



Mackenzie Valley Land and Water Board
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Staff Report

Applicant: De Beers Canada Inc.	
Location: Gahcho Kué, NT	Application: MV2005L2-0015 and MV2005C0032
Date Prepared: January 9, 2019	Meeting Date: January 17, 2019
Subject: Version 4.1 Interim Closure and Reclamation Plan Extension Request	

1. Purpose/Report Summary

The purpose of this Report is to present to the Mackenzie Valley Land and Water Board (MVLWB/the Board) an extension request submitted by De Beers Canada Inc. (De Beers) for submission of the Gahcho Kué Interim Closure and Reclamation Plan (ICRP) Version 4.1 (V.4.1). The ICRP is required to fulfill/satisfy Condition 84 of Land Use Permit (Permit) MV2005C0032 and Part J, condition 1 of Water Licence (Licence) MV2005L2-0015.

2. Background

- November 28, 2013 – Conceptual Closure and Reclamation Plan (ICRP V.1) submitted to the Board following conclusion of Environmental Impact Review;
- September 24, 2014 – De Beers hosts a closure and reclamation workshop;
- March 2, 2016 – De Beers hosts a workshop to discuss draft ICRP (V.2);
- July 25, 2016 – De Beers submits ICRP (V.3) to the Board;
- October 7, 2016 – Board staff hosts ICRP technical workshop;
- January 12, 2017 – Board defers approval of the ICRP (V.3) to allow additional time for refinement of major components; Board requests revision and resubmission of the ICRP (V.3) objectives in accordance with comments received during the review;
- February 1, 2017 – De Beers submits the revised ICRP (V.3) objectives to the Board;
- March 16, 2017 – Revised ICRP (V.3) objectives approved as an interim submission; Board directs revision and resubmission of the ICRP closure options and Reclamation Research Plans (RRP) in accordance with comments received during the review;
- May 5, 2017 – De Beers submits revised options and RRP to the Board;
- September 14, 2017 – Revised options and updated RRP approved as an interim submission. Board requests the closure criteria be revised and resubmitted in accordance with comments received during review of ICRP (V.3);
- October 26, 2017 – De Beers submits the revised closure criteria to the Board;
- December 14, 2017 – Board staff hosts closure criteria technical workshop;

- February 13, 2018 – De Beers’ revised closure criteria approval deferred and De Beers directed to resubmit ICRP V.4 by April 13, 2018;
- May 14, 2018 – ICRP V.4 submitted to the Board;
- November 7, 2018 – ICRP V.4 returned to De Beers for resubmission by January 31, 2019;
- December 5, 2018 – De Beers submits a one year extension request for ICRP V.4.1;
- December 12, 2018 – Board staff request additional information to support De Beers’ one year extension request;
- December 20, 2018 – De Beers submits a 60-day extension request for ICRP V.4.1;
- January 4, 2019 – Comments on De Beers’ extension request due;
- January 8, 2019 – Responses to comments due;
- **January 17, 2019 – 60-day Extension Request presented to the Board;**
- August 8, 2019 – Expiry of Permit MV2005C0032; and
- September 30, 2028 – Expiry of Licence MV2005L2-0015.

3. Discussion

Submission Description

On [January 12, 2017](#), the Board deferred the approval of ICRP (V.3) and requested refinement of 3 major plan components - (1) Objectives, (2) Options and Reclamation Research Plan, and (3) Closure Criteria. These components were separated and sent for separate rounds of public review. Revised Closure Objectives and revised Closure Options and Reclamation Research Plans were reviewed and approved as interim submissions (on [March 16, 2017](#) and [September 14, 2017](#), respectively). The approval of revised Closure Criteria was deferred (on [February 13, 2018](#)) as the Board determined that it required further refinement. At this time, De Beers was directed to submit its ICRP V.4 incorporating direction given by the Board during all previous reviews.

