CIMFP Exhibit P-04132



Government of Newfoundland and Labrador Department of Environment and Conservation Office of the Minister

JUN 2 1 2016

EA Reg. 1305

Mr. Darryl Shiwak Minister, Lands and Natural Resources Nunatsiavut Government 25 Ikajuktauvik Road PO Box 70 Nain, NL A0P 1L0

Dear Minister Shiwak:

Re: Human Health Risk Assessment Plan (HHRAP) Lower Churchill Hydroelectric Generation Project

I write in response to your letters of November 9, 2015 and April 27, 2016 regarding the above HHRAP (April 12, 2016) and the Nunatsiavut Government's (NG's) requests for methylmercury reduction.

As we discussed in our telephone conversation on June 14, 2016, and as was announced at the press conference held subsequent to our call that morning, the HHRAP has been approved, subject to the following condition:

Should downstream methylmercury monitoring identify the need for consumption advisories as a result of the project, Nalcor shall consult with relevant parties representing Lake Melville resource users. Based on the location of the consumption advisories these users could include Aboriginal Governments and organizations as well as other stakeholder groups. Following consultation, Nalcor shall provide reasonable and appropriate compensation measures to address the impact of the consumption advisory.

As regulator of the environmental assessment process, there was abundant and high quality information available to me in making this decision. My decision was informed by federal and provincial government agency comments from Health Canada and Health and Community Services respectively. Both agencies found the HHRAP to be acceptable and have indicated they will continue to review and assess results of future monitoring activities. Consultation with Aboriginal groups on the HHRAP, including a meeting with the NG on February 23, 2016 in Happy Valley-Goose Bay, was invaluable to my department in ensuring all perspectives were fully considered in arriving at a decision. The February meeting included a presentation by teleconference with researchers which was also carefully reviewed and considered. Further, the information presented at the NG's press conference held in St. John's

on April 18, 2016 and new report "Lake Melville: Avativut, Kanuittailinnivut (Our Environment, Our Health)", where you describe the NG's HHRA, including a Dietary Survey and Inuit Health Survey was considered as well.

Other important inputs into the decision making process included:

- Fisheries and Oceans Canada's Canadian Science Advisory Secretariat (CSAS) report titled: *Review of Mercury Bioaccumulation in the Biota of Lake Melville* which provided advice on the Schartup *et al.* (2015) study and on downstream methylmercury monitoring; and
- A scientific workshop undertaken on March 22, 2016 in St. John's to discuss the HHRAP specifically and methylmercury more generally, including the Schartup *et al.* (2015) study. The workshop participants included representatives of Environment and Conservation, Health and Community Services, Office of Public Engagement, Fisheries and Oceans Canada, Health Canada, Nalcor, Dillon Consulting, Reed Harris Environmental, with expertise in numerous fields including environmental health, food safety, ecological aquatic science, toxicology, health risk assessment, hydrology, environmental research, methylmercury modelling and fisheries. A summary of the scientific workshop report is attached.

Full and fair consideration was given to the input received from the NG in accepting the HHRAP.

I would also like to take this opportunity to reply to your four specific requests related to methylmercury and Muskrat Falls. Your requests and my response are outlined below.

1. Fully clear the future Muskrat Falls reservoir

Please be advised, the provincial government indicated on March 15, 2012, in its response to recommendation 4.5 of the Joint Review Panel (the "JRP"), that "*the Government supports partial harvesting of the flood zone.*" The partial clearing plan for the reservoir proposed by Nalcor will result in effectively the same reductions of methylmercury as the "full" clearing scenario which was studied by the JRP. Nalcor's clearing plan will see the removal of approximately 70 to 75 percent of vegetation. As regulator, I accept this clearing plan as the most practical and safe option.

With respect to the NG's request for clearing including soil please be advised this was assessed, and was discussed by experts at the March 2016 workshop. Our assessment determined that soil clearing is inappropriate based on the following factors:

- Environmental concerns (i.e. sedimentation, erosion);
- Loss of fish habitat due to sterile reservoir;
- Stripping 25cm of accessible soil on half of the flooded area = 5 million m³ would create additional environmental management challenges in terms of soil disposal.

In addition, even if such an extraordinary measure was taken, downstream monitoring for methymercury in order to determine whether consumption advisories are needed as a result of the project would still be required.

2. Negotiate an Impact Management Agreement

The NG requested an Impact Management Agreement "consistent with recommendation 13.9 of the Joint Review Panel". The JRP recommendation referenced the need to engage with appropriate parties in the event of consumption advisories "to reach agreement regarding further mitigation where possible and compensation measures, including financial redress if necessary." In 2012, the Government of Newfoundland and Labrador accepted the intent of recommendation 13.9 of the JRP, indicating that "if consumption advisories are required as a result of the downstream mercury assessment, then Nalcor should consult with downstream resource users on further mitigation measures, including the potential for compensation."

The condition of my acceptance of the HHRAP addresses the intent of impact management and reflects the core elements of the JRP recommendation.

3. Establish an independent Expert Advisory Committee

The Government of Newfoundland and Labrador accepted the JRP's recommendation, that Nalcor establish an "Environmental Monitoring and Community Liaison Committee" to provide feedback on the effects of the Project.

In accordance with the *Lower Churchill Hydroelectric Generation Project Undertaking Order (18/12),* an Environmental Monitoring and Community Liaison Committee has been established by Nalcor. I understand the NG were invited by Nalcor to be a member of the committee, but unfortunately declined to participate. The Provincial Government considers that this Committee would have and still does provide an opportunity for discussion of the NG's concerns on the downstream effects of the Project. I would encourage the NG to reconsider participation on this committee.

4. Grant Inuit joint decision-making authority over downstream environmental monitoring and management.

As you are aware the JRP considered the issue of downstream effects and did not direct a recommendation to the Government of Newfoundland and Labrador to establish joint decisionmaking with the NG or any other Aboriginal organization. Both the Federal and Provincial Governments issued their respective responses to the JRP's recommendations on March 12, 2013, after engaging the NG on that Report. The Provincial Government accepted the intent of JRP recommendations 13.9 to 13.13, which related to consumption advisories, human health and mercury monitoring, dietary surveys and country food.

The Provincial Government has consulted, and will continue to consult, the NG on permits and other authorizations required for the Project. The NG is welcome to seek whatever expertise it considers appropriate to inform its response to Government authorizations, as it has done with the research from Harvard University (*Schartup et al. 2015*). The Provincial Government is committed to the full and fair consideration of all comments received during such consultations, including those of independent experts that provide advice to the NG and other Aboriginal governments and organizations. It is for that reason that I welcomed the NG's participation, with their expert researchers, at the recently held scientific workshop. As I have recently indicated to the NG and others, I remain committed to facilitating open dialogue amongst experts. If the NG and its researchers wish to participate in an expert discussion on methylmercury monitoring, mechanisms for exchanging and assessing information from such monitoring, processes for determining whether consumption advisories are required and their nature and extent, or other important aspects of the project related to methylmercury, I would be pleased to facilitate a further meeting of experts of the various agencies.

I trust this provides a comprehensive response and explanation of our decisions.

Sincerely,

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PERRY TRIMPER, MHA District of Lake Melville Minister

cc: Honourable Dwight Ball, Premier Labrador and Aboriginal Affairs Office