

MINUTES OF PROCEEDINGS

OF THE

205th MEETING

Québec City
June 6, 2013

ADOPTED

Minutes of proceedings of the 205th meeting of the Kativik Environmental Quality Commission, held on June 6, 2013, at Édifice Marie-Guyart in Québec City.

Present:	Peter Jacobs, Chairperson	Putulik Papigatuk
	Daniel Berrouard	Eli Aullaluk
	Pierre-Michel Fontaine	Lisa Koperqualuk
	Marie-Ève Fortin	Charlie Arngak
	Mireille Paul	

Absent:

Executive Secretary: Stéphane Cossette

The 205th meeting of the KEQC was held in Québec City on June 6, 2013. The agenda as well as the minutes of the 203rd and 204th meetings were adopted. The members went back over the draft decision regarding the Monts-Pyramides park project and agreed that the project can be authorized on certain conditions. The executive secretary attended the Kuujjuaq mining workshop in April and summarized the workshop for the members. As well, he briefly explained the concerns raised during COFEX-North's public consultations on Canadian Royalties' port infrastructures project at Deception Bay. The first item on the agenda was the Kuururjuaq park project. The members went over the additional information received on the proposed changes to the park zoning plan and the construction of a full-service camp at Korluktok Falls. The members agreed that the project can be authorized. Last February, the Ministère des Transports requested a certificate of exemption for the project to relocate a fuel tank at the Ivujivik airport. Based on the information recently received by the Commission, the members agreed that the project can be exempted from the environmental and social impact assessment and review procedure. Next, the members discussed the project to install culverts in Kangirsuq. They consider that the proponent submitted all of the required information and the project can be exempted from the environmental and social impact assessment and review procedure. Jonathan Blais, a Master's student at Université Laval, gave a presentation on his research into the social impacts of mining. In fall 2012, he interviewed around 50 people in Salluit and Kangiqsujuaq about the Raglan Mine. His research is aimed at determining the changes these communities have undergone since the opening of the mine. The main changes identified during the interviews are job creation, business start-ups, royalties, the fly-in/fly-out work schedule, and the mine's activities in the territory. The next item on the agenda was the restoration plan for the Raglan Mine. A draft letter containing the Commission's comments was discussed. After making corrections regarding studies on encapsulation of tailings in permafrost, the members agreed that the letter could be sent. A discussion of three files submitted by Xstrata Nickel ensued. Regarding the project to increase the population at Katinniq, the additional information provided by the proponent indicates that the numbers were revised and the maximum number of workers on site will be maintained at 875. Based on that information, the members agreed to approve the request. Regarding the concentrator production capacity upgrade project, the members consider that the additional information provided by the proponent is sufficient to authorize the project. Lastly, Xstrata Nickel wants to lower the Bombardier beach jetty. The members agreed that the project can be authorized and that any new request to modify the jetty must be approved by the Commission. Next, the members discussed Canadian Royalties' Deception Bay port infrastructures project. In the members' opinion, enough additional information was sent to authorize the

project. However, the members remarked that the numerous changes made to the project created confusion and delayed the project review. Therefore, in future the Commission is counting on the proponent to send sufficiently detailed and optimized versions of its projects and required changes. Under “Varia,” the members discussed the project to upgrade the petroleum depot at Akulivik. Given that the responses to the Commission’s questions were tabled during the meeting, it was proposed that the members go over the information received and submit any comments to the secretary so that he can draft a decision. Lastly, it was proposed that the Commission hold its next meeting in Aupaluk from August 27-29, 2013. In conjunction with the meeting, the members will tour the site of the Hopes Advance mining project.

1. Adoption of the agenda

The agenda was amended to include discussion of the project to upgrade the petroleum depot at Akulivik under “Varia.”

2. Adoption of the minutes of the 203rd and 204th meetings

The minutes of the 203rd and 204th meetings were adopted after making corrections. It was suggested that the summaries of minutes be translated into Inuktitut. This will be done starting with the 200th meeting.

