

# FOR PUBLIC COMMENT

Summary of the intended conduct of a comprehensive  
study pursuant to the  
*Canadian Environmental Assessment Act*

**Project Proposal:** Schaft Creek Mine Project near  
Telegraph Creek in northwest British Columbia

**Proponent:** Copper Fox Metals Inc.

**Prepared by:** Canadian Environmental Assessment Agency,  
Pacific and Yukon Region

Canadian Environmental Assessment Registry reference number:  
**10-03-57852**

September 2010

## **Purpose of this document and the public comment period**

The Canadian Environmental Assessment Agency (the “Agency”) has determined that the proposed Schaft Creek Mine Project (the “Project”) requires an environmental assessment pursuant to the *Canadian Environmental Assessment Act*. The Agency has also determined that, due to the proposed daily ore production capacity of the Project being above 3,000 tonnes per day, a comprehensive study will be required pursuant to paragraph 17 of the *Comprehensive Study List Regulations*.

The Agency is required to provide the public with an early opportunity to comment on the Project and the conduct of the comprehensive study (in addition to two future public comment periods to be held within the federal environmental assessment process). This document summarizes the scope of the Project to be assessed and the information to be assessed during the technical stages of the comprehensive study. The Agency is seeking written comments from the public, from October 6 to November 5, 2010, as to the intended conduct of the comprehensive study, to ensure that the potential environmental effects that might result from the Project are identified for consideration during the environmental assessment process.

The Project is also subject to an environmental assessment pursuant to the British Columbia *Environmental Assessment Act*, and the governments of British Columbia (B.C.) and Canada are working together to undertake a cooperative environmental assessment, in order to minimize duplication. Accordingly, the current public comment period is being administered by both the Agency and the B.C. Environmental Assessment Office (the “EAO”), as an opportunity for the public to comment on the information to be considered in both the provincial and federal environmental assessment processes. A joint document, titled draft Application Information Requirements, has been developed and is available in English on the EAO’s website at: [www.eao.gov.bc.gc](http://www.eao.gov.bc.gc).

The draft Application Information Requirements document contains both provincial and federal information requirements for the cooperative environmental assessment process, and will direct Copper Fox Metals Inc. (the “Proponent”) as to what information to evaluate and include in preparing its formal submission to the cooperative environmental assessment process (known as the Application/Environmental Impact Statement). Once received by the Agency and the EAO, the Application/Environmental Impact Statement will be screened against the Application Information Requirements, to determine if it is acceptable for formal review. The federal information requirements included in the draft Application Information Requirements are outlined in this summary document for the benefit of all interested Canadians, as it is available in both official languages.

## **Project Summary and Setting**

The federal environmental assessment process will evaluate the Project as proposed by the Proponent. The proposal includes an open pit polymetallic (copper-gold-molybdenum-silver) mine approximately 60 kilometres south of Telegraph Creek, B.C., with a proposed ore production rate of up to 150,000 tonnes per day over a minimum 15

year operation period. The Project would utilize conventional truck and shovel equipment and typical drill and blast techniques and would include an explosives storage facility. The mine pit, plant/mill, and waste rock storage facilities are proposed to be located along the east bank of Schaft Creek. An airfield would also be constructed to the east of the mine pit. The tailings impoundment area would be located within the Skeeter Creek watershed (a tributary of Schaft Creek). The Project footprint would also include a camp to support approximately 700 employees, water treatment facilities, and warehouse, administration and maintenance facilities.

The ore would be crushed, milled and filtered on-site to produce ore concentrates. The Proponent intends to transport the ore concentrates by way of trucks along Highway 37 to the Port of Stewart in Stewart, B.C. The Project would also include an approximately 40 kilometre access road linking to the Galore Creek Mine access road, which will connect to Highway 37 near Bob Quinn Lake. The access road would fall mostly within the Mess Creek watershed, and would cross Mess Creek twice to avoid geohazards. An approximately 100 kilometre, 287 kilovolt transmission line would also be constructed, generally following the proposed access road alignment and Galore Creek access road alignment.

