

Decision Statement
Issued under Section 54 of the *Canadian Environmental Assessment Act, 2012*

to
HD Mining International Ltd.
c/o Penggui Yan, Chair

2288 – 1177 West Hastings Street
Vancouver, British Columbia
V6E 2K3

for the
Murray River Coal Project

Description of the Designated Project

HD Mining International Ltd. is proposing the construction, operation and decommissioning of an underground coal mine and supporting infrastructure, including a 5.8-kilometre rail load-out. The Designated Project is located 12.5 kilometres southwest of Tumbler Ridge, British Columbia and would produce six million tonnes of metallurgical coal per year for an estimated mine life of 25 years.

Conduct of the environmental assessment

The Canadian Environmental Assessment Agency (the Agency) conducted an environmental assessment of the Designated Project in accordance with the requirements of the *Canadian Environmental Assessment Act, 2012*. The Agency commenced the environmental assessment on May 31, 2013, and submitted its report to me in my capacity as Minister of Environment and Climate Change.

Decision on environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*

In accordance with paragraph 52(1) (a) of the *Canadian Environmental Assessment Act, 2012*, after considering the report of the Agency on the Designated Project and the implementation of mitigation measures that I consider appropriate, I determined on October 6, 2016 that the Designated Project is likely to cause significant adverse environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*.

In accordance with subsection 52(2) of the *Canadian Environmental Assessment Act, 2012*, I referred to the Governor in Council the matter of whether those significant adverse environmental effects are justified in the circumstances.

In accordance with paragraph 52(4) (a) of the *Canadian Environmental Assessment Act, 2012*, the Governor in Council decided that the significant adverse environmental effects that the Designated Project is likely to cause are justified in the circumstances.

In accordance with subsection 53(1) of the *Canadian Environmental Assessment Act, 2012*, I have established the conditions below in relation to the environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*, with which the Proponent must comply.

Decision on environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*

The carrying out of the Designated Project does not require any federal authority to exercise a power or perform a duty or function conferred on them under an Act of Parliament other than the *Canadian Environmental Assessment Act, 2012*.

Therefore, I have determined that the Designated Project is not likely to cause significant adverse environmental effects referred to in subsection 5(2) of the *Canadian Environmental Assessment Act, 2012*.

Consultation with Indigenous groups

In establishing the conditions below in relation to the environmental effects referred to in subsection 5(1) of the *Canadian Environmental Assessment Act, 2012*, I took into account the concerns and interests identified in the consultation process with Indigenous groups, including those related to potential adverse impacts to Treaty 8 rights and Aboriginal rights. I also considered the measures to address these concerns and interests that have been identified in the environmental assessment and consultation processes, including those carried out since my decision made on October 6, 2016. I am satisfied that the consultation process undertaken is consistent with the honour of the Crown and, with the conditions I have established and the other relevant federal and provincial measures being developed, that the concerns and interests of Indigenous groups are appropriately accommodated for the purpose of issuing this Decision Statement.

1 Definitions

- 1.1 *Agency* means the Canadian Environmental Assessment Agency.
- 1.2 *Baseline* means the environmental conditions prior to initiating construction of the Designated Project.
- 1.3 *Construction* means the phase of the Designated Project when site preparation, building or installation of any components of the Designated Project is undertaken by the Proponent.
- 1.4 *Contact water* means water which has come into contact with mine site components.
- 1.5 *Days* means calendar days.
- 1.6 *Decommissioning* means the phase of the Designated Project during which the Proponent permanently ceases commercial production and commences removal from service of any components of the Designated Project, and that continues until the site is restored.
- 1.7 *Deleterious substance* means “deleterious substance” as defined in subsection 34(1) of the *Fisheries Act*.
- 1.8 *Designated Project* means the Murray River Coal Project described in section 2 of the environmental assessment report prepared by the Canadian Environmental Assessment Agency (Canadian Environmental Assessment Registry Reference Number 80041).
- 1.9 *Designated Project area* means the land and water areas disturbed by the Designated Project.

