NORTH SLAVE MÉTIS ALLIANCE

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May 20, 2014

Chuck Hubert Regulatory Officer Mackenzie Valley Review Board Phone: (867) 766-7052 Email: chubert@reviewboard.ca

Dear Mr. Hubert,

<u>Re: De Beers Canada Inc., Snap Lake Diamond Mine Amendment Project</u> (EA1314-02)

1.0 Introduction

The North Slave Métis Alliance ("NSMA") will participate in the June 5-6, 2014 Public Hearing respecting the review and consideration of DeBeers ("the Proponent") and their proposed amendment to Water License MV2011L2-0004 for Snap Lake Diamond Mine ("the Project").

The NSMA's mandate includes ensuring that public and private sector organizations respect its members' section 35 Aboriginal rights when developments are contemplated and/or operating on their traditional lands. This submission considers the regulatory process and potential impacts respecting the proposed amendments to the Water License for Snap Lake Mine.

2.0 Snap Lake and NSMA

The NSMA has been involved with the Project since the initial Water License approval and subsequent renewal in 2012/2013. This Water License and current Environmental Assessment ("EA") process under the Mackenzie Valley Review Board ("MVRB") is of significant interest to NSMA members at this time due to the ongoing challenge protecting the health of the aquatic environment. The water in the project area and downstream is being continually impacted as the Proponent is unable to meet their agreed upon water quality objectives and effluent quality criteria ("EQCs") set for the Project. Two years ago the Mackenzie Valley Land and Water Board ("MVLWB") believed that the proponent could meet the limits that were set for water quality, unfortunately this has not been the case. With this in mind, NSMA members wish for tangible steps to be taken that - to the best extent possible – mitigate against negative impacts the mine may have on this area of their traditional land. It is worth noting here that the area impacted by the mine operation is of important cultural value to NSMA members as fish and animals in this area are traditionally harvested by them.

NSMA members have visited Snap Lake Mine, participated in fish-tasting studies, and consider Snap Lake as particularly important. As a result of negotiations and approval processes, NSMA's members have provided De Beers with a social license to operate. This license was the result of cooperation and trust built during negotiation processes and ongoing environmental assessment and monitoring work. De Beers' inability to meet their agreed levels for water discharges into the environment has required an amendment to the Water License which will see lower quality water, at higher volumes continue to be discharged to the receiving environment. This amendment, in its current form, is harmful to this social license for the reasons that will be outlined in this report.

Recommendation 1: Develop endpoints for future water discharge that are mutually agreed upon and will not cause harm to the fish and wildlife of Snap Lake and downstream, ensure these endpoints are verified through multiple peer reviewed scientific studies.

3.0 Amendment Process Concerns

The NSMA, from the beginning of this process, has been vocal about the timelines set for the technical review, submission, response, and Public Hearing for this amendment. The organization expended resources during the original EA for this subject, and is once again required to expend limited resources for this review. In recent environmental reviews that have been undertaken for the Project, including the Aquatic Effects Monitoring Program ("AEMP") in February 2013 the NSMA relied heavily on the review and opinion of the Snap Lake Environmental Monitoring Agency ("SLEMA"). Although this Environmental Assessment is apparently limited in scope, the highly technical subject matter and overall amount of material requires in-depth technical review. Technical review of potential harm to the environment should also incorporate ongoing dialogue that takes into account the concerns and viewpoints of Aboriginal people on whose land the potential impacts will be occurring. Unfortunately at this time SLEMA has stated that it is beyond their capacity to formally review the proposed amendment to the Water License, and that additional funding requested for this purpose was declined. Additionally, consultation and clear communication with the NSMA specifically on these changes has been limited to date.

It is the opinion of the NSMA that the consultation that has occurred to date on this matter has been insufficient. At the pre-hearing conference held on May 13, 2014, the question was raised as to who is responsible to ensure consultation has been met, post-devolution. At the time of this submission, the answer is not yet clear. Without adequate consultation, time, and capacity funding to properly review this subject, the North Slave Métis Alliance is unable to support the discharge of lower quality water at a higher volume into Snap Lake.

It is worth noting that additional communication regarding the Water License changes could have occurred during the Snap Lake working group, initially planned for April, 2014. However, this meeting was pushed back following a request by the Proponent until the week of the submission of this document, and then moved again to May 28th, 2014. In addition, De Beers has, with short notice, proposed to hold community visits for the end of May. In this respect, the NSMA meeting is scheduled to occur on May 24th, 2014. This date does not allow for issues related to the Water License amendment to be addressed in this formal submission. As such, the NSMA proposes the following recommendations:

Recommendation 2: Require additional consultation and face-to-face meetings to occur with each Aboriginal party to further explain the quantity and quality of proposed mine effluent, how the environment will be protected, and what technology will be installed when.

Recommendation 3: Require additional water treatment technology be installed by De Beers to reduce total dissolved solids in mine effluent to meet effluent quality criteria that is proven to protect the health of the aquatic environment.

4.0 Inspection and Monitoring

In April 2014 Mr. Patrick Kramers left the position of inspector for Snap Lake Mine. The GNWT did not notify parties, and SLEMA found out only during a courtesy communication from Mr. Kramer himself. The GNWT has since assured SLEMA that monitors are in place for the Project. This remains of interest to NSMA members given existing discharge concerns, non-compliance samples, and the occurrence of increased water availability during spring freshet.

Recommendation 4: Require a dedicated site inspector be employed by the Government of the Northwest Territories for the life of the Project and ensure communication with the existing independent monitoring body SLEMA be continued as well as with Aboriginal parties.

5.0 Additional Study

In the review of the proposed amendment the NSMA has relied heavily on the thirdparty report produced by EcoMetrix entitled *Snap Lake Amendment Application: Assessment of Water Quality Objectives.* This report suggests that through mine water treatment using reverse osmosis, removal efficiencies are possible that in theory will achieve the EQC's in the treated mine effluent (Requested by the NSMA in Recommendation 1 and 3).

This EcoMetrix report reviews, in depth, the methodologies and data put forth by De Beers in attempting to justify significantly reducing water quality and increasing the quantity of mine water discharge. The NSMA feels that while this report is thorough, it is only one step in the process of the Government of the Northwest Territories selecting a revised level for total dissolved solids that will protect the environment from harm.

Recommendation 5: Require an additional third-party, unbiased scientific study be conducted to review all current and available data, and communicate the findings of this study to related Aboriginal parties.

6.0 Conclusion

The above recommendations summarize what the NSMA wishes to see the Mackenzie Valley Review Board require of DeBeers respecting the latter's proposed amendments to the Water License for Snap Lake Mine. It is, in addition, NSMA's wish that DeBeers operates the Snap Lake mine in a sustainable manner that achieves a good return on its investment while preserving the health of the land and water and the species that depend on it.

The NSMA would like to thank the Mackenzie Valley Review Board for the opportunity to submit this intervention and for our thoughts and concerns to be heard. We look forward to our upcoming submission of our presentation and the June 5th - 6th, 2014 Public Hearing and contributing to the Board's goal of incorporating a broad range of input during the Water License and Land Use Permit process.

Sincerely,

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