The proposed Project footprint is located near Schaft Creek, which drains into Mess Creek, which in turn drains into the Stikine River, an international river that crosses the border into the United States of America near Wrangell, Alaska (see Figure 1). The proposed Project footprint falls within the asserted traditional territory of the Tahltan Nation, which is actively involved in the cooperative environmental assessment process. The proposed transportation route utilizes existing provincial highways 37 and 37A, which pass through Nisga'a Lands as denoted in the Nisga'a Final Agreement, as well as asserted traditional territories of the Gitanyow First Nation and Skii km Lax Ha. The Métis Nation B.C. may also have asserted harvesting activities in the vicinity of the Project.

### **Federal Departments Involved in the Environmental Assessment**

As explained in the notice of commencement posted on the Canadian Environmental Assessment Registry (reference number 10-03-57852), the departments with likely statutory decision-making responsibility in relation to the Project, and therefore required (as responsible authorities) to ensure a federal environmental assessment is conducted, are Fisheries and Oceans Canada, Natural Resources Canada, Environment Canada and Transport Canada. These departments will be taking an active role in the environmental assessment process, to provide technical input to the cooperative review and to support the Agency in ensuring the comprehensive study process is completed in a robust manner within required timelines. In addition, Health Canada will provide expert advice as requested to support the Agency and other federal departments throughout the process.

Pursuant to subsection 11.01(1) of the *Canadian Environmental Assessment Act*, the Agency will exercise the powers and perform the duties and functions of the responsible authorities until the comprehensive study report is submitted to the Minister of the

Environment. The Agency will therefore work closely with the EAO and the federal departments listed above to ensure the requirements of the *Canadian Environmental Assessment Act* are satisfied in as coordinated a manner as possible with the provincial legislative requirements.

### **Summary of the information to be considered in the comprehensive study process**

The Proponent will be required to provide an examination of potential environmental effects of the Project and a description of any change that the Project may cause in the environment. The Proponent will also be required to provide information on the following factors, and any other factors identified by the Agency with input from the federal responsible authorities or based on feedback received during the public comment period or from potentially affected Aboriginal groups.

#### **Technical Information**

- **Climate change**
- **Terrain and soils**
- **Vegetation and plant communities (including species at risk)**
  - Description of any change that the Project may cause to a listed plant species, its critical habitat or the residences of individuals of that species, as those terms are defined in subsection 2(1) of the federal *Species at Risk Act*.
- **Wildlife and wildlife habitat (including species at risk)**
  - Description of any change that the Project may cause to a listed wildlife species, its critical habitat or the residences of individuals of that species, as those terms are defined in subsection 2(1) of the federal *Species at Risk Act*.
- **Surface water and groundwater quality and quantity**
- **Aquatic environment (e.g. aquatic life, fish, fish habitat and aquatic species at risk)**
- **Heritage and archaeological resources**
- **First Nations traditional use (current and historic)**
- **Land and resource use**
- **Navigation**
  - A description of the methodology for determining navigable water.
  - A description of existing navigable waters; including the navigability of Skeeter Lake and the navigability of streams to be crossed by the access road.

