



November 17, 2017

Nunavut Impact Review Board  
P.O. Box 1360  
Cambridge Bay, NU  
X0B 0C0

Attention: Solomon Amuno, Technical Advisor

**Re: Response to Invitation for Public Comments Associated with the NPC-NIRB Joint Review of Baffinland Iron Mine Corp.'s Application to Amend the North Baffin Regional Land Use Plan for its Phase 2 Proposal for the Mary River Iron Mine**

Please accept this as Baffinland Iron Mine Corp.'s (Baffinland) response to the request for comments regarding the points set out in the Nunavut Impact Review Board (NIRB) letter of October 26, 2017.

**Amendment Application**

In response to comments and concerns expressed in community consultations, Baffinland has formally withdrawn the proposed winter sea lift from the amendment application (October 24, 2017 Letter to Nunavut Planning Commission (NPC)). Accordingly, the amendment application is focussed on the use of the existing corridor for a railway.

Railway transportation as a conforming land use activity has previously been reviewed and approved in the North Baffin Region. NIRB considered railway transportation in detail in its review and report on the Mary River Project, and the NPC recommended Amendment No. 1 to permit that portion of the Steensby Railway within the NBRLUP.

The NIRB letter of October 26, 2017 describes the amendment application as, "an application for development of a transportation corridor". The amendment application is not a proposal for the development of a transportation corridor under the provisions of Sections 3.5.10-3.5.12 of the NBRLUP. It is to clarify that rail, as well as road transportation, can be used within the existing transportation corridor specified in Appendix Q of the NBRLUP.

Article 11, Part 6 of the Nunavut Agreement specifies that any person affected by a plan may propose amendments to the NPC. These provisions for proposing amendments are also

reflected in section 59(1) of NuPPAA. It is under these provisions that Baffinland is applying for an amendment.

The existing corridor from the mine site to and through Milne Inlet has already been established in accordance with sections 3.5.10 - 3.5.12 and Appendices J and K of the NBRLUP. The proposed use of rail would fall within the existing corridor and there is no requirement to develop a separate transportation corridor. As a result, the application is limited to adding rail as an additional mode of transportation within the existing transportation corridor specified in Appendix Q of the NBRLUP.

As the amendment is not a proposal for the development of a new transportation corridor, the provisions of sections 3.5.10 through 3.5.12 of the NBRLUP and the guidelines set out in Appendices J and K are not specifically applicable. The information which has been provided in support of the amendment application and presented herein should be considered in this context. To the extent that NIRB and NPC make reference to the guidelines listed in Appendix J and K, these should only be considered within the context of an amendment to an existing corridor. Regardless, Baffinland is confident it has met or exceeded the requirements of the guidelines.

### **Summary of Information**

The information requirements of Section 3.5.12 and Appendices J and K have been met. Information has been submitted to NPC and NIRB through the Mary River and ERP NIRB review processes, NBRLUP Amendment 1 and 2 processes, and the current Amendment 3 process<sup>1</sup>.

Both NIRB and the NPC have considered extensive information with respect to the use of the existing transportation corridor in connection with the review and approval of the ERP proposal and the issuance of Amendment No. 2 (Appendix Q). The information considered by the NPC and NIRB for the ERP included baseline information, assessment and mitigation measures in relation to the use of the existing corridor for the transportation of ore.

The commitments made by Baffinland along with the terms and conditions of the Project Certificate include mitigation measures relating to both Steensby railway and the use of the existing transportation corridor.

In the event that a railway is authorized as an option for use of the existing corridor, these measures will be revisited and modified through the NIRB environmental assessment process.

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<sup>1</sup> All referenced information is publically available on the NPC and NIRB public registries.

## **Response to Specific Points Identified in NIRB Letter of October 26, 2017**

***Point 1: Whether sufficient information has been provided regarding the possible environmental and socio-economic impacts of the proposed development of the transportation corridor and associated works and activities.***

### **Baffinland Response:**

Extensive and detailed information respecting use of the transportation corridor has been provided and considered in detail by both the NPC and NIRB in connection with the assessment of the original Mary River Project, and the assessment of the Early Revenue Phase of the Project. The NPC and NIRB have previously determined that the use of the corridor for supply and for ore transportation can be carried out in a manner that is consistent with planning objectives and consistent with the requirements of environmental and socio-economic assessment of project proposals.

The February 3, 2017 Project Proposal provides additional details of the northern transportation corridor, the terrestrial portion of the corridor, and the proposal for adding a railway. Details of the proposed development of the railway include, the number of locomotives and cars, the design speed for the railway, safety systems, caribou crossings to be established on observed caribou migration trails, level crossings established to accommodate travel by hunters and trappers using snowmobiles and ATVs (location of the crossings will be confirmed based on traditional knowledge and consultation with the local communities). The figures in the Project Proposal show the proposed rail cross-section and the proposed route for the railway.

