



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

Applicant: De Beers Canada Inc. – Snap Lake Project	
Location: Snap Lake, NT	Application: MV2001L2-0002
Date Prepared: January 12, 2012	Meeting Date: January 26, 2011
Subject: Amendment to the Term of Type A Water Licence (60 days)	

1. Purpose/Report Summary

The purpose of this staff report is to present for the consideration of the Mackenzie Valley Land and Water Board (the Board) a 60 day renewal to the term of Type A Water Licence (MV2001L2-0002) issued to DeBeers Canada Mining Inc. for the Snap Lake Diamond Mine.

2. Background

- April 15, 2004 – Issuance of current Water Licence (MV2001L2-0002);
- June 8, 2011 – Received application for new Type A Water Licence (MV2011L2-0004);
- December 13-15, 2011 – Public hearing in Yellowknife;
- December 22, 2011 – Public hearing undertakings due;
- January 5, 2012 – DeBeers respond to AANDC undertaking;
- February 15, 2012 – 60 days from the expiration date;
- April 14, 2012 – Expiry date of the current Water Licence;
- June 13, 2012 – Expiry date of Water Licence if a 60 day renewal is granted by the Board.

3. Discussion

In light of the tight timelines and complicated nature of the issues raised at the technical sessions, it is proposed that in order to draft, circulate, finalize and ultimately approve the new Snap Lake Water License inclusive of the 60 days for Ministerial approval, that a renewal to the term of the existing license is needed.

A large number of changes are proposed for the new license in order to address the concerns raised by interveners and the proponent; as well as to improve the clarity and consistency of the license.

There has been precedence for other large Type A water license renewals requiring an extension to the term including Diavik Diamond Mine (2007) and recently for the Taltson Hydroelectric Facility (2011).

Relevant sections of the *Northwest Territories Water Act* (NWTWA) state:

Section 18 (1)(a)(ii) states: [This condition provides the Board with the ability to renew the license.]

- “(a) renew a license, each renewal being for a term not exceeding twenty-five years, either with or without changes to the conditions of the License,
- (ii) in any other case, where the renewal appears to the Board to be in the public interest.

Section 21(3)(b) states: [This condition allows the Board to renew the License for 60 days without a public hearing.]

“where, in the case of a renewal referred to in paragraph (2)(a), the licensee has filed with the Board an application for renewal in accordance with the regulations made under 33(1)(d) and (e) and the term of the renewal or renewals granted by the Board does not exceed sixty days in the aggregate;”

4. Review Comments

Not applicable.

5. Security

Not applicable

6. Conclusion

Board staff concludes that renewal of the existing term of the license for 60 days, under section 18 (1)(a)(ii) of the *NWTWA*, would allow for appropriate consideration to address the following:

- comments made by reviewers and the proponent.
- provide Board staff, reviewers and the proponent an appropriate amount of time to review and provide constructive comments on the draft license.

7. Recommendation

Board staff recommends renewing the term of the water licence for a period of sixty (60) days.

8. Attachments

- Draft Water Licence Cover Page; and
- Draft Letter to the Minister.

Respectfully submitted,



Marc Casas
Regulatory Officer