YUKON WATER BOARD
REASONS FOR DECISION
Water Use Application PM04-403, Favron Enterprises Ltd.
and Mining Land Use Approval AP04403

The Yukon Water Board (the Board) has made licensing decisions with respect to water use application PM04-403, for a type B licence for a placer mining undertaking, and mining land use approval AP04403.

The purpose of the application was to obtain a water use licence to: obtain and store water, deposit a waste, and obtain an approved placer mining land use operating plan.

Notice of the application was provided in accordance with the requirements of the *Waters Act* and the *Placer Mining Land Use Regulation*. In response, the Board received interventions from the following parties:

Fisheries and Oceans Canada (DFO);
Government of Yukon (GY), Energy, Mines and Resources, Client Services and Inspection Branch;
Government of Yukon (GY), Energy, Mines and Resources, Mineral Resources; and
Tr'ondëk Hwëch'in

No party requested a public hearing. The applicant did not respond to the interventions.

Prior to making licensing decisions, the Board undertook an environmental screening of the project pursuant to the *Environmental Assessment Act* (EAA). The Board is satisfied that any known adverse effects that may be caused by the project are insignificant or can be mitigated with known technology or reasonable work practices.

In making licensing decisions pertaining to this application, the Board took into account the application itself, the EAA screening report, the recommendations of interveners, the Board's standard licence requirements, Territorial Resources Base Map 116B-03a, and Board policies.

The applicant did not propose alternative approaches to the Operating Conditions in the *Placer Mining Land Use Regulation*. These Operating Conditions have been incorporated into the Placer Mining Land Use Approval For a Class 4 Operating Plan.

The effluent discharge standards and operating standards, which are stipulated in the Yukon Placer Authorization (YPA) and the Fish Habitat Restoration Plan, have been incorporated into the Licence.

GY recommended that the point of compliance should be at the point of entry to the stream. The Board included the standard clause for the effluent and point of compliance to satisfy this concern. The point of compliance will be at the point of discharge from the final settling facility. The licence also requires all works to be maintained in good order and be of adequate capacity. Therefore, if erosion occurs between the compliance point and the stream, enforcement tools exist to deal with remediation of it.

GY recommended that an overflow should be built into the stream crossing to help prevent erosion of the culvert. The Board determined that there would be approximately 0.6 metres of freeboard from high water to the top of the culvert and that this would provide sufficient capacity to act as an overflow if needed.

Tr'ondëk Hwëch'in recommended that they should be notified if any evidence of archaeological sites or burial grounds is discovered. The Placer Mining Land Use Approval requires the Licensee to contact the Chief of Placer Land Use if any evidence is found of an archaeological site or burial ground. Protection of the site from further disturbance is required until authorization is given by the Chief of Placer Land Use. The Board received advice that the Chief of Placer Land Use is required to contact the affected First Nation. The Board also encourages the Licesee to contact the affected First Nation.

Tr'ondëk Hwëch'in recommended that environmentally sound mining practices should be adhered to. The Board expects all applicants to conduct their mining operations using the practices indicated within their application, practises allowed by the *Regulation*, and practices which are environmentally sound. In review of the water use application and the Placer Mining Land Use application, the Board examines the approach proposed, and either approves it or imposes conditions that may differ from the approach proposed by the Licensee. For water use, the conditions in the licence are based on environmentally sound practices and the Board expects the miner to comply with the conditions of the licence and approval.

The Board examined the proposed use of water as it relates to quantity, quality, and rate of flow of water flowing on, through, or adjacent to Settlement Land, including seasonal rate of flow.

Hunker Creek drains into the Klondike River and the Klondike River flows adjacent to Settlement Land approximately 11.8 km downstream from the confluence of Hunker Creek and the Klondike River. Therefore, the Board determined that the proposed operation will not substantially alter the quantity, quality or rate of flow of water flowing on, through or adjacent to Settlement Land.

The Board concurred with the recommendations contained in Part Six of the screening report.

Chairperson
Yukon Water Board

April 29, 2005
Date