- A description of the navigable waters issues raised through the pre-application phase of the EA.
- An assessment of potential effects on navigation of the navigable water bodies identified.
- **Human health**
  - Air quality
  - Water quality
  - Noise
  - Country foods
- **Purpose of the Project**
- **Alternative means of carrying out the Project**
  - Alternatives to the Project and the reasons behind selecting the preferred option, as well as an analysis of the alternative means of carrying out the Project that are technically and economically feasible and the environmental effects of any such alternative means.
  - Descriptions of technically and economically feasible alternatives of carrying out the Project, including descriptions of:
    - Access road options (i.e. Mess Creek Valley road alignment versus Tahltan Highland road alignment);
    - Mess Creek causeway;
    - Power supply options;
    - Transmission line options;
    - Waste rock storage options;
    - Stream crossing design alternatives on fish-bearing streams where Habitat Alteration, Disruption or Destruction (HADD) has been identified;
    - Concentrate transportation modes (i.e., slurry pipeline to Bob Quinn Lake area, slurry pipeline to Stewart versus trucking direct from mine site to Stewart); and
    - Tailings management (i.e., location of tailings storage facility).
  - Each assessment will include the following:
    - A brief description of the Project alternatives;
    - Identification of the key issues in considering the alternative means of the Project;
    - An analysis of the alternative means of carrying out the Project that are technically and economically feasible; and

- Identification of the rationale for selecting the preferred alternative.
- **Effects of the environment on the Project**
  - Identification of the environmental factors deemed to have possible consequences on the Project, including, but not limited to: extreme weather events (e.g., lightning, heavy precipitation, extreme temperatures, flooding); natural seismic events; fire; geohazards (e.g., debris flows or torrents, rock fall, snow avalanche); and climate change.
  - Identification of any changes or effects on the Project that may be caused by the above-mentioned environmental factors, whether the changes or effects occur within or outside of Canada. This analysis will include potential effects on the integrity of the proposed development infrastructure.
  - Identification of the likelihood and severity of the changes or effects.
  - Identification of mitigation measures, including design strategies, planned to avoid or minimize the probability and severity of the changes or effects.
- **Accidents or malfunctions**
  - Identification of the potential accidents, malfunctions and unplanned events that could occur in any phase of the Project; the likelihood and circumstances under which these events could occur; and the environmental effects that may result from such events, assuming contingency plans are not fully effective.
  - Potential accidents, malfunctions and unplanned events to be considered in the Application/Environmental Impact Statement, including, but not limited to:
    - Contamination due to construction equipment fuel or hydrocarbon spills;
    - Spills of hazardous substances stored on-site (reagents, fuels, contained liquid waste);
    - Unintended leakage from containment ponds;
    - Accidental release of contaminants from stockpiles of ore or waste rock;
    - Breach or failure of tailings dam or other containment structure;
    - Accidental discharge of off-specification effluent from treatment plants;
    - Power outages;
    - Fires or explosions that could potentially be caused during construction or operation, such as brush fires caused by clearing and construction activities;
    - Fly rock from blasting;
    - Motor vehicle accidents involving construction, maintenance or transport crews, and any resulting contaminant spills;

- Flooding, erosion and burial as a result of potential reservoir or tailings pond dam failures;
  - Acid or metal leaching downstream of reservoirs, tailings ponds, road cuts or other excavation; and
  - Sediment release into watercourses.
- Identification of any contingency plans and response options for probable accidents and/or malfunctions in the Environmental Management Systems.
  - A description of how potential accidents, malfunctions or unplanned events will be managed or mitigated.
- **Mitigation measures**
- A description of any measures that are technically and economically feasible that would avoid or mitigate the potential environmental effects identified.
  - A technically feasible fish habitat compensation plan, including:
    - DFO’s hierarchy of preferences, as described in Section 4.1 of DFO’s Practitioner’s Guide to Habitat Compensation;
    - Fish species or stocks targeted in compensation objectives, and any fisheries management objectives, fishery use, or potential use of fish in the Project area;
    - Opportunities to improve existing impacts or constraints to fish and fish habitat in the watershed;
    - Aboriginal traditional access to fish in the area, and traditional uses and ecological knowledge;
    - Compliance of compensation plans with recovery planning for species listed under the *Species at Risk Act*;
    - The type, amount and supply of habitat at both the impacted and proposed compensation sites;
    - The amount and temporal nature of the impact (whether impacts are permanent or temporary);
    - The risk of failure and the time lag until compensatory habitats become fully functional;
    - When determining potential compensation work locations, consideration should be given to the potential for the proposed project to adversely affect the compensation works in the future:
      - Where existing habitat is to be enhanced, the intrinsic value of this habitat must be considered when determining the amount of productive capacity gained through compensation (i.e., enhancement); and