ICRP V.4 was submitted on May 14, 2018 and updated based on some of the reviewer comments on August 21, 2018. On November 7, 2018, the Board rejected ICRP V.4 and directed De Beers to resubmit as ICRP V.4.1 incorporating all previously identified commitments and issued Board directives. On December 5, 2018, De Beers wrote to Board staff to outline concerns with the review process for the ICRP and to request a one-year extension for the ICRP V.4.1 submission date to reflect ‘mine plan adjustments.’ On December 12, 2018, Board staff provided De Beers some clarification on the ICRP review process and requested that De Beers provide additional details on the rationale for the one year extension request, including additional information regarding any adjustments to the mine plan. On December 20, 2018, De Beers responded to Board staff amending their request to a 60-day extension to the ICRP V.4.1 submission date to further engage with Board staff regarding submission requirements. In its December 20, 2018 letter De Beers did not refer any ‘mine plan adjustments’.

Regulatory Requirements

Licence [MV2005L2-0015](#) and Permit [MV2005C0032](#) require submission of an ICRP as per the following conditions:

Licence MV2005L2-0015: Part J, condition 1 states that:

Within twenty-four (24) months following issuance of this Licence, the Licensee shall submit an **Interim Closure and Reclamation Plan** to the Board for approval, in accordance with the Mackenzie Valley Land and Water Board and Aboriginal Affairs and Northern Development

Canada's November 2013, or subsequent editions, *Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories*. In addition to conforming with the Guidelines, the Licensee shall:

1. Propose methods to reduce the period of time required for the recovery of the Water Management Pond;
2. Include a research plan for investigating cover options for the Waste Rock piles and processed kimberlite; and
3. Include any implications from the results of the Rock Placement Verification Program required under Part E, item 7 have on Waste Rock handling and closure and Reclamation options.

Licence MV2005L2-0015: Part J, condition 4 states that:

The Licensee shall submit a revised **Interim Closure and Reclamation Plan** upon request of the Board.

Permit MV2005C0032: Condition 84 states that:

The Permittee shall submit an **Interim Closure and Reclamation Plan**, to the Board for approval, in accordance with the Mackenzie Valley Land and Water Board and Aboriginal Affairs and Northern Development Canada's November 2013, or subsequent editions, *Guidelines for the Closure and Reclamation of Advanced Mineral Exploration and Mine Sites in the Northwest Territories*.

4. Public Review

By January 4, 2019, comments and recommendations on De Beers' extension request were received from 1 reviewer, the Government of the Northwest Territories Department of Environment and Natural Resources (GNWT-ENR). The GNWT expressed that it had no concerns with the request submitted by De Beers. There was no response by De Beers as of the January 8, 2019 response due date.

5. Security

The GNWT currently holds reclamation security in the amounts of \$23,776,270.00 under Licence MV2005L2-0015 and \$13,844,096.00 under Permit MV2005C0032 for the Gahcho Kué project. De Beers submitted an updated RECLAIM estimate that reflects a recently submitted Amendment Application.

6. Conclusion

De Beers is required to update ICRP V.4.1 for Board approval based on Board direction and commitments made by De Beers throughout the ICRP V.3 and V.4 review processes. The Board has directed De Beers to provide a thorough and accurate list of all changes made in the ICRP, including a version indicating where all updates and changes have been made and what comments and commitments they address. Board staff do not anticipate any issues with the 60-day extension request submitted by De Beers to address the direction given to it on November 7, 2018. As it was the internal conformity review of ICRP V. 4 that identified numerous small deficiencies the Board has directed Board staff to undertake an internal conformity check on ICRP V.4.1, once submitted, instead of a full public review.

7. Recommendation

Board staff recommend the Board **make a motion to approve the 60-day extension request for Interim Closure and Reclamation Plan (ICRP V.4.1).**

A draft decision letter is attached. Board direction on the submission of ICRP V.4.1 from November 7, 2018 has been referenced in the letter to ensure clarity and consistency in the communication of Board expectations for ICRP V.4.1.

8. Attachments

- [December 5, 2018 Extension Request Letter from De Beers](#)
- [December 12, 2018 Information Request and Response to Extension Request from Board Staff](#)
- [December 20, 2018 Response to Information Request and Update Extension Request from De Beers](#)
- Draft Decision Letter from the Board

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'SA', written over a light grey rectangular background.

Shannon Allerston
Regulatory Specialist