



**Mackenzie Valley Land and Water Board**  
**7th Floor - 4910 50th Avenue**  
**P.O. Box 2130**  
**YELLOWKNIFE NT X1A 2P6**  
**Phone (867) 669-0506**  
**FAX (867) 873-6610**

## Staff Report

<b>Applicant:</b> Canadian Zinc Corporation	
<b>Location:</b> Liard Highway to Prairie Creek Mine	<b>Application:</b> MV2014F0013 MV2014L8-0006
<b>Date Prepared:</b> May 21, 2014	<b>Meeting Date:</b> May 22, 2014
<b>Subject:</b> Applications for a permanent road to the Prairie Creek Mine	

### 1. Purpose/Report Summary

The purpose of this report is to present Applications from Canadian Zinc Corporation (CZN) to the Mackenzie Valley Land and Water Board (Board) for a Land Use Permit (LUP) and Water Licence (WL) for construction of a permanent road between the Liard Highway and the Prairie Creek Mine property, and obtain a Board decision on the Applications.

### 2. Background

- April 23, 2014 – Applications received;
- May 2, 2014 – Applications deemed complete and distributed for review;
- May 15, 2014 – Reviewer comments due;
- May 21, 2014 – Proponent response due; and
- May 22, 2014 – Applications presented to the Board for decision.

### 3. Discussion

CZN has submitted Applications for LUP MV2014F0013 and WL MV2014L8-0006, for construction of a permanent road between the Liard Highway and the Prairie Creek Mine. CZN notes in their covering letter that due to the fact that they are proposing land use which has not been previously screened or the subject of an Environmental Assessment (EA), they expect the Applications will be referred to EA, and requested that Parks Canada (Parks) refer the Applications to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for EA. Parks, however,

has not elected to exercise their referral power, and has submitted a letter to the Board recommending the Applications be referred to EA.

#### **4. Comments**

The Board will note that Board staff has not attached a preliminary screening report to the Staff Report since the majority of comments received support the request for an EA. The Board has the authority to refer a project to EA without a preliminary screening under paragraph 126.(2)(a) and subsection 126(4) of the Mackenzie Valley Resource Management Act (MVRMA), which reads, respectively:

(2) Notwithstanding any determination on a preliminary screening, the Review Board shall conduct an environmental assessment of a proposal for a development that is referred to it by

(a) a regulatory authority, designated regulatory agency or department or agency of the federal or territorial government;

(4) For greater certainty, subsections (2) and (3) apply even if a preliminary screening has not been commenced or, if commenced, has not been completed.

Board staff has confirmed this approach with legal counsel.

#### **5. Review Comments**

Comments were received from Dehcho First Nations (DCFN), Environment Canada (EC), Fisheries and Oceans Canada (DFO), Government of the Northwest Territories Lands (GNWT – Lands), Naha Dehe Dene Band (NDDDB), Parks, and Transport Canada (TC).

GNWT – Lands, DCFN, Parks and NDDDB all submitted letters supporting CZN's request to have the project referred to EA. EC submitted a letter stating the Board was in the best position to determine if a referral EA was the best course of action.

TC and DFO submitted comments related to specific parts of their legislation CZN should adhere to when conducting operations. GNWT – Lands submitted several comments regarding activities described in the project description, which will best be addressed during an EA.

#### **6. Conclusion**

Board staff has concluded that the majority of reviewers support CZN's request to have the project referred to MVEIRB for an EA.

## 7. Recommendation

Board staff recommends the Board refer CZN's Applications for LUP MV2014F0013 and WL MV2014L8-0006 to MVEIRB for an EA, pursuant to paragraph 126.(2)(a) of the MVRMA.