3. Matters arising from the last meeting

- a. **Monts-Pyramides park project:** The draft decision was tabled and the members went over the conditions attached to it. They agreed that the park could be established with the boundaries defined in the impact studies. The proposed conditions were reviewed. The text of a condition was amended to clearly specify that any changes to the boundaries must be submitted to the Administrator for approval.
- b. **Mining workshop 2013:** Stéphane Cossette attended the mining workshop held in Kuujuaq in early April. The workshop was organized by the Nunavik Mining Fund. A copy of the presentations was sent to the members before the meeting. The presentations were primarily promotional, stressing the large potential of mines. Other presentations included one by Makivik Corporation on impact and benefit agreements (IBA), one by a researcher from Université Laval on the social impacts of the Raglan Mine, and one by the Kativik Regional Government on the procedure for opening a mine. It was suggested that if another such workshop is held, the Commission give a presentation on its mandate and the provincial environmental assessment procedure.
- c. **COFEX-North’s public consultation on the Deception Bay port infrastructures project:** Stéphane Cossette attended the public consultations held in Kangiqsujuaq and Salluit on May 6 and 7, 2013. The community of Kangiqsujuaq is primarily concerned about navigation and ballast water disposal. Some people are afraid that ballast water will be discharged near Wakeham Bay. DFO was asked about the fish habitat compensation program. Around 70 people attended the consultation in Salluit and expressed concerns about infrastructure stability given the harsh climate (tide range, wind speed, waves, etc.).

4. Amendment to the certificate of authorization for Kuururjuaq park

The proponent sent its responses to the Commission’s questions, including confirmation that no borrow pits will be used. The members agreed that the amendment to the certificate of authorization can be authorized. We received additional information.

Action: Send the Administrator the Commission’s decision regarding the amendment to the certificate of authorization for this project.

5. Relocation of a fuel tank at Ivujivik airport by the Ministère des Transports

The Ministère des Transports sent its responses to the Commission's questions and the members found them satisfactory. Work will be carried out in a small pond and the members decided that an environmental and social impact statement is not needed for this project.

Action: Send the Administrator the Commission's decision regarding exemption of this project from the environmental and social impact assessment and review procedure.

6. Installation of culverts in Kangirsuk by the Kativik Regional Government

The information provided by the Kativik Regional Government is satisfactory. The culverts will be built on the road to the new northern landfill site. A concern about unhindered fish passage was raised. The members agreed that the project should not be subject to the environmental and social impact assessment and review procedure. However, the decision will mention that the installation of culverts must not create a barrier to fish passage.

Action: Send the Administrator the Commission's decision regarding exemption of this project from the environmental and social impact assessment and review procedure.

7. Presentation by Jonathan Blais on the social impacts of mining in Salluit and Kangiqsujuaq

Jonathan Blais is doing a Master's degree at Université Laval under the supervision of Thierry Rodon. His research deals with the social impacts of mining in general and the Raglan Mine in particular, as the latter is the only mine in Nunavik that has been operating for a long time. Interviews were conducted in Salluit and Kangiqsujuaq in fall 2012. Mr. Blais chose these two communities because they are covered by the Raglan agreement and the residents are impacted by the mine. Around 50 Inuit and non-Inuit people were interviewed. They were first selected by a resource person in each community and then by word of mouth.

The goal of the study is to determine the changes that have taken place in the communities since the Raglan mine opened. The main changes identified through the interviews are job creation, business start-ups, royalties, the fly-in/fly-out work schedule and the mine's activities in the territory.

Direct jobs were created at the mine as well as within the communities. This employment has raised workers' standard of living and allowed them to buy material goods. Mine workers have developed a sense of pride. Living conditions at the mine are difficult because mining crews operate on a fly-in/fly-out basis and far from their families. Sometimes the experience acquired at the mine can be applied elsewhere such that people quit working at the mine if similar jobs are available in the community. Despite the company's efforts to reduce discrimination, the Inuit workers felt shunned. They also felt a degree of discrimination in the types of jobs they got (not the best ones) and in access to employment promotion.

Businesses from southern Québec partnered with the Inuit to create new businesses. False promises were made at the outset and few new local businesses were created. And it is just as hard for these businesses to hire Inuit workers as it is for Raglan.

The fly-in/fly-out work schedule creates instability in the family structure. The fact that a parent is away for long periods of time can cause problems at school in cases where the teacher needs to speak to the parents together. A positive aspect reported by interviewees is that employees have their own bedrooms when they're on site, which is significant in a context of normally overcrowded housing conditions. Moreover, when an adult leaves home to travel to the mine site, it means more room for the other members of the household. Also, when employees with a fly-in/fly-out work schedule are on leave back in the community, they can use their time off to practise traditional activities.

