



## About the Agency

The Independent Environmental Monitoring Agency was formed in 1997 to act as a public watchdog over the Ekati Diamond Mine. We are governed by a Board of Directors appointed by:

- Akaitcho Treaty 8 First Nations (specifically, Lutsel K'e Dene First Nation and Yellowknives Dene First Nation)
- Tłıchǫ Government
- North Slave Métis Alliance
- Kitikmeot Inuit Association
- Government of Canada
- Government of the Northwest Territories
- Dominion Diamond Ekati Corp. (DDEC)

## Agency Mandate

- Review, report or make recommendations on the environmental programs, reports and activities of DDEC and government and the integration of the experience and Traditional Knowledge of Aboriginal peoples
- Participate as an intervenor in regulatory and other legal processes concerning the environment
- Maintain a resource library of environmental information relevant to Ekati
- Distribute information about Ekati to Aboriginal peoples and the general public
- Provide an effective means to bring to DDEC and governments the concerns of Aboriginal peoples and the general public

## Agency Board of Directors and Staff



**Standing, left to right:** Tony Pearce, Tim Byers, Kim Poole, Laura Johnston, and Bill Ross.

**Seated, left to right:** Jessica Simpson, Kevin O'Reilly, Jaida Ohokannoak, and Arnold Enge.

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**INDEPENDENT  
ENVIRONMENTAL  
MONITORING AGENCY**

For further information on the Agency's recommendations, please refer to the technical or plain language version of our annual report available on our website or from our office.



# ANNUAL REPORT SUMMARY 2013-14

A PUBLIC WATCHDOG FOR ENVIRONMENTAL  
MANAGEMENT AT EKATI DIAMOND MINE



**INDEPENDENT  
ENVIRONMENTAL  
MONITORING AGENCY**

# Message from the Chair 2014

This past year has been one of great change. The sale of the Ekati Mine was completed. Dominion Diamond Ekati Corporation (DDEC) proposed to add the Lynx Pipe, and then the Jay Pipe. These changes would extend the mine life by many years. These additions would also cause harm to the environment. Those proposals will be the major focus for the Agency in the coming year.

Devolution came to the NWT on April 1, 2014. Many tasks that were done by the Government of Canada are now done by the NWT. The Agency had a special meeting to help our Aboriginal Society Members better understand proposed changes to the Environmental Agreement that would see the federal government drop out. Based on that meeting, we asked for a delay that would give time for more input from Aboriginal Society Members. It is the view of Aboriginal Society Members that the Environmental Agreement is part of a broader "social contract" for the Ekati Mine. It is an arrangement that includes the Government of Canada. Changes to the Environmental Agreement have not been made at the time of writing this report.

Finally, changes have been made to federal laws. This means the

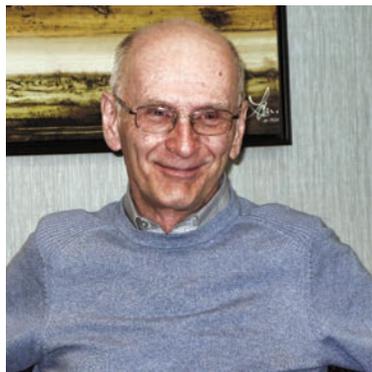
Wek'èezhii Land and Water Board will close. Its regulatory role would go to the Mackenzie Valley Land and Water Board. The loss of the very capable Wek'èezhii Land and Water Board is unfortunate.

The financial security (money that DDEC has to leave with the governments in case of early mine closure or the owner going out of business) is not enough to close the mine using the approved closure plan. This is unfortunate and should be quickly fixed.

I am pleased to report that most of the staff at Ekati have stayed on even though the owners have changed. DDEC has continued the good job of environmental protection at Ekati. The Agency will continue to work to ensure that this good environmental performance can go on for the life of the mine.

We have three major uncertainties before us:

- What changes will be made to the Environmental Agreement for Ekati?
- The financial security held for the mine is not enough (and parts of it have not been decided).
- How will the impacts of an expanded mine be reviewed and managed?



**William A. Ross, Chairperson**  
March 31, 2014

# Agency Recommendations 2013-14

## Recommendation 1:

**The Agency recommends that the Government of the Northwest Territories ensure that the security posted by DDEC meets the requirements of the Water Licence no later than July 1, 2014.**

**GNWT Response:** The GNWT is currently reviewing the security being proposed by DDEC to meet the requirements under the Water License. It is anticipated that the review and formal security documentation will not be finalized until end of summer 2014.



## Recommendation 2:

**The Agency recommends that DDEC submit a proposal for the financial security review under the Environmental Agreement no later than July 1, 2014.**

**DDEC Response:** Dominion has been working closely with the Government of the Northwest Territories and Aboriginal Affairs and Northern Development Canada to identify a process and timeline to review the security held under the Environmental Agreement. Dominion and the Governments will work in consultation with the Monitoring Agency as described in the Environmental Agreement.

## Recommendation 3:

**The Agency recommends that DDEC develop a comprehensive road traffic management plan to reduce wildlife impacts (mortalities and sensory disturbance). The plan should include road design, speed limits, traffic volume caps, triggers for action, driver education, and monitoring and reporting.**

**DDEC Response:** A new Land Use Permit was issued in April 2014 by the Wek'èezhii Land and Water Board for the upcoming Lynx Project, and this Permit provides for Water Board approval of road design for caribou crossings and reporting to the Water Board on road traffic related to speed limits and other wildlife protection measures. This work for the Lynx Project can subsequently be used when considering road design and traffic reporting for other areas of the Ekati Mine.

## Recommendation 4:

**The Agency recommends that DDEC investigate and report on the cause of the lack of freezing in the Fox and Misery Waste Rock Piles, identify any closure implications and develop appropriate contingency plans.**

**DDEC Response:** In March 2014, the Wek'èezhii Land and Water Board approved the Ekati Mine's 2012 "Waste Rock and Waste Rock Storage Area Seepage Survey Report". In its approval, the Water Board required that Dominion provide more information to the Water Board about permafrost growth in the Ekati mine waste rock storage areas and plans for the post-closure period. Dominion intends to provide this information to the Water Board by the end of September 2014 along with other related and requested information. All of that information will be available through the Water Board's public registry and from Dominion directly.

### 2013-14 Scorecard for the Environmental performance of DDEC at the Ekati Mine

Environmental Indicator	Agency Rating	Comments
Reclamation and Closure	Satisfactory	Some progressive reclamation at the site and Old Camp closure plan approved.
Financial Security	Unsatisfactory	Very large gap between security held by government and what it would cost to properly close the mine.
Water and Aquatic Life	Satisfactory	Good aquatic effects monitoring program. Questions remain about the use of monitoring results and how nitrogen is being managed.
Air Quality	Satisfactory	New incinerators tested and working well but need for a management plan. Dust suppression should be investigated.
Wildlife	Satisfactory	Grizzly bear and wolverine monitoring but need for improvement on caribou monitoring. GNWT making some progress on better guidance.
Traditional Knowledge	Satisfactory	Although the communities visit the site, reports were not prepared during 2013. Some progress on using Traditional Knowledge in closure planning.

#### Rating Definitions

**Unsatisfactory** – DDEC and regulators failed to meet the expectations of the Agency, failed to carry out important commitments, or its performance resulted in sanctions or violations.  
**Satisfactory** – DDEC and regulators met the expectations of the Agency, monitored and managed environmental impacts, and its performance did not result in sanctions or violations.  
**Good** – DDEC and regulators exceeded the expectations of the Agency, actively investigated and managed issues of concern, and its performance demonstrated best practices, Best Available Technology, initiative and/or leadership.