## 8. Attachments

- Review Comment Table
- [Application](#)
- Draft Referral Letter – MVEIRB

Respectfully submitted,



Julian Morse  
Regulatory Officer

## Review Comment Table

<b>Board:</b>	MVLWB
<b>Review Item:</b>	Canadian Zinc Corporation - New LUP and WL Application (MV2014F0013 MV2014L8-0006 )
<b>File(s):</b>	<a href="#">MV2014F0013</a> <a href="#">MV2014L8-0006</a>
<b>Proponent:</b>	CanZinc Corporation
<b>Document(s):</b>	<a href="#">MV2014F0013 MV2014L8-0006 - CZN - New LUP and WL Application</a> (7MB)
<b>Item For Review Distributed On:</b>	May 2 at 16:21 <a href="#">Distribution List</a>
<b>Reviewer Comments Due By:</b>	May 15, 2014
<b>Proponent Responses Due By:</b>	May 21, 2014
<b>Item Description:</b>	<p>Canadian Zinc Corporation (CZN) have submitted a Land Use Permit and Water Licence application for construction of an all season road between the Liard Highway and the Prairie Creek Mine. The Mackenzie Valley Land and Water Board is seeking comments from reviewers on these applications.</p> <p>Reviewers will note that CZN has specifically requested this application be referred to the Mackenzie Valley Review Board for Environmental Assessment (EA). If your organization is a referring agency as per subsection 126.(2) of the Mackenzie Valley Resource Management Act, you may consider referring the project to EA. If you are not a referring agency but are of the opinion that the project should or should not proceed to EA, please indicate this in your comments on the applications for the Board to consider.</p> <p>Please submit comments using the Online Review System by Thursday, May 15, 2014.</p> <p>If you have any questions or concerns, please contact Julian Morse at (867) 766-7453 or <a href="mailto:jmorse@mvlwb.com">jmorse@mvlwb.com</a>.</p>

This review item has also been distributed by fax to the following organizations:

Acho Dene Koe First Nation (Fort Liard)	Boyd Clark	General Manager	<a href="mailto:achodenekoe@northwestel.net">achodenekoe@northwestel.net</a> ;
Fort Liard Metis Local #67	Ernie McLeod	President	(867)770-4573;
Fort Simpson Métis Local #52	Marie Lafferty	President	(867)695-2040;
Hay River Metis Council	Wally Shuman	President	(867)874-4472; <a href="mailto:hrc@northwestel.net">hrc@northwestel.net</a> ;
Ka'a'gee Tu First Nation	Lloyd Chicot	Chief	(867)825-2002; <a href="mailto:kakisalloyd@hotmail.com">kakisalloyd@hotmail.com</a> ;
Liard First Nation	Liard MacMillan	Chief	(867)536-7910;
Northwest Territory Métis Nation	Garry Bailey c/o Tim Heron	NWTMN IMA Coordinator	(867)872-2772; <a href="mailto:rcc.nwtmn@northwestel.net">rcc.nwtmn@northwestel.net</a> ;
Ross River Dena Council	Brian Ladue	Chief	<a href="mailto:chiefladue@gmail.com">chiefladue@gmail.com</a> ; (867)969-2405;

**General Reviewer  
Information:**

**Contact Information:**

Julian Morse 867-766-7453

## Comment Summary

CanZinc Corporation (Proponent)				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	General File	<b>Comment</b> <a href="#">(doc)</a> CZN Response to reviewer comments <b>Recommendation</b>		N/A
Dehcho First Nations: Dahti Tsetso				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	General File	<b>Comment</b> <a href="#">(doc)</a> DFN Letter <b>Recommendation</b>		N/A
Environment Canada: Loretta Ransom				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	General File	<b>Comment</b> <a href="#">(doc)</a> EC Comments <b>Recommendation</b>		N/A
Fisheries and Oceans Canada: Kelly Eggers				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	Mitigation of impacts to fish and fish habitat	<b>Comment</b> DFO notes that works on watercourses (ie. watercrossings and channel realignment) are proposed, and that Canadian Zinc expects that the works can be completed without resulting in a net loss of fish habitat. <b>Recommendation</b> DFO recommends that mitigation measures be applied to the proposed works to avoid serious harm to fish. For the proposed works on watercourses, with sufficient mitigation it is possible that serious harm to fish may be avoided. As more details on the watercrossings and channel realignment become available, DFO may review to ensure appropriate mitigation is in place to avoid serious harm to fish.		Reviewer concerns to be addressed during EA.

