



***Independent Environmental Monitoring Agency***

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July 23, 2003

Melody J. McLeod  
Chair  
Mackenzie Valley Land and Water Board  
7th Floor – 4910 50th Avenue  
Yellowknife, NT  
X1A 2P6

Dear Ms. McLeod:

**Re: BHPB proposal for interim permission for Fox mining – N7L2-1616**

The Independent Environmental Monitoring Agency has reviewed BHPB's letter of July 17, 2003 proposing interim measures for the deposition of mine water from Fox pit into cell D of the Long Lake Containment Facility (LLCF). We maintain our previous position that the deposition of mine water and lake water to cell C is more conservative, adopts a precautionary approach, maintains opportunities for data collection on the performance of filter dykes, and could reduce the amount of coagulants potentially entering the receiving environment.

However, based on the understanding that the current water quality is close to that of the lake water already approved for disposal into cell D, that the measure is an interim one for the next 3 – 4 months, and that the risk assessment will help contribute to the environmental planning and management of the LLCF, we are not opposed to the measures proposed, on an interim basis. We expect that the Board will revisit any decision to approve an interim discharge point based on the results of the risk assessment.

We presume the risk assessment will consider the following but, if not, we recommend that:

- The assessment compare the risks of the two options for Fox mine water discharge (i.e. cell C vs cell D);
- The risk assessment be based on updated mine water inflow values, amount of flocculants and coagulants used specific to Fox pit water, and the anticipated water quality of Fox pit (previous modeling used Panda pit water quality);
- The risk assessment consider the recent results from flocculant and coagulant toxicity studies (carried out by the University of Saskatchewan) and provide an assessment of the impacts of reducing the amount of settling agents used compared to the expected subsequent rise in total suspended solids.

It would be helpful if BHPB could submit a draft Terms of Reference for the risk assessment before they commence the work. This would give interested reviewers, such as ourselves, an opportunity to submit comments before the work is undertaken. We would commit to providing a very quick turnaround time for this review.

Once the risk assessment is received we look forward to its review by the appropriate regulators and ourselves prior to the Board granting approval of a deposition location.

On a final note, the board might consider whether there is a need to review the water balance as currently described for the operation of the Long Lake containment facility. While the recently submitted *Waste Water and Processed Kimberlite Management Plan* indicates that production at Fox begins in 2010, anecdotal evidence from the company indicates that mining of kimberlite may commence in 2005-2006. As this may have implications on the amount of time available to further investigate toxicity issues, the filtration success of the dykes and the differences between Fox and Panda, the start dates for mining kimberlite at Fox require clarification.

Sincerely,

-Original Signed By-

Red Pedersen  
Chairperson

Cc: Society Members