

YUKON WATER BOARD
REASONS FOR DECISION
Water Use Application PM07-552, Douglas A. Olson
and Mining Land Use Approval AP07552

The Yukon Water Board (“the board”) has made licensing decisions with respect to water use application PM07-552 for a type B licence for a placer mining undertaking and mining land use approval AP07552.

The purpose of the application is to obtain a water use licence to obtain and store water, use existing diversions, modify the bed or bank of a watercourse, deposit a waste and to 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 (“EMR”), Client Services & Inspections Branch; and
GY, EMR, Mining Land Use.

No party requested a public hearing. The applicant responded to the GY, EMR, Mining Land Use intervention by providing a list of the correct grant numbers.

In making licensing decisions pertaining to this application, the board also took into account the *Waters Act*, *Waters Regulation*, the application, recommendations from the interveners, the *Yukon Environmental and Socio-economic Assessment Act* (“YESAA”) Decision Document, the board's standard licence requirements, Territorial Resources Base Map 1150/14g, Chapter 14 of the Umbrella Final Agreement and board policies.

Environmental Assessment

This application required an environmental assessment under the YESAA.

Prior to making licensing decisions, the board reviewed the Decision Document that is included in the water use register. The Decision Document includes terms and conditions which are regulatory in nature. Where terms and conditions of the Decision Document were considered not applicable the board determined that those terms and conditions would not be included in the licence or approval for this undertaking. As per section 86 of YESAA, the board is also satisfied that the issuance of licence PM07-552 is not contrary to the terms and conditions included in the Decision Document.

Neither the applicant or the Decision Document proposed any alternative approaches to the operating conditions in the *Placer Mining Land Use Regulation*. These operating conditions have been incorporated into the Placer Land Use Approval For a Class 4 Operating Plan.

DFO

The effluent standard recommended by DFO is the same standard as referenced in the Yukon Placer Authorization (“YPA”). The YPA is an authorization under the *Fisheries Act* for the harmful alteration, disruption or destruction of fish and fish habitat in certain streams, or portions of streams, in the Yukon for placer mining works and undertakings, subject to compliance with the standards of allowable sediment discharge. The board has adopted the YPA as policy for the minimum allowable discharge standard. The effluent discharge standards and operating standards, which are stipulated in the YPA and the Fish Habitat Restoration Plan, have been incorporated in the licence.

DFO provided standard recommendations for fuel, lubricants, cleansers, solvents and similar chemicals or substances to be transported, stored and disposed of in such a way as to ensure that they are not deposited in, or allowed to be deposited in, waters. The typical condition to transport, store and dispose of fuels, lubricants, cleansers, solvents and similar chemicals or substances in such a way as to ensure that they are not deposited in, or allowed to be deposited in, waters has been included in the licence.

DFO recommended that all structures should withstand seasonal floods. This recommendation is not applicable to this operation, since the applicant has proposed to block the intake and bypass settling facilities. The board has included a condition in the licence which requires the intake ditches to the water reservoir to be blocked and the settling facilities to be bypassed to prevent flood damage during freshet.

DFO has provided a recommendation that spring freshet may be routed through work areas. The licence includes a condition in Part E to allow spring freshet to be routed through work areas, provided the effluent standard is met.

DFO recommended that the applicant may use the creek as a conduit where valley widths are too narrow to accommodate out of stream settling. The board included a condition in the licence that allows the use of Hester Creek and Hunker Creek as a conduit to existing Instream Settling Facilities.

DFO provided specific recommendations for diversions channels. The board did not include the recommendations in the licence since the applicant has not proposed to construct diversion, but will be using existing permanent diversions during the term of the licence.

DFO has provided recommendations for the use of fish screens on all water intakes when withdrawing water from Hunker Creek which is designated type IV with fish. The board has included fish screens in all licences when withdrawing water from a fish stream.

GY

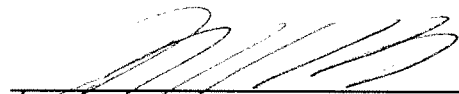
GY, EMR, Client Services and Inspections Branch recommended that the point of compliance should be at the point of entry to the stream. The board included the standard clause for the effluent and point of compliance to satisfy this concern. The point of compliance will be at the point of discharge from 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, EMR, Mining Land Use provided a list of the correct grant numbers that correspond to the claims listed in the application. The applicant responded to the intervention by providing a revised list of grant numbers to correct the application. The board included the grant numbers provided by GY to ensure that the correct grant numbers are included in the licence.

Chapter 14 of the Umbrella Final Agreement

The board examined the proposed use of water as it relates to Chapter 14 of the Umbrella Final Agreement, as to quantity, quality, or rate of flow of water flowing on, through or adjacent to settlement land, including seasonal rate of flow, as follows:

Mining Map 1150/14g is included in the Tr'ondëk Hwëch'in Final Agreement. Tr'ondëk Hwëch'in First Nation did not intervene on this application. The map was reviewed by the board for settlement land. The map does not indicate the presence of any settlement land. Therefore, the board concluded that the placer mining operation will not substantially alter the quantity, quality, or rate of flow of water flowing on, through, or adjacent to settlement land, including seasonal rate of flow.



Chairperson
Yukon Water Board

October 10, 2007

Date