Additional caribou information relevant to the transportation corridor includes caribou trail mapping completed along the Milne Inlet Tote Road (EDI, 2011). In January 2014, Baffinland and QIA reached agreement on Caribou Protection Measures (Baffinland letter of November 6, 2017). These measures are directly related to and will continue to apply to any railway construction and operations with appropriate modifications.

The Project Proposal refers to the comprehensive descriptions of the existing biophysical and socio-economic environment found in Volumes 4-8 of the Mary River FEIS and the ERP Addendum, and confirms that additional information would be provided in the Environmental Impact Statement which would be required if the amendment application is granted and the proposal is authorized to proceed to assessment by NIRB.

The Project Proposal also contains information relating to:

- The current use of the existing transportation corridor;
- Community consultation and public participation;
- Route selection;
- Effects on wildlife;

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- Description of the existing environment;
- Mitigation measures;
- Monitoring programs;
- Socio-Economic impacts and benefits

Baffinland submitted a “Response to NPC Request for Additional Information” on March 17, 2017. The response addresses each of the requirements of Section 3.5.11 of the NBRLUP including:

- Assessment of alternative routes;
- Cumulative effects of the preferred route; and
- Reasonable options for other identifiable transportation and utility facilities.

Baffinland has provided further information in response to the QIA request for information (see Baffinland response dated September 26, 2017), and the QIA information request (see Baffinland response dated November 6, 2017).

Baffinland submits that the information provided is sufficient for the NIRB and the NPC to apply the Appendix J and K guidelines to the amendment application and that the guidelines should be applied in the context of an application to allow a new mode of transportation within an existing corridor.

***Point 2: Whether alternatives to the proposed routing of the transportation corridor have been thoroughly addressed within the proposal, with sufficient consideration demonstrated for the environmental and socio-economic factors, technical and cost considerations of each.***

#### Baffinland Response

The Project Proposal (February 3, 2017) and the response to the NPC request for additional information (March 17, 2017), provide consideration of alternative routes.

The only alternative to the proposed route would be the development of a new transportation corridor along a different route which is not technically or environmentally feasible.

The alternatives assessment concludes that the proposal for rail transportation along the existing corridor established under Appendix Q of the NBRLUP is clearly the preferred alternative.

***Point 3: Whether parties are satisfied with the level of information provided regarding the suitability of the proposed corridor for the inclusion of additional communication and transportation initiatives, including its environmental, socio-economic and terrain engineering consequences and the potential cumulative impacts of the project.***

## Baffinland Response

Public consultation has not identified that any parties were concerned with the level of information regarding use of the corridor for other purposes. Baffinland is not aware of any other Projects which would propose to undertake additional communication or transportation initiatives within the Appendix Q corridor.

Baffinland has provided details of its public consultation in relation to Phase 2 in general, and in particular, in relation to the use of the existing transportation corridor for a railway. Additional information on public consultation was provided in the submission responding to QIA's information requests regarding consultation to NPC on November 6, 2017.

***Point 4: Whether the proposed corridor has the potential to negatively impact any of the following:***

- o community business, residential and projected expansion areas;***
- o important fish and wildlife harvesting areas;***
- o key habitat for fish and wildlife species, especially areas used by endangered species; and***
- o areas of high scenic, historic, cultural and archaeological value.***

## Baffinland Response

These considerations are relevant to the development of a transportation corridor rather than to adding a new mode of transportation to an existing corridor. Regardless, the information provided meets the requirements of Appendices J and K.

The impacts of the existing corridor on each of these issues has already been carefully considered by NIRB and NPC. The information provided extensive baseline data on and assessment of all of these issues. The location of the existing transportation corridor does not interfere with community business, residential or projected expansion areas. The FEIS for the Mary River project and the addendum for the ERP included extensive information and assessments of potential effects on important fish and wildlife harvesting areas, key habitat for fish and wildlife species and areas of high scenic, historic, cultural and archeological value. Previous reviews of the Mary River Project and the ERP Proposal by the NPC and by NIRB have concluded that with appropriate mitigation measures, including those that are already in place under the Project Certificate, there would be no significant impact on any of the areas listed.

The current location and use of the existing corridor, taking into account all mitigation measures, has been determined to not have any significant adverse impact on these topics. As indicated in the Project Proposal and additional information submitted in support of the amendment application, Baffinland is confident that the use of the corridor for rail transportation can similarly be achieved with appropriate mitigation.

The transportation of ore by rail would reduce a number of potential negative impacts that would be associated with road transportation. Baffinland proposes the railway option as preferable to road transportation with respect to a number of issues, including dust control, wildlife protection, and Inuit travel and harvesting activities, reduced GHG emissions and lower operating costs. The proposal is essential to the continuing operation of the Mary River Mine and would also ultimately increase the number and duration of potential jobs for Inuit in the production, transport and shipping of ore to markets, by increasing the capacity of the mining operations and supporting the continuing project into the future.

