



NIRB File No.: 08MN053
NPC File No. 148841

September 13, 2023

The Honourable Dan Vandal, P.C., M.P.
Minister of Northern Affairs
Government of Canada
House of Commons
Ottawa, ON K1A 0A6

Sent via email and courier: dan.vandal@parl.gc.ca

Re: Reconsideration Report and Recommendations of the Nunavut Impact Review Board Regarding a Significant Modification to the Mary River Project as Proposed by Baffinland Iron Mines Corporation under the “Sustaining Operations Proposal” (SOP)

Dear Honourable Dan Vandal:

As outlined in the Notice and Procedural Direction provided to the Responsible Minister(s) and Baffinland Iron Mines Corporation (Baffinland or Proponent), on May 8, 2023, the NIRB initiated a formal reconsideration of the terms and conditions of Project Certificate No. 005 to reflect the submission of Baffinland’s “Sustaining Operations Proposal” project proposal (SOP or Proposal), a proposed two-year amendment (to December 31, 2024) to the approved Mary River Project (NIRB File No.: 08MN053).

As set out in the Description filed with the NIRB,¹ the SOP reflects Baffinland’s request to reconsider Term and Condition 179(a) and (b) of Project Certificate No. 005 (as provided below), which expired on December 31, 2022:

179(a)

Until December 31, 2022, the total volume of ore shipped via Milne Inlet may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 2022,

¹ Document ID Nos. 344262-344270 & 345072.

the maximum total volume of ore shipped via Milne Inlet in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of Nunavut Planning and Project Assessment Act, S.C. 2013, c. 14, s. 2.

179(b)

Until December 31, 2022, the total volume of ore transported by truck on the Milne Inlet Tote Road may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 2022, the maximum total volume of ore transported by truck on the Milne Inlet Tote Road in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of Nunavut Planning and Project Assessment Act, S.C. 2013, c. 14, s. 2.

On February 2, 2023, the Board received a positive conformity determination from the Nunavut Planning Commission (the Commission or NPC) in respect of the SOP. In the Commission's correspondence, the Commission noted that the SOP represented a "significant modification" to the previously approved Mary River Project and forwarded Baffinland's request for modifications to Project Certificate No. 005 to the NIRB for further consideration.

After this conformity determination, Baffinland continued consultation with the Qikiqtani Inuit Association (QIA) and further modified the Proposal to include a shorter two-year timeframe for the SOP (to December 31, 2023) and submitted an online application to the Board on March 16, 2023. On March 21, 2022, the NIRB received correspondence from the NPC indicating that the current application remained within the parameters of their February 2, 2023, conformity determination and still constituted a significant modification.

The scope of activities assessed by the NIRB under the SOP consisted of the following:

- Transporting up to 6 Million tonnes per year (Mtpa) of iron ore along the Tote Road until December 31, 2024;
- Shipping up to 6Mtpa of iron ore from Milne Port using up to 84 ore carriers through the Northern Transportation Corridor until December 31, 2024; and
- Modifying the shipping rate to allow for greater "Operational flexibility". The modification of the shipping limit to include operational flexibility would allow Baffinland to surpass the 6 Mtpa shipping limits in a given year if there were extenuating circumstances in the previous year which resulted in the stranding of ore on the ore pad. (e.g., in 2022, heavy ice floes and a labour disruption reduced the shipping by several weeks, leaving 1.3 Million tonnes of ore stranded on the ore pad). Operational flexibility would not affect the ore transportation limits for the Tote Road, which remain at 6 Mtpa. During the Community Roundtable session in Pond Inlet, Baffinland committed to shipping no more than 6.9 Mtpa

in each of 2023 and 2024 when addressing the shortfall of iron ore shipped in 2022 and Baffinland has committed to using no more than a total of 84 ore carriers in any given year.

The project description, Final Environmental Impact Statement Addendum (FEIS Addendum),² and associated documentation for the SOP can be accessed directly via the NIRB's online Public Registry at <https://www.nirb.ca/project/125767>.

