W2015L2-0001
Diavik Water License Renewal Public Hearing

May 28th, 2015
Presentation Outline

- Overview of Renewal Application
- Current Status of Application Review Process
- Summary of DDMI May 14, 2015 Intervention
  - Term of License
  - Consistency
  - Amendment Recommendations
Renewal Application

• Exemption from Preliminary Screening Request

• Renewal Application Form
  • List of W2007L2-0003 reports (with hyperlinks)

• Water License Renewal Questionnaire – Diavik Specifics
  1. Project Description
  2. Environmental Effects
  3. Water License Compliance
  4. Proposed Changes to the License
  5. Security Deposit
  6. New Board Policies and Guidelines
  7. Modifications
  8. Other

• Waste Management Plan
1. Project Description
### Life of Mine Plan

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Mine schedule subject to market conditions, further resource evaluation, continued mine planned, etc.
2. Environmental Effects

a) Predicted in EA
   • nutrient enrichment
   • below thresholds at mixing zone boundary
   • metal leaching from dikes

b) Measured compared with predicted
   • dust deposition greater than predicted
   • effluent effects within predictions
   • dike effects less than predicted
   • higher fish salvage/monitoring mortality

c) Expected future
   • Water quality < Action Level 4
   • Enrichment < Action Level 4
   • Biologicals < Action Level 2
3. Water License Compliance W2007L2-0003

• No notifications of non-compliance

• 3 identified inspection issues ("U" on inspection reports):
  
  • June 2008 – partially treated water discharged
  
  • January 2011 – tear in PKC liner from discharge line
  
  • July 2011 - water in fuel tank berm
4. Proposed Changes to License

a) obsolete terms/conditions
   • none

b) out of date terms/conditions
   • none

c) should be added
   • none

d) proposed term with rationale
   • 15 years.
   • completion of commercial production
   • facilitate a coordinated execution of the mine closure and reclamation activities including post-closure monitoring.
5. Security Deposit

- As of May 14 2015, total security is held by the Crown in the amount of $150,720,000
  
  - $120,270,000 – Water License (being reduced to $118,460,000)
  - $14,560,000 – Additional Environmental Agreement
  - $11,090,000 – Land Leases
  - $3,000,000 – Environmental Agreement
  - $1,800,000 – Fisheries Authorization

- $1,500,000 additional DFO security be provided prior to A21 dike construction in June 2015.
6. New Board Policies and Guidelines

a) **Engagement plan**
   • Engagement Plan approved under W2007L2-0003

b) **Water and Effluent Management Policy**
   • directly incorporated into AEMP Response Plan
   • action levels 3-5 relate to review EQC
   • evaluation conducted annually with AEMP report
   • approved under W2007L2-0003
7. Modifications

a) Has the project changed since EA?
- The Diavik Project at Lac de Gras has not been modified. It remains the same project which was the subject of the environmental assessment under the *Canadian Environmental Assessment Act*. In particular, it continues to have the same mine footprint and mining facilities.

b) Structures added or eliminated – Part E
- No authorizations for Modification Part E for addition or elimination.
8. Other

- CDA consequence classifications
- CDA review schedule

<table>
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<th>Structure</th>
<th>Classification</th>
<th>Supporting Documentation</th>
<th>Safety Review (year) as per CDA Guidelines</th>
<th>Next Safety Review (year) as per CDA Guidelines</th>
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<td>2009 OMS</td>
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<td>East PKC Dam</td>
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<td>2010 DSR</td>
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<td>Very High</td>
<td>2012 Design Report</td>
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Waste Management Plan

Formerly:

Waste Management Plan
Operational Phase, Version 17
31 March 2014

Proposed:

Waste Management Plan
November 2014

Incinerator
Management Plan
January 2015

Hydrocarbon Impacted Materials
Management Plan
January 2015

Solid Waste and Landfill
Management Plan
January 2015
Current Status of Application

- **W2007L2-0003 Expires October 31, 2015**
- **Renewal application submitted January 16, 2015**
- **Initial review comments – March 4, 2015**
- **DDMI responses – March 13, 2015**
- **Technical Session - March 23, 2015**
- **Information Requests – April 9, 2015**
- **Interventions - May 7, 2015**
- **DDMI Intervention – May 14, 2015**
Summary – Initial Review Comments – March 4, 2015

