

**ENVIRONMENTAL ASSESSMENT OFFICE  
INFORMATION NOTE**

Date: July 2, 2013  
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CLIFF: 103188

**PREPARED FOR:** Honourable Mary Polak, Minister of Environment

**ISSUE:** Line creek operations phase II (proposed Project) – upcoming referral to Ministers

**BACKGROUND:**

Teck Coal Limited (Teck) proposes to expand the existing Line Creek Operations in southeast BC, 22 kilometres northeast of Sparwood (see appended map). The existing operations are anticipated to exhaust the coal reserves and cease production in 2014. The proposed expansion would preserve the jobs of 416 people for approximately 20 years. Teck has indicated that it needs all permitting, including an Environmental Assessment Certificate, in place by October 2013 to avoid job losses.

Line Creek Operations is one of five operating coal mines in the Elk Valley, all of which are owned by Teck. The company plans to expand all five mines. The EAO is currently reviewing Line Creek and the proposed Fording River expansion and expects Teck to initiate the environmental assessment (EA) process for expansions of Elkview and Coal Mountain in July and August 2013.

Concentrations of mine-related contaminants in the Fording and Elk Rivers exceed BC's Water Quality Guidelines for the protection of aquatic life. Of particular concern is selenium, the concentrations of which are increasing in the Elk and Fording Rivers at a rate of 8% and 13% per year. The Outdoor Recreation Council of BC has identified the Elk River as one of the top three threatened rivers in BC for 2013, due to coal mining.

On April 15, 2013, the Minister of Environment ordered Teck to develop an Area Based Management Plan (ABMP) for the Elk Valley watershed under BC's *Environmental Management Act* to stabilize and reverse the trend of increasing concentrations of selenium, cadmium, nitrate and sulphate, and calcite deposition. Teck expects to submit the plan to the province for approval in the fall of 2014.

The Elk River flows into Lake Kootenai, a trans-boundary reservoir subject to the Boundary Waters Treaty of 1909 between Canada and the United States (US). The US Environmental Protection Agency (EPA) has listed Lake Kootenai as "threatened" under the *US Clean Water Act*.

In 2012, Ktunaxa Nation Council and the US Confederated Salish and Kootenai Tribes wrote jointly to the US Secretary of State and the federal Foreign Affairs Minister requesting that they refer water quality in the Elk and Kootenay River Basins to the International Joint Commission (IJC) for review. The IJC is the dispute resolution body under the Boundary Waters Treaty. The US side of the IJC has said it may not need to intervene due to the steps BC has taken to include Montana and the US EPA in the Line Creek EA, and in the development of the Elk Valley ABMP.

#### **DISCUSSION:**

EAO suspended the 180-day application review period for Line Creek on July 19, 2012 (day 155 of 180) to allow time for Teck to address the outstanding water quality issues. The outstanding issues have not all been resolved, but will be addressed by the Elk Valley ABMP, for which Teck must submit terms of reference to the Minister of Environment in July. On the basis of the terms of reference, EAO intends to lift the suspension in August.

In anticipation of lifting the suspension, EAO plans to distribute the draft Assessment Report and draft certificate conditions to the Ktunaxa Nation and the EA Working Group, which includes provincial and federal agencies, the Montana Department of Environmental Quality, and the US EPA. The Ktunaxa and Montana and US EPA officials may publicly comment about how EAO is proposing to address water quality issues in the draft material in advance of the ABMP.

In early September, EAO intends to refer the proposed Project to the Minister of Environment and the Minister of Energy and Mines for a decision on whether to issue an EA certificate. The order for the ABMP does not change the EA working group's comments and EAO's conclusions regarding the potential residual and cumulative water quality effects of the proposed Project because the order does not specify the concentration targets, timelines and mitigation that will be employed. The Ministers will, however, be able to consider the order for the ABMP in deciding whether to issue an EA certificate for the proposed Project.

#### **NEXT STEPS:**

- July 5<sup>th</sup>: distribute the draft Assessment Report and draft certificate conditions to the EA Working Group and Ktunaxa Nation. Comments due July 26<sup>th</sup>.
- July 10<sup>th</sup>: distribute the draft First Nations Consultation Report to Ktunaxa Nation. Comments due July 31<sup>st</sup>.
- August 1<sup>st</sup>: lift the time-limit suspension.
- Early September: Referral to Ministers and 45 day decision period begins.

**ATTACHMENTS:** Regional Context Map

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