- Compensation works should be designed to function in perpetuity;
  - A detailed description of the fish habitat likely to be impacted (i.e., type of habitat, species present, general productivity) and the extent (i.e. area and impacted habitat type) and expected duration of impact;
  - A detailed description of the proposed compensation sites and planned compensation works, including photographs and sketches or drawings of the sites identifying the approximate location (geographic coordinates), area, number and dimensions of compensation works and structures;
  - Characterization of the habitat gains expected from the compensation works (i.e. type and amount of habitat to be created, the species that will benefit, the habitat function or capacity that will be created, improved or enhanced, and how such gains will offset the potential Project impacts and achieve no net loss in productive capacity of fish habitat);
  - Identification of the general factors limiting the productive capacity and habitat function of the area in which the compensation works are being proposed;
  - A description of any existing habitat in the area of the proposed compensation (i.e., type, species present, general productivity);
  - The timeline for implementing the compensation plan;
  - The general construction approach;
  - A draft preliminary plan of compliance and effectiveness monitoring;
  - The general description of monitoring commitments sufficient for an EA review; and
  - Noting that tender documents have not been developed and contractors have not been engaged, a best estimate cost will be provided.
- **Residual environmental effects and their significance**
  - A description of any residual environmental effects expected to remain following implementation of the proposed mitigation measures.
  - For each residual environmental effect identified, the Proponent will provide a discussion of the significance of the effect based on its direction, magnitude, geographic extent, duration and frequency, reversibility, context and probability. These terms are defined as follows:
    - Direction: Whether the potential effect will be adverse, positive, or neutral.
    - Magnitude: The severity of the effect. Low magnitude effects may have very little impact, while high magnitude effects may have a notable impact.



- Geographic extent: The extent of change related to the effect. The geographic extent of effects can be local or regional. Local effects may have a lower impact than regional effects.
  - Duration and frequency: The length of time the effect lasts and how often the effect occurs. The duration of an effect can range from short to long term. The frequency of an effect can range from frequent to infrequent. Short-term and/or infrequent effects may have a lower impact than long-term and/or frequent effects.
  - Reversibility: The degree to which the effect is reversible. Effects can be reversible or permanent. Reversible effects may have lower impact than irreversible or permanent effects.
  - Context: The ability of the impacted environment to accept change. For example, the effects of a project may have a greater impact if they occur in areas that are ecologically sensitive, with little resilience to imposed stresses.
  - Probability: The likelihood that an effect will occur (in circumstances where it is not certain that the effect will materialize).
- **Cumulative environmental effects**
  - A description of any cumulative environmental effects that are likely to result from the Project in combination with other projects or activities that have been or will be carried out.
  - Consideration of any available regional study results for cumulative environmental effects that may be likely to result from the Project in combination with other projects or activities that have been or will be carried out.
  - Consideration of both direct environmental effects and indirect social and economic effects, where applicable.
  - Methodologies for the cumulative environmental effects assessment will follow the framework set out by the Agency in the documents “Reference Guide: Addressing Cumulative Environmental Effects” (November 1994); “Cumulative Effects Assessment Practitioners Guide” (February 1999); and “Addressing Cumulative Environmental Effects under the *Canadian Environmental Assessment Act*” (November 2007).
  - The spatial area for the cumulative effects assessment will be identified, with supporting rationale for the delineation of this area. Spatial boundaries will be identified using the following criteria:
    - The physical extent (terrestrial, aquatic and atmospheric) of the Project;