**GNWT - Lands: Laurie Nadia**

<b>ID</b>	<b>Topic</b>	<b>Reviewer Comment/Recommendation</b>	<b>Proponent Response</b>	<b>Board Decision</b>
1	Project Description Report 2.1.2	<b>Comment</b> The applicant states that 8 meter wide turn outs may be as short as approximately 1 km. <b>Recommendation</b> The Inspector recommends the applicant state the approx max length of the 8 meter wide sections, how many there will be, and their locations.		Reviewer concerns to be addressed during EA.
2	Project Description Report 2.1.2	<b>Comment</b> The applicant states in the Project Description that the construction camp will utilize sumps. However, in the Land Use Permit Application 9b) the Permittee states that all sewage will be hauled to the Mine Site Sewage Treatment Plant. <b>Recommendation</b> The Inspector recommends the applicant clarify which process is being applied for.		Reviewer concerns to be addressed during EA.
3	Project Description Report 2.2.3	<b>Comment</b> The applicant states that Airstrip locations 2&4 are the preferred, however, other locations will be considered <b>Recommendation</b> The Inspector recommends the applicant include any possible locations within the application as well as the access routes to the airstrips.		Reviewer concerns to be addressed during EA.

**GNWT - Lands: Lorraine Seale**

<b>ID</b>	<b>Topic</b>	<b>Reviewer Comment/Recommendation</b>	<b>Proponent Response</b>	<b>Board Decision</b>
1	General File	<b>Comment</b> <a href="#">(doc)</a> GNWT Lands Letter <b>Recommendation</b>		N/A

**Nahanni Butte First Nation: Peter Redvers**

ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	General File	<b>Comment</b> <a href="#">(doc)</a> NDDDB Letter <b>Recommendation</b>		N/A

**Parks Canada: Jonathan Tsetso**

ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	General File	<b>Comment</b> <a href="#">(doc)</a> Parks Letter <b>Recommendation</b>		N/A

**Transport Canada: Holly Poklitar**

ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Decision
1	Regulatory requirements and expertise regarding navigation	<p><b>Comment</b> Legislative amendments to the <i>Navigable Waters Protection Act</i>, now the <i>Navigation Protection Act</i> (NPA), came into force on April 1, 2014, which may affect Transport Canada’s responsibilities related to this project. A primary purpose of the NPA is to regulate works and obstructions that risk interfering with navigation in the navigable waters listed on the schedule to the Act.</p> <hr/> <p>More information on the NPA is available at <a href="http://www.tc.gc.ca/eng/programs-621.html">http://www.tc.gc.ca/eng/programs-621.html</a>.</p> <hr/> <p>A complete list of the waters in the schedule is available at <a href="http://parl.gc.ca/HousePublications/Publication.aspx?DocId=5765988&amp;Language=E&amp;Mode=1&amp;File=615#3">http://parl.gc.ca/HousePublications/Publication.aspx?DocId=5765988&amp;Language=E&amp;Mode=1&amp;File=615#3</a>.</p> <hr/> <p>Should you have any questions regarding the new NPA, please contact Transport Canada in Edmonton by phone at (780) 495-8215, by fax at (780) 495-8607 or by e-mail at <a href="mailto:NPPPNR-PPNRPN@tc.gc.ca">NPPPNR-PPNRPN@tc.gc.ca</a>.</p> <p><b>Recommendation</b> Transport Canada recommends that the Proponent verifies whether any project components are proposed to be built in, on, over, under, through or across any of the NPA’s scheduled waterways (e.g. crossings and barge landings), as well as self-assesses those components against the Order Amending the Minor Works and Waters (NPA) Order, to determine if an application under the NPA may be required for those components. TC requests a timeline for submission of any applications under the NPA.</p>		N/A



		Transport Canada can provide expert federal advice on navigation protection as it relates to key project elements.		
2	Proposed airstrip	<p><b>Comment</b> The Proponent proposes to build an airstrip.</p> <p><b>Recommendation</b> Transport Canada recommends that the Proponent register the airstrip. The advantages of this free service would be to mark their locations on maps and in GPS databases so pilots can find them easier, and allow instrument approach procedures to the sites to be developed when required.</p> <hr/> <p>The proposed airstrip development should be constructed as close as possible in accordance with TP 312 Aerodrome Standards and Recommended Practices; in particular the width of runway shoulders and the set back distances for apron parking areas from the runway so as not to interfere with runway operations.</p>		N/A



May 21, 2014

Julian Morse  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor-4910 50<sup>th</sup> Avenue,  
Yellowknife, NT  
X1A 2P6

Dear Mr. Morse

**RE: Applications for Class A LUP MV2014F0013 and Class B WL MV2014L8-0006**  
**All Season Access Road, Prairie Creek Mine**

As you are aware, Canadian Zinc Corporation (CZN) made applications for permits to construct, operate and maintain an all season access road to the Prairie Creek Mine. In the applications, we noted that it was our expectation that the project would be referred to environmental assessment.

