CIMFP Exhibit P-04239

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Mr. Stan Marshall, CEO Nalcor Energy 500 Columbus Dr. PO Box 12800 St. John's NL A1B 0C9

Dear Mr. Marshall:

RE: IEAC Recommendations on Methylmercury at Muskrat Falls

My department has been in receipt of the final recommendations from the Independent Experts Advisory Committee (IEAC) on methylmercury at Muskrat Falls since April 10, 2018. I have spoken with the Chair of the IEAC, I have touched base with the three Indigenous groups, and we have heard further scientific analysis from methylmercury My department has reviewed those recommendations carefully and has experts. continued to examine the results of the ongoing methylmercury monitoring program. We have come to a decision pertaining to the final IEAC recommendations.

IEAC Recommendation #4: Mitigation of Methylmercury Impacts

This recommendation consisted of two parts, namely, targeted soil removal and wetland capping. There was no consensus on this recommendation by either the IEAC scientific sub-committee or the IEAC oversight committee. The recommendation was made on the basis of a committee vote, however, every member of the committee provided a written summary of their reason for voting as they did (see attached letter from Dr. Ken Reimer, Chair). The lack of consensus was because of differing opinions about the benefits of soil removal and possible negative impacts that were not accounted for in the modelling exercise. Wetland capping, on the other hand, was supported by all Indigenous groups. I am, therefore, directing that Nalcor proceed with the wetland capping option only and that Nalcor do so in accordance with the permitting requirements of this department.

IEAC Recommendation #5: Monitoring

The IEAC recognized there is already a strong monitoring program in place that fulfills the obligations of Nalcor to federal and provincial government regulators. Building on that program, the IEAC recommended that the "next phase" of the IEAC or a new independent body, involve the community to design, implement, and oversee the monitoring program. Benchmarks would be created to interpret monitoring results that would act as triggers for pre-established actions for dietary advice, public health programming, and accommodation and compensation for impacted populations as required for implementing Recommendation #7 below. Government will reconvene the IEAC oversight committee but with a new chair whose background will be that of a public health professional and begin with the setting of new terms of reference for implementing this recommendation and Recommendation #7 and which will include Nalcor as a full participant and funding agency.

IEAC Recommendation #6: Posting of an Impact Security Fund

The IEAC began this recommendation by stating, "There needs to be a guarantee that the Indigenous and local population will have access to plentiful, high quality and culturally appropriate alternate foods, whenever possible country foods, if there are impacts to those foods resulting from impoundment of the Muskrat Falls reservoir". I would like to point out that on June 14, 2016, the then Minister of Environment and Conservation released Nalcor's Human Health Risk Assessment Plan (HHRAP) 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.

There is obviously a considerable overlap in the intent of the IEAC recommendation and what this Government has already required Nalcor to do. The IEAC further recommended that the province and Nalcor discuss the details of an impact security fund directly with the affected parties and provide capacity funding for relevant expertise. We would propose beginning those discussions recognizing however that there must first be a clear path forward for Recommendation #5, that is to set benchmarks and triggers based on a robust monitoring program before necessary compensation can be quantified. Furthermore, the next recommendation on Management of Human Health must logically also precede this one.

IEAC Recommendation #7: Management of Human Health

Based on two separate but similar biomonitoring studies of current exposure to methylmercury in the area's population, it was found that in all but two individuals, methylmercury levels in hair were in the normal acceptable range according to Health Canada's *Canadian Methylmercury Guidance Values and Recommended Actions*. According to one IEAC contracted scientist (Ollson), "Overall, the concentrations of THg in the Muskrat Falls Project area participants appear to be generally similar levels to those of the general Canadian population and far less than some other northern Inuit populations".

Nevertheless, the IEAC recommended that standard advice be provided to pregnant women and the community at large that it is important to eat country foods, and also that country foods and water are safe. After Muskrat Falls inundation there needs to be an appropriate response and communications plan to ensure safe ongoing dietary advice is provided should methylmercury increases be detected through the community based monitoring as recommended in Recommendation #5 above. We are requesting therefore, that Nalcor fund a recognized public health professional to head up the new IEAC oversight committee to fulfil this task concurrently with Recommendation #5.

I would like to take this opportunity to thank Nalcor for its cooperation and funding support for the IEAC process thus far and I look forward to continuation as we work towards implementing these important recommendations for the protection of human health from potential impacts of methylmercury at Muskrat Falls.

Sincerely,

ANDREW PARSONS, QC

Minister of Municipal Affairs and Environment

Enclosure

cc: Hon. Dwight Ball, Premier Hon. Siobhan Coady, Minister of Natural Resources Mr. Jamie Chippett, Deputy Minister