The issue of royalties was raised many times during the interviews. In Salluit, royalties have essentially been shared among individuals, whereas in Kangiqsujuaq, the money has been used to fund community projects. Regardless of the royalty distribution system, however, the observed impacts are the same in both communities. When royalties are used to fund community projects, people have a positive perception, whereas when the money is distributed directly to individuals, sentiments are mixed. Thanks to mining royalties, community infrastructures have been built. A positive impact of royalties is that part-time workers have been able to supplement their income. On the other hand, when the money comes in, some municipal services are no longer available because employees don't go into work, sometimes for more than a month. And although this cash inflow can lead to questionable spending (alcohol, drugs), it also enables some people to buy themselves a boat, snowmobile or firearm to pursue traditional activities.

As regards the mine's activities in the territory, a lot of people are concerned about possible animal contamination. Others fear that the noise from mining activities might have a negative impact on wildlife ranges, including caribou migration corridors. Some people have stopped hunting or fishing near the mine because they are afraid the wildlife is contaminated. Regardless of whether these fears are founded, they still constitute an impact.

Mr. Blais expects to hand in his Master's thesis this fall. A summary in English will be sent to the communities.

Action: None.

8. Xstrata Nickel – Raglan Mine rehabilitation and restoration plan

A draft letter was sent to the members prior to the meeting. Under the *Mining Act*, a revised rehabilitation and restoration plan must be submitted every five years. Revised plans are sent to the Commission for information purposes, but the final restoration plan at the end of the mine's operation will be sent to the Commission for approval. Corrections were made to the draft letter, including in regards to tailings site studies and encapsulation of tailings in permafrost. The Commission mentions in the letter that it wishes to be kept abreast of the studies as well as

receive a report on the findings. Furthermore, the Commission wants any changes made to the tailings site restoration program as a result of the study findings to be indicated in the next version of the Raglan mine restoration plan.

Other corrections that were proposed concern gradual restoration and visual simulations of restored areas. Visual simulations must show restoration work carried out on various open-pit mines, tailings heaps and tailings ponds, as well as the planned gradual restoration over the life of the project.

Action: Make the corrections to the draft letter and then send it to the Administrator.

9. Xstrata Nickel - Concentrator production capacity upgrade project and waste rock maximum capacity upgrade project

The proponent sent additional information and a number of changes were made. The proponent still plans to upgrade the concentrator production capacity, but the plan to install a new storage silo at Deception Bay has been abandoned. The work will not generate additional impacts because it will be carried out inside the concentrator; however, the effects from transport will be greater. Given that a new, bigger-capacity ship will be available soon, the number of trips per year will remain at 8. The members agreed that the requested amendment to the certificate of authorization could be authorized. The cover letter will mention that the environmental follow-up program must continue.

Action: Send the Administrator the Commission's decision regarding the amendment to the certificate of authorization for this project.

10. Xstrata Nickel – Request to amend the certificate of authorization for the project to increase the population at Katinniq

The proponent sent additional information to the effect that the population in Katinniq will not change and that there's no need to upgrade the household wastewater treatment plant at this time. It is the members' understanding that the maximum population at Katinniq will not exceed 875. It was agreed that the amendment to the CA could be authorized.

Action: Send the Administrator the Commission's decision regarding the amendment to the certificate of authorization for this project.

11. Xstrata Nickel – Request to amend the certificate of authorization for the planned changes to the Bombardier beach jetty

Xstrata Nickel wants to lower this beach jetty in order to accommodate barges carrying new concentrator modules to the site. The members consider that enough information was provided to

authorize the project. However, the proponent's request that any other changes made to the jetty not be subject to the Commission's approval is denied.

Action: Send the Administrator the Commission's decision regarding the amendment to the certificate of authorization for this project.

12. Canadian Royalties – Request to amend the certificate of authorization for the Deception Bay wharf and sediment management project

The Commission received the responses to its questions, plus extra information. The Commission completed its review and all of the necessary information has been received. The project could be authorized on two conditions relating to environmental follow-up and the quality of the work performed. In addition, the decision will mention the numerous changes made to the project between the initial submission and the final project, which led to confusion and delayed the review process. Consequently, in future the Commission expects the proponent to submit sufficiently detailed and optimized projects and changes.

Action: Send the Administrator the Commission's decision regarding the amendment to the certificate of authorization for this project.

13. Varia

Akulivik petroleum depot upgrade project: The proponent's responses to the Commission's questions were distributed to the members during the meeting. The information appeared to be satisfactory, but it was proposed that the members take the time to read the document. The executive secretary will incorporate any comments into a draft decision, which will be sent to the members. A conference call will be held if necessary.

14. Next meeting

The next meeting will be held on August 27-29, 2013, in Aupaluk. While in Aupaluk, the members will visit the site of Oceanic Iron Ore's mining project and meet with the municipal council.