- 1.10 *Environment and Climate Change Canada* means the Department of the Environment as established under subsection 2(1) of the *Department of the Environment Act*.
- 1.11 *Environmental effects* means “environmental effects” as described in section 5 of the *Canadian Environmental Assessment Act, 2012*.
- 1.12 *Environmental impact statement* means the October 2014 document entitled *Murray River Coal Project: Application for an Environmental Assessment Certificate/Environmental Impact Statement* (Canadian Environmental Assessment Registry Reference Number 80041).
- 1.13 *Fish* means “fish” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.14 *Fish habitat* means “fish habitat” as defined in subsection 2(1) of the *Fisheries Act*.
- 1.15 *Fisheries and Oceans Canada* means the Department of Fisheries and Oceans as established under subsection 2(1) of the *Department of Fisheries and Oceans Act*.
- 1.16 *Follow-up program* means “follow-up program” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.17 *Heritage value* means the aesthetic, historic, scientific, cultural, social or spiritual importance or significance for past, present or future generations.
- 1.18 *Indigenous groups* means the following Aboriginal Peoples: West Moberly First Nations, Saulteau First Nations, McLeod Lake Indian Band, Blueberry River First Nations, Horse Lake First Nation, Doig River First Nation, Fort Nelson First Nation, Halfway River First Nation, Prophet River First Nations, Sucker Creek First Nation, Kelly Lake Métis Settlement Society and Métis Nation British Columbia.
- 1.19 *Migratory bird* means “migratory bird” as defined in subsection 2(1) of the *Migratory Birds Convention Act, 1994*.
- 1.20 *Mitigation measures* means “mitigation measures” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.
- 1.21 *Operation* means the phase of the Designated Project during which the commercial production takes place, including periods during which commercial production may temporarily cease, and that continues until the start of decommissioning.
- 1.22 *Progressive reclamation* means reclamation which is carried out concurrently with all phases of the Designated Project to progressively return any physically disturbed areas to a state as close to the baseline as possible, as soon after the disturbance as practical.
- 1.23 *Proponent* means HD Mining International Ltd. and its successors or assigns.
- 1.24 *Qualified individual* means someone who, through education, experience and knowledge relevant to a particular matter, may be relied on by the Proponent to provide advice within his or her area of expertise. Knowledge relevant to a particular matter may include community and Indigenous traditional knowledge.
- 1.25 *Record* means “record” as defined in subsection 2(1) of the *Canadian Environmental Assessment Act, 2012*.

- 1.26 *Relevant authorities* means federal and/or provincial authorities that are in possession of specialist or expert information or knowledge, or that have a responsibility for the administration of a law or regulation, with respect to the subject matter of a condition set out in this Decision Statement.
- 1.27 *Reporting year* means from October 1 of a calendar year through September 30 of the subsequent calendar year.
- 1.28 *Structure, site or thing of historical, archaeological, paleontological or architectural significance* means a structure, site or thing that is determined by a qualified individual, on the basis of heritage value, to be directly associated with an aspect of the history or culture of the people of Canada, including Indigenous groups.
- 1.29 *Water frequented by fish* means “water frequented by fish” as defined in subsection 34(1) of the *Fisheries Act*.

Conditions

These conditions are established for the sole purpose of the Decision Statement issued under the *Canadian Environmental Assessment Act, 2012*. They do not relieve the Proponent from any obligation to comply with other legislative or other legal requirements of the federal, provincial or local governments. Nothing in this Decision Statement shall be construed as reducing, increasing or otherwise affecting what may be required of the Proponent to comply with all applicable legislative or legal requirements.