- The extent of aquatic and terrestrial ecosystems, socio-economic systems, communities and Aboriginal interests potentially affected by the Project;
  - The extent of potential effects arising from the Project; and
  - The size, nature and location of past, present and reasonably foreseeable Projects and activities which could interact with the potential effects of the Project.
- Temporal boundaries will be established on a case-by-case basis for each potential effect, and the rationale for the boundaries will be clearly stated.
  - Past, present and reasonably foreseeable projects and activities that will be included in the cumulative effects assessment will be identified.
    - Reasonably foreseeable future projects are defined as those within the cumulative effects assessment study area that have entered or completed the provincial and/or federal environmental assessment process, or an equivalent permitting or approval process, but are not yet operational.
  - Rationale will be provided when other projects or activities are excluded from the cumulative environmental effects assessment. This will only occur when the environmental effects of the other projects are not likely to accumulate or interact measurably with the residual environmental effects of the Project.
  - Discussion of avoidance measures, mitigation measures and follow-up programs to address the results of the cumulative environmental effects assessment.
- **Follow-up program**
    - A description of the need for and requirements of any planned/required follow-up program.
    - The type, frequency, duration and location of follow-up monitoring and the planned approach to data management, analysis and reporting, including:
      - An overview of the proposed monitoring programs to be incorporated into each phase of the Project; and
      - The approach, objectives and proposed methodologies to be used in monitoring programs.
    - A summary of who will be responsible for implementing the various components of the follow-up program.
    - A description of how the results of the follow-up program will be used to inform an adaptive management approach, if applicable.

- **Capacity of renewable resources**
  - An analysis of the capacity of renewable resources to meet the needs of the present and those of the future where these resources are likely to be significantly affected by the Project.
- **Any other information as requested by the Agency in exercising the powers and performing the duties and functions of the responsible authorities<sup>1</sup>.**

Aboriginal Consultation Information

**The Proponent will provide information on:**

- Identification of the Aboriginal groups that could be potentially affected by the Project and their asserted or established traditional territory;
- Maps of the asserted or established traditional territory of potentially affected Aboriginal groups, if available;
- Past, present and anticipated future uses of the proposed Project area by Aboriginal groups
- Recognizing that the proposed Project footprint is located within the asserted traditional territory of the Tahltan Nation (and within an area not subject to any competing traditional territory claims), the Proponent will provide:
  - A summary of the ethnography, land use setting, economic setting, and governance structure of the Tahltan Nation,
  - Tahltan economic development structures and characteristics and resource development policy, if available, and
  - A description of the traditional territories adjacent to that of the Tahltan First Nation;
- Any specific asserted Aboriginal or treaty rights (including title), currently being practiced or that could potentially be carried out in the future, which are potentially impacted by the Project;
- Other interests raised by Aboriginal groups during the environmental assessment;
- Identification of potential effects of the Project on established or asserted Aboriginal or treaty rights, and mitigation measures to avoid or reduce such effects;

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<sup>1</sup> Additional information requests will be made if an outstanding information need is identified that is necessary in order for the environmental assessment process to be satisfactorily concluded. Such requests may be based on feedback provided by other federal departments, Aboriginal groups, or members of the public.

- Identification of other Aboriginal interests with respect to potential environmental effects of the Project to the extent not already identified, and a description of how these interests have been addressed;
- A summary of past and planned Aboriginal consultation activities;
- A summary of key Aboriginal issues and responses to these issues<sup>2</sup>;
- Project components that were changed as a result of Aboriginal consultation;
- Studies or other efforts that were initiated as a result of Aboriginal consultation;
- A description of environmental management plans related to Tahltan Nation interests;
- A description of the Proponent's corporate principles for sustainable relationships with Aboriginal groups; and
- Identification of accommodation measures resulting from Aboriginal consultation, including design considerations, mitigation measures and specific commitments which address potential effects on the matters identified above.

### **Description of the Cooperative Environmental Assessment Process**

The Agency and EAO will take any comments received during the public comment period into consideration in finalizing the Application Information Requirements. Once finalized, the Application Information Requirements document will be issued to the Proponent to direct the drafting of the Application/Environmental Impact Statement.

