation given location of Michenei N. Park (then upstream).
Significance of Impact or Deficiency: insign - mitigable

2.2.4 Employment: No impact +/- since mine closed. Village of Ft Simpson encourages any economic development in the region to provide jobs.
Significance of Impact or Deficiency: (+) impact.

2.2.5 Land Claims: No concerns were noted - This mine is in the Deh Cho, which claim has yet to get to either independently, or as part of Mackenzie Valley wide process.
Significance of Impact or Deficiency: insign.

2.3 Other

2.3.1 Consequence of Accidents: While mine was/could be active, avalanches were always a potential problem - cause property damage. Present facilities are not in the path of known avalanche routes.
Significance of Impact or Deficiency: insign (at present) / mitigable

2.3.2 Public Health: No concerns were noted. If operative, air & water quality would need to be monitored carefully, & an avalanche watch & plan put into practice!
Significance of Impact or Deficiency: insign / - mitigable

2.3.3 Cultural: No concerns were noted or expected, whether mine closes or reopens. Perhaps the mine site itself would be considered a local "cultural attribute".
Significance of Impact or Deficiency: insign.

2.3 Other: EP suggested that the connecting access road through Yukon to Watson Lake be assessed as well, & Yukon DAND / Territorial grant involved.
Significance of Impact or Deficiency: - (has value and lease)

3. Summary of Recommended/Planned Mitigation Measures: re current A&R plan: extensive revegetation & erosion control measures have been outlined, & many put into practice; plans goal is to revegetate & reestablish favourable watershed conditions through restoring the area to a wilderness environment.
Several cleanup measures undertaken: removed all facilities, waste rock used as backfill, old tailings (5000) capped to prevent dusting; all tanks removed
ongoing site & water monitoring & planned licence requirements to update all facilities & plans before production can proceed.

4. Monitoring Requirements: continued surface, mine water & groundwater monitoring re water quality; also recommend sediment monitoring... re metal - Several initial studies, also in licence, helped determine monitoring requirements - but, additional copper, lead found in downstream sediments - (Feb 84)
continued DAND land use & water inspections, check dusting, revegetation, erosion etc. If abandon - long term monitoring program will be needed.
continued geotechnical, dnm inspections (stability, etc)

5. Project Alternatives (assessed by applicant or recommended by reviewers):
- close the project down altogether & implement A&R plan.

6. Consultation/Public Review:

Agency	Sent	Respond	Agency	Sent	Respond
INAC-NAP - Wat. Res. + H&A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	DFO	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lands	<input type="checkbox"/>	<input type="checkbox"/>	DOE - EP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
En. & Con.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	GNWT/MACA Lands	<input type="checkbox"/>	<input type="checkbox"/>
Minerals	<input type="checkbox"/>	<input type="checkbox"/>	Com. Wks.	<input type="checkbox"/>	<input type="checkbox"/>
District	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	GNWT - Health	<input type="checkbox"/>	<input type="checkbox"/>
GNWT - Ren. Res.	<input type="checkbox"/>	<input type="checkbox"/>	GNWT - DPW	<input type="checkbox"/>	<input type="checkbox"/>
Cham. of Mines	<input type="checkbox"/>	<input type="checkbox"/>	Assoc. Municipal.	<input type="checkbox"/>	<input type="checkbox"/>
see below * Other Parks Canada	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Native Org.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

7. Conclusions/Recommendations: Screening was based on the current project & proposal (status quo) in the license application. The concerns dealt largely with the renewal process, and need to upgrade/update facilities & plans before production could proceed. It is recommended that this project proceed through the regulatory process, with these concerns addressed in the new license.

8. Authorization:

Report Prepared by: Greg Cook Date: 27, 03, 1995
 Report Checked by: Ek Nilsen Date: 04, 04, 1995

* Local Consultation by NAP Fort Simpson:

- Parks Canada (Nahanni National Park reserve); Village of Fort Simpson; GNWT: Area Director, Renewable Resources;
- Deh Cho Regional Council; Chief, Nahanni
- Butte Band Council;
- NWT Outfitters Assoc. (Queens, B.C.)

Note: Additional comments from the public may be forthcoming if the scheduled NWT public hearing takes place (at Fort Simpson most likely) on May 24/95

J.