2 General conditions

- 2.1 The Proponent shall ensure that its actions in meeting the conditions set out in this Decision Statement are considered in a careful and precautionary manner, promote sustainable development, are informed by the best information and knowledge available at the time the Proponent takes action, including community and Indigenous traditional knowledge, are based on methods and models that are recognized by standard-setting bodies, are undertaken by qualified individuals, have applied the best available economically achievable technologies and have considered any changes that the environment may cause to the Designated Project.
- 2.2 The Proponent shall, where consultation is a requirement of a condition set out in this Decision Statement:
- 2.2.1 provide a written notice of the opportunity for the party or parties being consulted to present their views and information on the subject of the consultation;
 - 2.2.2 provide sufficient information on the scope and the subject matter of the consultation and a reasonable period of time to permit the party or parties being consulted to prepare their views and information;
 - 2.2.3 undertake an impartial consideration of all views and information presented by the party or parties being consulted on the subject matter of the consultation; and
 - 2.2.4 advise in a timely manner the party or parties being consulted on how the views and information received have been considered by the Proponent.

- 2.3 The Proponent shall, where consultation with Indigenous groups is a requirement of a condition set out in this Decision Statement, communicate with each Indigenous group with respect to the manner by which to satisfy the consultation requirements referred to in condition 2.2, including methods of notification, the type of information, the period of time to be provided when seeking input, the process to be used by the Proponent to undertake impartial consideration of all views and information presented on the subject of the consultation, the period of time to advise Indigenous groups of how their views and information were considered by the Proponent and the means by which Indigenous groups will be advised.
- 2.4 The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement, determine, as part of the development of the follow-up program and in consultation with Indigenous groups and relevant authorities, the following information, for each follow-up program:
- 2.4.1 the methodology, location, frequency, timing and duration of monitoring associated with the follow-up program;
 - 2.4.2 the scope, content and frequency of reporting of the follow-up results;
 - 2.4.3 the levels of environmental change relative to baseline conditions that would require the Proponent to implement modified or additional mitigation measure(s), including instances where the Proponent may require Designated Project activities to be stopped; and
 - 2.4.4 the technically and economically feasible mitigation measures to be implemented by the Proponent if monitoring conducted as part of the follow-up program shows that the levels of environmental change referred to in condition 2.4.3 are reached or exceeded.
- 2.5 The Proponent shall submit the information identified in condition 2.4 to the Agency prior to the implementation of each follow-up program. The Proponent shall update that information in consultation with Indigenous groups and relevant authorities during the implementation of each follow-up program, and shall provide the updated information to the Agency, Indigenous groups and relevant authorities within 30 days of the information being updated.
- 2.6 The Proponent shall, where a follow-up program is a requirement of a condition set out in this Decision Statement:
- 2.6.1 undertake monitoring and analysis according to the information determined pursuant to condition 2.4 to verify the accuracy of the environmental assessment as it pertains to the particular condition and/or to determine the effectiveness of any mitigation measure(s);
 - 2.6.2 determine whether modified or additional mitigation measures are required based on the monitoring and analysis undertaken pursuant to condition 2.6.1; and
 - 2.6.3 if modified or additional mitigation measures are required pursuant to condition 2.6.2, implement these mitigation measures in a timely manner and monitor them pursuant to condition 2.6.1.
- 2.7 Where consultation with Indigenous groups is a requirement of a follow-up program, the Proponent shall discuss with each Indigenous group opportunities for its participation in the analysis of the follow-up results and the selection of any modified or additional mitigation measures, as set out in condition 2.6.