The Board subsequently circulated the applications to interested parties and requested comments. We acknowledge and thank the parties for their comments, and note that most agree with our expectation of EA referral.

Therefore, we will not respond to the other comments at this time, given that there will be ample time to do so during the EA.

We trust the above is in order. If you have any questions or requests, please contact us.

Yours truly,  
CANADIAN ZINC CORPORATION

A handwritten signature in blue ink, appearing to read 'D. Harpley', is positioned above the typed name.

David P. Harpley, P. Geo.  
VP, Environment and Permitting Affairs



# DEHCHO FIRST NATIONS

Box 89, Fort Simpson, N.W.T. X0E 0N0  
Tel: (867) 695-2355/2610 Fax: (867) 695-2038  
E-mail: [dcfn@dehcho.org](mailto:dcfn@dehcho.org)

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May 14, 2014

Julian Morse  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor – 4910 50<sup>th</sup> Avenue  
Yellowknife, NT X1A 2P6

**Re: Canadian Zinc Corporation (CZN) Application for a Class A Land Use Permit and a Class B Water License All Season Access Road, Prairie Creek Mine**

CZN has applied to the Mackenzie Valley Land and Water Board (MVLWB) for permits to construct, operate and maintain an all season access road from the Nahanni Butte Access road to the Prairie Creek Mine. The all season road will follow the same alignment as the winter road authorized by their existing Land Use Permit and Water license. CZN has stated in their letter (dated April 16, 2014) to the MVLWB, *“We understand that you (MVLWB) will undertake a preliminary screening of the applications according to Part 5 of the Mackenzie Valley Resource Management Act (MVRMA). However, since we are proposing a land use (all season road access to the Liard Highway) that has not been the subject of environmental assessment (EA) or a permit previously, it is our expectation that you will conclude that s. 157.1 of the MVRMA does not apply, and that you will refer the applications to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for EA”.*

DFN agrees with the conclusion of CZN and believes that the change from a winter-road to an all-season road is a significant change in project design that warrants a referral to MVEIRB for an environmental assessment.

Mahsi,

Dahti Tsetso  
Resource Management Coordinator  
Dehcho First Nations  
[Dahti\\_Tsetso@dehcho.org](mailto:Dahti_Tsetso@dehcho.org)



Environment  
Canada

Environnement  
Canada

Prairie and Northern Region  
Environmental Protection Operations Directorate (EPOD)  
5019 52<sup>nd</sup> Street, 4<sup>th</sup> Floor  
Yellowknife, NT X1A 2P7

May 15, 2014

EC File No.: 5100 000 014 /010 & 5100 000 014 /011  
MVLWB File No.: MV2014F0013 & MV2014L8-0006

Julian Morse  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
Yellowknife, NT

Via online submission

Attention: Mr. Morse

**RE: MV2014F0013 MV2014L8-0006 – Canadian Zinc — Prairie Creek Mine All-Weather Road - Land Use Permit (LUP) and Water Licence (WL) Application**

Canadian Zinc is proposing to construct an all-weather road between the Liard Highway and the Prairie Creek Mine. Environment Canada (EC) has reviewed the information submitted with the above-mentioned applications, from the perspective of EC's mandated responsibilities arising from the *Canadian Environmental Protection Act, 1999*, the pollution prevention provisions of the *Fisheries Act*, the *Migratory Birds Convention Act* and the *Species at Risk Act*.

EC recognizes the winter road to the Prairie Creek Mine has been previously assessed and permitted. However, operation, construction and use of the road during the summer (i.e. year-round) has not been fully assessed. The information provided in the above mentioned applications is not sufficient for EC to assess potential impacts and evaluate potential associated mitigation as well as required monitoring and follow-up. Specifically, more information is required to adequately assess project impacts on water quality, emergency response, spill plans, Species at Risk and migratory birds.

