

DE BEERS

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August 7, 2015

File: L020-01

Angela Love
Regulatory Officer
Mackenzie Valley Land and Water Board
P.O. Box 2130
Yellowknife NT X1A 2P6

Dear Ms. Love:

Schedule Amendment – Type A Water Licence (MV2005L2-0015)

De Beers would like to request a change to Schedule 3, Item 2(b) of the Type A Water License (MV2005L2-0015) to allow de-watering to continue at the currently approved rates during the fall of 2015.

De Beers has been de-watering Kennady Lake since December, 2014 and has now de-watered approximately 14.5 million cubic meters of water. There have been no exceedances of action levels at any of the Surveillance Network Program monitoring stations. Completion of the dewatering of Areas 6 and 7 in the southern part of Kennady Lake by November, 2015 exposing the lake bottom would permit pre-stripping operations to commence and allow the construction of the project to remain on schedule. To achieve this, De Beers would like to continue to de-water at the currently approved rates, but is seeking a schedule change to allow for access to the second year's allotment of water in early October, 2015 rather than December, 2015.

De Beers is currently authorized to draw down 18,650,000 cubic meters during the first year as specified in Schedule 3, Part D, Item 2(a):

“ The annual quantity of Water drawn down from Kennady Lake as referred to in Part D, item 3 of this licence shall not exceed the following:

- a) 18,650,000 (eighteen million, six hundred and fifty thousand) cubic meters (m3) during the first year of Drawdown of Kennady Lake; and*
- b) 3,450,000 (three million, four hundred and fifty thousand) cubic meters (m3) during the subsequent year(s) of Drawdown of Kennady Lake.”*

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In order to maintain the current construction schedule, De Beers is requesting a change within Schedule 3, Item 2(b) that would allow for the next allotment of 3,450,000m³ (currently scheduled for December 20, 2015), to be accessed during the current year. The remainder of the 3,450,000 m³ not used before December 20, 2015 would be applied to 2016. For greater clarity, if, for example, 1,000,000m³ of the next allotment was used prior to December 20, 2015, then 2,450,000m³ only would remain for use in 2016.

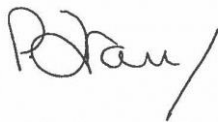
As I am sure you are well aware, the discretion for changes to Schedules within MV2005L2-0015 rests with the Board. This discretion is found in MV2005L2-0015, Part B, Item 7 which states:

" The Schedules, the Surveillance Network Program, and any compliance dates specified in this Licence may be amended at the discretion of the Board. If any compliance dates for the submission of a plan, report, or program falls on a weekend or holiday, the plan, report, or program shall be submitted on the following business day."

In addition to maintaining the construction schedule, the proposed Schedule 3 change would allow for continuous pumping to N11 during the freezing months of October and November, therefore minimizing the likelihood that the pumps and piping are not damaged by ice build-up. All other requirements in the water licence, such as action levels, would remain unchanged.

Should you have any questions, please do not hesitate to contact me at your convenience at 867-445-9065.

Sincerely,



Patrick Kramers
Superintendent, Environment