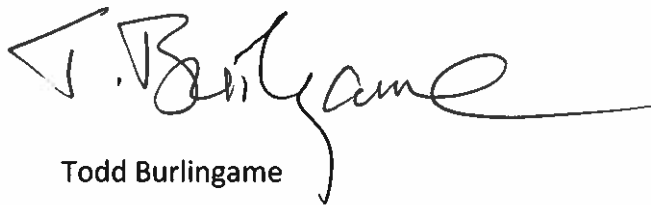
The Project Proposal includes detailed information on potential land use interactions and community concerns and consideration of potential effects to wildlife and a list of mitigation measures relating to wildlife community travel routes and traditional land use activities. Additional information was provided in response to NPC request for additional information (Baffinland response of March 17, 2017) and in responses to QIA requests for information (see Schedule A and public registry submissions of September 26, 2017 and November 6, 2017).

### **Conclusion**

Baffinland is not seeking to develop a transportation corridor, it is seeking to clarify that rail is an acceptable mode of transportation within the existing transportation corridor. However, the extensive information that has been submitted through previous directly related processes and in connection with this specific amendment application meets or exceeds the information requirements for the guidelines set out in Appendices J and K of the NBRLUP and more than satisfies the requirements to add a new mode of transportation to the existing transportation corridor in Appendix Q.

The proposal to utilize rail transportation provides numerous benefits including dust control, wildlife protection, and reduced interference with Inuit travel and harvesting activities and lowering operational costs. The proposal to add rail as an additional mode of transportation within the existing transportation corridor is essential to the continuing operation of the Mary River Mine.

Should the NBRLUP amendment be granted and the application proceed to NIRB for environmental assessment, Baffinland will provide a more detailed technical assessment of as part of the NIRB review.



Todd Burlingame

cc: Brian Aglukark, Nunavut Planning Commission  
Karén Kharatyan, Nunavut Water Board  
Stephen Williamson Bathory, Qikiqtani Inuit Association  
Solomonie Shoo, Qikiqtani Inuit Association  
Joel Fortier, Qikiqtani Inuit Association  
Tracey McCaie, Indigenous and Northern Affairs Canada  
Veronique D'Amours-Gauthier, Fisheries and Oceans Canada  
Rob Johnstone, Natural Resources Canada  
Rachelle Besner, Natural Resources Canada  
Transport Canada  
Mittimatalik Hunters and Trappers Organization  
Mittimatalik Hamlet Council

**Schedule A**  
**Overview of Information Provided to Date**

The information includes:

- (a) The FEIS for the Mary River Iron Mine Project, as well as the Addendum to the FEIS relating to the Early Revenue Phase (the ERP Addendum). In particular, the ERP Addendum, which was filed on June 20, 2013, provided baseline information on environmental and socio-economic issues in relation to the existence and operation of the road from the Mary River mine site to Milne Inlet and the expansion of the facilities at Milne Port, together with an assessment of the potential environmental and socio-economic effects of the ERP Proposal, along with detailed mitigation measures to address those effects;
- (b) The NIRB Report on the ERP (issued March 17, 2014), which addressed the environmental and socio-economic issues relating to the ERP including the upgrading and operation of the road from the mine site to Milne Port, as well as the operations at Milne Port, and concluded that, with the limits and mitigation measures included in the additional and revised terms and conditions of Project Certificate No. 005 as outlined in the Report, the ERP should be approved. The ERP Addendum to the FEIS and the NIRB Report focused almost entirely on the upgrading and use of the road and on expanding facilities at Milne Port. This review process considered detailed information of existing environmental and socio-economic background, mitigation measures, predicted effects, and monitoring requirements;
- (c) Amended Project Certificate No. 005 for the Mary River Project including additional terms applicable to the ERP. The Project Certificate contains limits, mitigation measures, and monitoring that apply to the road and port, and that would be applicable to a railway mode of transportation with appropriate revisions and additions;
- (d) Amendment No. 2 (April 28, 2014) – Appendix Q to the NBRLUP establishing the existing corridor between the mine site and Milne Port (the Terrestrial Corridor) and the Marine Corridor from Milne Port through Eclipse Sound;
- (e) Information respecting mitigation measures for wildlife, including mitigation measures and monitoring, is found in the FEIS, ERP Addendum, the commitments made during the NIRB process, the Wildlife Monitoring Place and Caribou Protection Measures (QIA), Caribou-related Project Certificate Terms and Conditions



- (f) Annual Reports are filed with NIRB as required under the Project Certificate, summarizing environmental and socio-economic monitoring;
- (g) The Baffinland Phase 2 Project Proposal filed with NIRB and the NPC on February 3, 2017;
- (h) NPC letter to Baffinland (March 6, 2017) requesting additional information under Section 3.5.11 of the NBRLUP;
- (i) Baffinland response to NPC letter of March 6, 2017, including the proposal for amendment to the NBRLUP and provision of additional information under Section 3.5.11 dated March 17, 2017;
- (j) QIA request for clarification (September 8, 2017) and Baffinland response (September 26, 2017);
- (k) QIA information request (October 26, 2017) and Baffinland response (November 6, 2017).