The Mackenzie Valley Land and Water Board (MVLWB) has asked organizations if the project should or should not proceed to Environmental Assessment. EC believes the MVLWB is best positioned in this instance to decide which process is appropriate to address the information gaps in the project applications.

Please contact me at (867) 669-4744 or [loretta.ransom@ec.gc.ca](mailto:loretta.ransom@ec.gc.ca) if you have any questions.

Sincerely,

Loretta Ransom  
Senior Environmental Assessment Coordinator, EPOD, EC

cc: Carey Ogilvie, Head, Environmental Assessment North (NT & NU), EPOD, EC

**Canada**

[www.ec.gc.ca](http://www.ec.gc.ca)



Mr. Julian Morse  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
PO Box 2130  
YELLOWKNIFE NORTHWEST TERRITORIES X1A 2P6  
Via email: [jmorse@mvlwb.com](mailto:jmorse@mvlwb.com)

Dear Mr. Morse:

**Canadian Zinc Corporation - Construction of all-weather road between Liard Highway and Prairie Creek Land Use Permit MV2014F0013 Water Licence MV2014L8-0006**

This letter responds to the Mackenzie Valley Land and Water Board's May 2, 2014 request for comments on the above-noted applications, including the Board's request to consider whether the applications should be referred to the Mackenzie Valley Environmental Impact Review Board for environmental assessment. The Government of the Northwest Territories has initiated a review of the applications and supports Canadian Zinc Corporation's request that Parks Canada collaborate with the Land and Water Board to refer the applications to environmental assessment in a timely manner.

If the Land and Water Board has questions about this letter, please contact me at (867) 920-6237 or [terry\\_hall@gov.nt.ca](mailto:terry_hall@gov.nt.ca), or Lorraine Seale, Manager, Project Assessment Branch, at (867) 765-6786 or [lorraine\\_seale@gov.nt.ca](mailto:lorraine_seale@gov.nt.ca).

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Hall", written in a cursive style.

Terry Hall  
Director, Land Use and Sustainability

c: Ms. Lorraine Seale  
Manager, Project Assessment Branch  
Department of Lands  
Government of the Northwest Territories





Mackenzie Valley Land and Water Board  
4910 50th Avenue, 2nd Floor  
PO Box 2130  
Yellowknife NT X1A 2P6  
Via email: [jmorse@mvlwb.com](mailto:jmorse@mvlwb.com)

May 15<sup>th</sup>, 2014

**Re: Canadian Zinc Application to the Mackenzie Valley Land and Water Board for a Class A Land Use Permit and a Class B Water Licence for an All Season Access Road at Prairie Creek Mine (MV2014F0013 MV2014L8-0006)**

To whom it may concern:

The Parks Canada Agency is pleased to provide comments regarding Canadian Zinc Corporation's (CZN) application to the Mackenzie Valley Land and Water Board for a Land Use Permit and Water License for construction of an all season road between the Liard Highway and the Prairie Creek Mine. Following a review of the application Parks Canada is of the opinion that the development might have a significant adverse impact on the environment. The proposed project may have a number of potential impacts, including, but not limited to impacts on:

- fish and fish habitat
- wildlife habitat quantity and quality and wildlife movement
- karst topography
- cultural resources

As a result, Parks Canada recommends the proposal be referred to the Review Board for environmental assessment.

We would like to note that CZN has also submitted a land use permit and water license application to Parks Canada for the components of the project on Parks Canada lands. As outlined in sub-section 124 (4) of the *Mackenzie Valley Resource*



*Management Act*, Parks Canada is not required to conduct a preliminary screening of this project as this obligation is being covered through your Board.

If you should have any questions please feel free to contact Allison Stoddart at (819) 827-3436 or [Allison.stoddart@pc.gc.ca](mailto:Allison.stoddart@pc.gc.ca).

Sincerely,

David Britton

Superintendent, Nahanni National Park Reserve

c.c. Robert Kent, Field Unit Superintendent, Parks Canada

c.c. Review Board