- Submissions from DFO, EC, GNWT, LKDFN, WLWB
- Supportive of renewal and 2030 term (GNWT)
- Identified possible areas for new terms/conditions
- Recommendations/questions on Waste Management Plans
- Clarifications and questions
  - Environmental effects
  - Dam and dike safety reviews/status
DDMI Submissions – Information Requests – April 9, 2015

- #4 - Groundwater monitoring data for A21 and summary
- #5 – Emergency Response and Preparedness
- #9 – Diavik Geotechnical review Board
- #10 – Dam Safety Review Reports
- #11 – Dam Safety Management
DDMI Submission May 14, 2015

• Provides DDMI’s Written Intervention

• Presentation Summarizes Key Positions

  1. Term of License
  2. Consistency
  3. Recommended Amendments W2015L2-0001
License Term

- DDMI applied for 15 year term to:
  - complete commercial production
  - facilitate a coordinated execution of the mine closure and reclamation activities including post-closure monitoring.

- NSMA, LKDFN recommend shorter term of 5-8 years
  - concerned about reduced ability to review and make changes.

- EMAB was equivocal.

- GNWT and Inspector support a 15 year term.

**DDMI Position:** The suggestion that the W2015L2-0001 term should be less than 15 years to enable more frequent review and seek amendments to license conditions has not been supported with evidence. A term of 15 years is warranted.
Consistency

• WLWB reference consistency as an amendment rationale:
  • Consistency with guidelines and policies
  • Consistency with other recent Type A water licenses

DDMI did not requested new terms or conditions for W2015L2-0001 in its application, however:

• we are generally supportive of including new terms and conditions that reference or enable current policies and/or guidelines.

• we recommend that proposed terms and conditions that are not unique to Diavik be addressed first through policy and guideline development and then through amendment to existing License.

• we oppose the use of individual license to advance specific terms and conditions that are more broadly applicable.
Operations Phase Conditions

- Part F – Conditions Applying to Waste Management Plans
  - Add reference to *Guidelines for Developing a Waste Management Plan*
    - Language modified from W2012L2-0001
    - Rationale: consistency (WLWB)

- Part B – General Conditions
  - Add reference to *Engagement Guidelines for Applicants and Holders of Water Licenses and Land Use Permits*.
    - Language modified from W2012L2-0001
    - Rationale: consistency (WLWB)
Closure and Reclamation Conditions

DDMI recommends the following clauses for Part L (modified from W2012L2-0001) in response to WLWB and GNWT, EMAB:

1. The Licensee shall operate in accordance with the Closure and Reclamation Plan approved by the Board and shall endeavor to carry out progressive Reclamation of areas as soon as is reasonably practicable.

2. The Licensee shall revise the Closure and Reclamation Plan as directed by the Board and submit the revised plan to the Board for approval.

3. The Licensee may at any time propose revisions to the plan referred to in Park L, Item 1 for approval by the Board.

4. Prior to December 31 of each year, the Licensee shall submit an annual Closure and Reclamation Plan Progress Report which shall be in accordance with direction from the Board.

5. A minimum of 24 months prior to the end of commercial operations, the Licensee shall submit a Final Closure and Reclamation Plan to the Board for approval.

6. The Licensee shall implement the Final Closure and Reclamation Plan as approved under Part L Item 5.
Other

• Part A – Scope and Definitions

• DDMI supports the recommendation to include in Part A Item 1 of W2015L2-0001 all activities that would occur at the Diavik site over the 15 year term of the license.
Summary of DDMI Position

• **Term of 15 years** is reasonable, practical and necessary to enable effective and efficient closure and reclamation.

• **Changes to W2015L2-0001 operations conditions:**
  - Part B – General Conditions – consistency with Engagement Guidelines (WLWB)

• **Change to Part L – Closure and Reclamation:**
  - consistency with recent Type A (WLWB)
  - enable closure activities (GNWT)
  - encourage progressive reclamation (EMAB)

• **Change to Part A – Scope:**
  - Include all closure activities (GNWT)
Masi – Thank You