

MiningWatch Canada Mines Alerte

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Mr. Cahill:

Please accept these comments regarding the Freshwater Component Study for the Long Harbour Commercial Nickel Processing Plant completed by AMEC Earth & Environmental (May 12, 2007) for Voisey's Bay Nickel Company Limited.

These comments refer to the baseline data provided in the Freshwater Component and reference potential impacts highlighted in the Environmental Impact Statement and Federal Environmental Assessment Guidelines for the Long Harbour commercial Nickel Processing Plant (Placentia Bay, Newfoundland and Labrador) (October 23, 2006).

Unclear on What Basis Surface Waterbodies Were Chosen

Waterbodies within the Rattling Brook and Sandy Pond watersheds were included in the baseline, as well as others that drain into Long Harbour, outside the Rattling Brook and Sandy Pond watersheds, and control waterbodies that do not drain into Long Harbour (p.38). AMEC are clear about the reasons for focusing on Sandy Pond itself – as VBNC considers Sandy Pond as a preferred waste dump for toxic residues from a possible hydromet plant – and on reasons for focusing on Rattling Brook Pond itself – as VBNC consider using water from Rattling Brook Pond for processing at the nickel plant (pp.s1 and 20). Other waterbodies were chosen because they may be destroyed by the proposed plant or by a pipeline route (p. 11).

However, it is unclear whether any of the waterbodies in the above watersheds, or the ponds listed on page 11 also constitute "alternative" waste dump disposal options for VBNC.

It is also unclear which of these waterbodies may be affected by the alternative to hydromet, the matte processing plant.

Affected Species and Species at Risk – the American eel

Potentially affected species include Brook Trout, Arctic charr, Rainbow Smelt and American eel. Of these, American eel was listed as a Species of Concern in 2006 by COSEWIC, a designation that indicates the species is threatened or endangered. The species has declined by 99% in the St. Lawrence and Lake Ontario since the 1970s (p.20). This is all the more significant as this species is panmictic.

Given the significance of this species and potential impacts from a processing plant, the presentation of data was not consistent or clear with respect to where the American eel was present. For example, in the discussion of Rattling Brook tributary, there is a section called "Fish Species Present" (p. 56) that notes the presence of American eel. But not all other sections related to surface waterbodies (particularly tributaries) contain this heading and information is therefore scattered through the text. A clear indication of where American eel are present, and how their habitat could be negatively impacted or improved in each surface waterbody area would be helpful.

Lack of Regulatory Clarity

As this entire baseline study is based on the likely destruction of one or more natural water bodies and fish habitat there is need for greater clarity on what regulatory regimes apply, particularly with respect to the possible destruction of lakes for what is essentially mine waste.

Will VBNC be expected to get a listing on schedule 2 of the MMERs for any water bodies destroyed by mine waste?

The Destruction of Sandy Pond by Mine Waste

The preferred use, and therefore destruction, of Sandy Pond and possibly other unnamed ponds by VBNC is indicated in both the Environmental Impact Statement and Federal Environmental Assessment Guidelines for the Long Harbour commercial Nickel Processing Plant (Placentia Bay, Newfoundland and Labrador) (October 23, 2006) and the Freshwater Component Study for the Long Harbour Commercial Nickel Processing Plant completed by AMEC Earth & Environmental (May 12, 2007).

There are numerous reasons indicated in the Freshwater Component Study itself for why the destruction of Sandy Pond by mine waste is highly undesirable:

- Sandy Pond and its watershed are pristine. In the language of the baseline "undeveloped" (p.138)
- There are no roads, no cabins in the area (p. 138)
- Sandy Pond contains a healthy population of Brook trout, American eel and rainbow smelt (p.99)
- American eel was listed as a Species of Concern in 2006 by COSEWIC. The species has declines by 99% in the St. Lawrence and Lake Ontario. (p.20)
- A former phosphorus plant that has degraded some natural water has not affected the Sandy Brook drainage area (p.138)

• Sandy Pond is a source of local recreation due to the large size of the fish caught there, and therefore also a potential base for tourism

However, in addition to all these reasons not to allow the destruction of Sandy Pond, is the far more urgent and pressing concern that regulatory changes (Schedule 2 of the MMERs) and overly cavalier use of regulatory provisions ("no net loss") is leading to a rapid increase of the destruction of Canadian lakes by the global mining industry since 2002. Canada's precious freshwater resources are being sacrificed as a massive public subsidy to the mining industry to be used as industrial waste dumps. I know of no other industry that is granted the special privilege of using our healthy lakes for their toxic waste disposal. I know that this use of natural water bodies for mine waste is effectively banned in the U.S. under provisions of the Clean Water Act. It is only through the creation and increased use of what are essentially provisions to get around the protective measures of Sections 35 and 36 of the *Fisheries Act* that the mining industry has been granted specialized access to our lakes for its toxic waste products. This is a major policy concern for Canadians who are aware of this destructive trend, and that awareness is growing.

The full costs of the destruction of freshwater habitat needs to be calculated in order to better understand the true size of the subsidy to the industry. The value of fresh water is increasingly being realized globally as it is predicted that a global shortage of fresh water will increasingly lead to wars (there are already examples throughout the world) in the coming 15 years. The fact that Canada is blessed with a seeming abundance of fresh water should in no way make us complacent. The realization that "fresh water is more precious than gold" (as is seen on ever more banners and T-shirts) is growing. For Canada to be increasing the wilful destruction of our fresh water resources even as the global awareness of the value of fresh water is growing makes no sense. Particularly, as alternatives are possible and available.

It is clear that mines all over the world can and do contain and manage their potentially acid generating waste in jurisdictions that do not allow the destruction of lakes for this purpose (such as the U.S.) or in geographic locations where lakes are not conveniently present. Mining companies and their consultants will be the first to tell you, in these cases, that the knowledge and technology exists to manage these wastes. Are we to conclude that a company such as VBNC does not have the capacity, resources, or will to protect Canadian Lakes?

Finally, it is clear that in addition to alternative disposal methods for a hydromet plant, in the case of a Commercial Nickel Processing Plant for Long Harbour, another clear alternative exists, namely the use of a matte processor, which will not seek to destroy a lake.

We look forward to your response.

Sincerely,

Catherine Coumans, Ph.D. Research Coordinator, MiningWatch Canada

c. Minister Clyde Jackman;

Minister John Baird