In the Board's Notice to the Minister and Proponent and updated procedural guidance issued on May 8, 2023, the Board noted that the Board's process for assessing the Sustaining Operations Proposal was developed with consideration of the comments of the parties and the following factors:

- the limited changes to the scope of the SOP when compared to the Board's prior assessments of the 6 Mtpa transportation limits (2018-2022)
- the two-year duration of the SOP;
- the limited amount of new technical information to be considered by the Board during the assessment; and
- the direction of the Minister received by the Board on April 21, 2023, that the Board *"prioritizes the reconsideration of the Sustaining Operations Proposal in a manner that considers the existing information along with all Parties' input"*, and noting *"The responsible ministers support the Parties' requests for an in-person community round table to ensure that impacted Inuit have opportunities for fulsome participation, including the provision of oral evidence."*

Accordingly, the Board determined that a Public Hearing would not be required for this reconsideration. To support the Board's decision-making in respect of the SOP, the Board engaged in two (2) written commenting periods and conducted two (2) Community Roundtable sessions in-person in Iqaluit (July 27-29) and in Pond Inlet (August 1-2, 2023). More details regarding the Procedural History associated with the Board's assessment of the SOP is provided in [APPENDIX A](#) of the attached Reconsideration Report and Recommendations (Report).

The enclosed Report summarizes the NIRB's assessment of the potential ecosystemic and socio-economic effects of the SOP, a proposed modification to the previously-approved Mary River Project (as amended). After due consideration of the relevant written and oral submissions received by the Board, the Board has concluded that:

- the potential significant adverse ecosystemic and socio-economic effects associated with the SOP can be adequately prevented, mitigated, or adaptively managed under proposed revisions to the Terms and Condition of NIRB Project Certificate No.: 005, improvements to the mitigation, adaptive management, and monitoring programs for the

² Document ID Nos. 344262-344270 & 345072

Proposal and the Proposal is conducted in fulfillment of the commitments provided by Baffinland to interested parties during the reconsideration process.

Consequently, the Board recommends to the Responsible Minister(s) that the Mary River Sustaining Operations Proposal project proposal should be allowed to proceed at this time, and recommends:

- revisions to the following eleven (11) Terms and Conditions of NIRB Project Certificate No. 005: 179(a) and (b); #28, #35, #76, #82, #83(a), #85, #99, #101 and #150;
- amendments to Appendix B of the Project Certificate to incorporate the commitments made during the Board's Assessment as listed in [APPENDIX D](#) of the attached Report; and
- additions to the monitoring and reporting programs applicable to the modified Mary River Project as outlined in [Section 6](#) and [Section 7](#).

Translated versions of this Reconsideration Report and Recommendations are being prepared in Inuktitut and will be available as soon as possible.

Should you have questions or require clarification regarding this matter, please contact the NIRB's Interim Executive Director, Ryan Barry at (867) 983-4608 or rbarry@nirb.ca.

Sincerely,



Marjorie (Kaviq) Kaluraq
Chairperson
Nunavut Impact Review Board

cc: The Honourable Steven Guilbeault, P.C., Minister of Environment and Climate Change
The Honourable Diane Lebovillier, P.C., Minister of Fisheries and Oceans and the Canadian Coast Guard
The Honourable Pablo Rodriguez, P.C., Minister of Transport
The Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources
The Honourable Lori Idlout, MP for Nunavut
The Honourable P.J. Akeeagok, Premier of Nunavut
Aluki Kotierk, President, Nunavut Tunngavik Incorporated
Olayuk Akesuk, President, Qikiqtani Inuit Association
Andrew Nakashuk, Chairperson, Nunavut Planning Commission
Lootie Toomasie, Chairperson, Nunavut Water Board
Megan Lord-Hoyle, Baffinland Iron Mines Corporation
Lou Kamermans, Baffinland Iron Mines Corporation
Mary River Distribution List