Once the Application/Environmental Impact Statement is submitted by the Proponent to the Agency and EAO, it will be screened against the Application Information Requirements in order to determine if it includes the required information to allow a complete environmental assessment. The Agency and EAO will also receive advice from a technical working group composed of relevant subject matter experts from federal, provincial and local governments, and the Tahltan Nation. If it is determined to meet the requirements of the Application Information Requirements, the Application/Environmental Impact Statement will be accepted for formal technical review, which will include an opportunity for the public to comment on the Application/Environmental Impact Statement. This public comment period will be advertised and posted on the EAO and Agency websites.

Upon conclusion of the Application/Environmental Impact Statement public comment period, and after a full review by the technical working group, the Agency and EAO will take public comments and working group feedback into account in drafting the final report of the environmental assessment (known federally as the comprehensive study report and provincially as the assessment report). Once a final draft is achieved, the

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<sup>2</sup> Issues and responses will be summarized in a tracking table, and will be posted on the EAO's Project Information Centre website.

comprehensive study report will be forwarded by the Agency to the Minister of the Environment.

At this time the third and final public participation opportunity will be held. The public will be given an opportunity to comment on the comprehensive study report prior to any environmental assessment decision by the Minister of the Environment. The Minister will take any comments submitted during the public comment period into account in making a decision as to whether the Project is expected to result in any significant adverse environmental effects, and whether it can be referred to the responsible authority departments (Fisheries and Oceans Canada, Natural Resources Canada, Environment Canada and Transport Canada) for their decision-making processes related to their statutory requirements for the Project. The Minister of the Environment may choose to request additional information or require that outstanding public concerns be addressed prior to issuing an environmental assessment decision statement.

The environmental assessment decision statement will set out the Minister's opinion as to whether the Project is or is not likely to cause significant adverse environmental effects, taking into account any mitigation measures and follow-up programs the Minister considers appropriate.

### **Submitting Public Comments**

The public comment period will commence on October 6, 2010. Written comments may be submitted at any time up until the end of day on November 5, 2010. Comments should be as detailed as possible and reference the Schaft Creek Mine Project, Canadian Environmental Assessment Registry reference number 10-03-57852. All comments are considered public and will become part of the Agency's project file. Comments may be sent to:

Schaft Creek Mine Project Environmental Assessment  
Canadian Environmental Assessment Agency  
320 – 757 West Hastings Street  
Vancouver, BC V6C 1A1  
Telephone: 604-666-2431  
Fax: 604-666-6990  
E-mail: [SchaftCreekEA@ceaa-acee.gc.ca](mailto:SchaftCreekEA@ceaa-acee.gc.ca)

In order to provide information and answer questions on the federal and provincial environmental assessment processes and the Project proposal, five open houses will be held in communities near the proposed Project site. Details on locations, dates, and times of these open houses can be found in the public notice, which is available on the Agency's Registry website at: [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca).

### **Participant Funding**

The Agency is able to provide funding to individuals and groups to assist them in participating in the environmental assessment process. In order to receive funding,