Stéphane Cossette
August 29, 2013

Task: Decide whether project should be authorized / Tâche : Prendre un décision quant à l'autorisation du projet

11. Raglan mine - Request from XStrata Nickel to amend the certificate of authorization to modify the Bombardier beach jetty / Demande de modification au certificat d'autorisation concernant des changements à apporter à la jetée de la plage Bombardier par Xstrata Nickel

Task: Determine whether additional information is needed and decide whether project should be authorized / Tâche : Évaluer si des renseignements supplémentaires sont requis et prendre une décision quant à l'autorisation du projet le cas échéant.

12. Nunavik Nickel mine – Request from Canadian Royalties to amend the certificate of authorization for the Deception Bay wharf and sediment management project / Mine Nunavik Nickel – Demande de modification au certificat d'autorisation à propos du port et de la gestion des sédiments de dragage à baie Déception par Canadian Royalties

Task: Determine whether additional information is needed and decide whether project should be authorized / Tâche : Évaluer si des renseignements supplémentaires sont requis et prendre une décision quant à l'autorisation du projet le cas échéant.

13. Varia

14. Next meeting / Prochaine réunion

SCHEDULE 1 – ANNEXE 1

Administrative follow-up – Suivi administratif des dossiers

- a) Parc national Kuururjuaq – Request to amend the certificate of authorization regarding park zoning, MDDEFP / Parc national Kuururjuaq – Demande de modification au certificat d'autorisation concernant le zonage du parc
- Status: The Commission received supplementary information from the Administrator (April 4, 2013) / Statut : La Commission a reçu des renseignements supplémentaires de la part de l'Administrateur (4 avril 2013)*
- b) Kativik Regional Government: Set-up and operation of a bitumen asphalt plant / Administration régionale Kativik: Installation et operation d'une usine de béton bitumineux
- Status: The Commission sent its decision to the Administrator (April 12, 2013) / Statut : La Commission a envoyé sa décision à l'Administrateur 12 avril 2013)*
- c) XStrata Nickel: 2012 environmental monitoring report / Xstrata Nickel : Rapport de surveillance environnemental 2012
- Status: The Commission received the document for information purposes (April 22, 2013) / Statut : La Commission a reçu le document pour information (22 avril 2013)*
- d) Nunavik Nickel: Request to amend the certificate of authorization for the construction of a wharf in Deception Bay / Nunavik Nickel: Demande de modification au certificat d'autorisation concernant la construction d'infrastructures portuaires dans la baie Déception
- Status: The Commission received supplementary information from the Administrator (April 22, 2013) / Statut : La Commission a reçu des renseignements supplémentaires de la part de l'Administrateur (22 avril 2013)*
- e) Kativik Regional Government: Construction of a new water intake in Aupaluk / Administration régionale Kativik: Construction d'une nouvelle prise d'eau municipale
- Status: The Commission sent its decision to the Administrator (April 26, 2013) / Statut : La Commission a envoyé sa décision à l'Administrateur (26 avril 2013)*
- f) Makivik Corporation: Treatment of contaminated soil in Puvirnituq / Société Makivik: Projet de traitement de sols contaminés à Puvirnituq
- Status: The Commission sent its decision to the Administrator (April 26, 2013) / Statut : La Commission a envoyé sa décision à l'Administrateur (26 avril 2013)*
- g) Xstrata Nickel: Bombardier beach jetty modification / Xstrata Nickel: Projet de modification de la jetée de la plage Bombardier
- Status: The Commission received a request to amend the certificate of authorization from the Administrator (May 2, 2013) / Statut : La Commission a reçu une demande de modification au certificat d'autorisation de la part de l'Administrateur (2 mai 2013)*
- h) Kativik Regional Government: installation of culverts in Kangirsuk / Administration régionale Kativik: Installation de ponceaux à Kangirsuk
- Status: The Commission received the preliminary information from the Administrator (May 3, 2013) / Statut : La Commission a reçu des renseignements préliminaires de la part de l'Administrateur (3 mai 2013)*
- i) XStrata Nickel: Concentrator production capacity upgrade and waste rock maximum storage upgrade project / XStrata Nickel : Projet d'augmentation de la capacité de production du concentrateur et d'augmentation de la capacité maximale d'entreposage des stériles miniers
- Status: The Commission received supplementary information from the Administrator (May 27, 2013) / Statut : La Commission a reçu des renseignements supplémentaires de la part de l'Administrateur (27 mai 2013)*