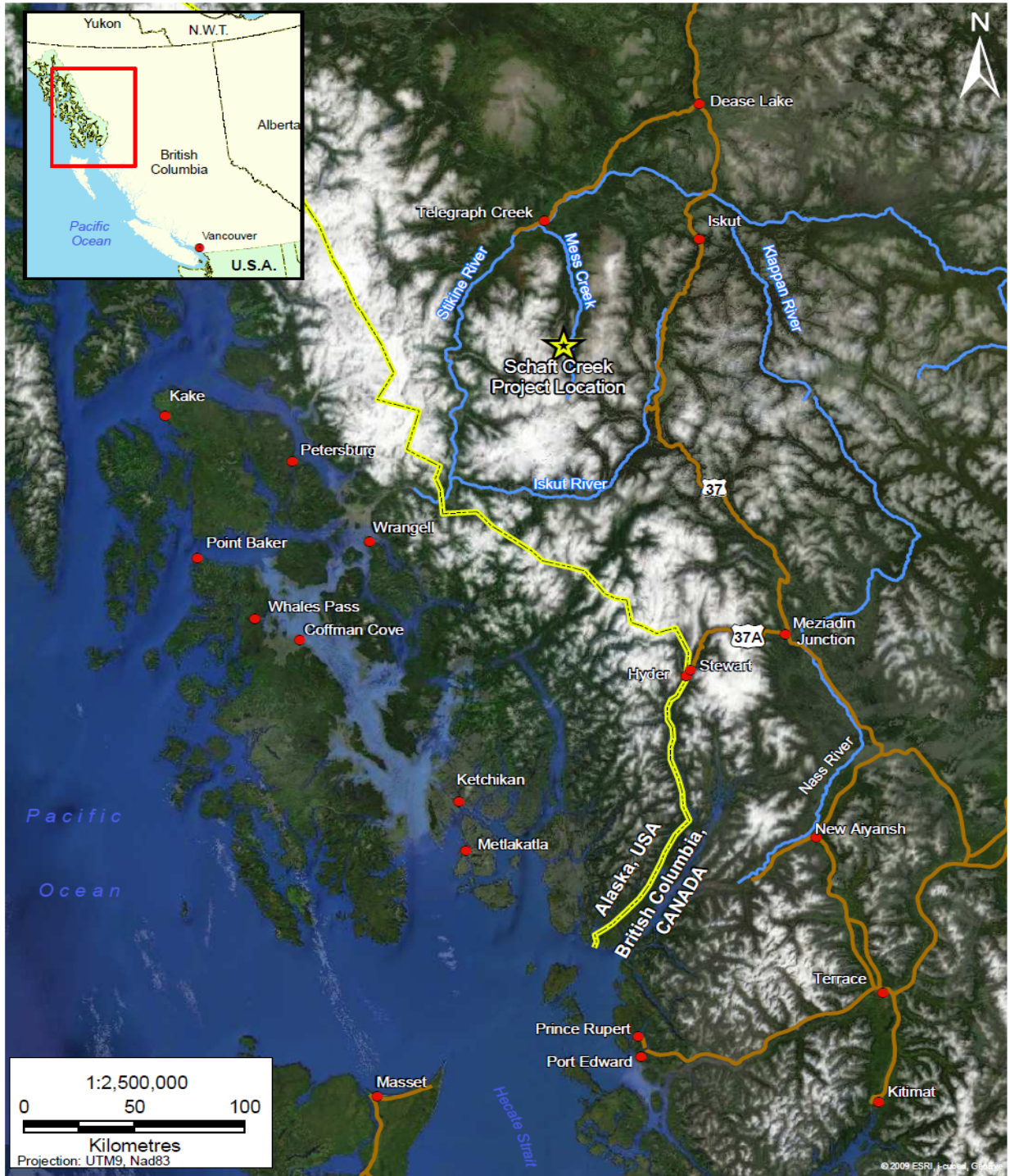
groups or individuals must complete an application and be notified by the Agency's Participant Funding Program that their application was successful. More information on the availability of participant funding, who can apply, and how to apply is available at [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca), in the Public Participation section and in the Canadian Environmental Assessment Registry under reference number 10-03-57852.

### **Further Information on the Environmental Assessment**

More information (English only) on the draft Application Information Requirements, including the document in its entirety, is available on the EAO's website (you can also access information on the B.C. environmental assessment process) at:

[http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic\\_project\\_home\\_283.html](http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic_project_home_283.html).

More information on the federal environmental assessment process for the Project is available on the Agency's Registry website at: [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca).



## Location Map for Schaft Creek Project



FIGURE 2.1-1



Figure 1. Project Setting Map (from Schaft Creek Project Description Addendum, July 2010)