- 2.8 The Proponent shall, commencing in the reporting year during which the Proponent begins the implementation of the conditions set out in this Decision Statement, prepare an annual report that sets out:
- 2.8.1 the activities undertaken by the Proponent in the reporting year to comply with each of the conditions set out in this Decision Statement;
 - 2.8.2 how the Proponent complied with condition 2.1;
 - 2.8.3 for conditions set out in this Decision Statement for which consultation is a requirement, how the Proponent considered any views and information that the Proponent received during, or as a result of, the consultation;
 - 2.8.4 the information referred to in conditions 2.4 and 2.5 for each follow-up program;
 - 2.8.5 the results of the follow-up program requirements identified in conditions 3.8, 3.10, 3.11, 3.12, 4.4, 5.3, 6.3, 7.11 and 7.14; and
 - 2.8.6 any modified or additional mitigation measures implemented or proposed to be implemented by the Proponent, as determined under condition 2.6.
- 2.9 The Proponent shall submit to the Agency the annual report referred to in condition 2.8, including an executive summary in both official languages, no later than December 31 following the reporting year to which the annual report applies.
- 2.10 The Proponent shall publish on the Internet, or any medium which is widely publicly available, the annual reports and the executive summaries referred to in conditions 2.8 and 2.9, any offsetting plan referred to in condition 7.15, the heritage management plan referred to in condition 8.2, the written reports referred to in conditions 10.4.3 and 10.4.4, the communication plan referred to in condition 10.5, the implementation schedule referred to in condition 11.1 and any update(s) or revision(s) to the above documents, upon submission of these documents to the parties referenced in the respective conditions. The Proponent shall keep these documents publicly available for 25 years following the end of operation or until the end of decommissioning of the Designated Project, whichever comes first. The Proponent shall notify the Agency, Indigenous groups and relevant authorities of the availability of these documents within 48 hours of their publication.
- 2.11 The Proponent shall notify the Agency and Indigenous groups in writing no later than 60 days after the day on which there is a transfer of ownership, care, control or management of the Designated Project in whole or in part.
- 2.12 The Proponent shall consult with Indigenous groups prior to initiating any material change(s) to the Designated Project that may result in adverse environmental effects, and shall notify the Agency in writing no later than 60 days prior to initiating the change(s).
- 2.13 In notifying the Agency pursuant to condition 2.12, the Proponent shall provide a description of the potential adverse environmental effects of the change(s) to the Designated Project, the measures proposed to be implemented by the Proponent to mitigate adverse environmental effects and the results of the consultation with Indigenous groups.

3 Fish and fish habitat

- 3.1 The Proponent shall implement measures to control erosion and sedimentation within the Designated Project area, including at the shaft and decline sites, the coal processing plant site, the coarse coal reject piles, the water management infrastructures sites and along the access roads, during all phases of the Designated Project to avoid the deposit of deleterious substances in water frequented by fish.
- 3.2 The Proponent shall install, prior to the start of mining activities in the Mast Creek and M20 Creek watersheds and following consultation with Fisheries and Oceans Canada, rock weirs in Mast Creek and M20 Creek to protect fish and fish habitat, including bull trout (*Salvelinus confluentus*) and its overwintering habitat. Prior to weir installation, the Proponent shall quantify and locate pool habitats in Mast Creek, downstream of Mast Creek Road and in M20 Creek in order to determine the design, number and location of the rock weirs.
- 3.3 The Proponent shall develop, prior to construction and in consultation with Fisheries and Oceans Canada, mitigation measures to protect fish and fish habitat during construction near water, taking into account Fisheries and Oceans' *Land Development Guidelines for the Protection of Aquatic Habitat* and Fisheries and Oceans' *Measures to Avoid Causing Harm to Fish and Fish Habitat*. The Proponent shall implement the mitigation measures during all phases of the Designated Project.
- 3.4 The Proponent shall install, prior to the construction of the intake pumping system, silt fences and sedimentation traps around the perimeter of the work area for the intake pumping system and shall revegetate the disturbed work area with native plant species as soon as construction of the intake pumping system ends. The Proponent shall take into account Fisheries and Oceans' *Land Development Guidelines for the Protection of Aquatic Habitat* when determining the design and location of the silt fences and sedimentation traps.
- 3.5 The Proponent shall conduct dewatering activities of fish bearing waterbodies during periods of low water. If fish are present in waterbodies that are to be dewatered, the Proponent shall salvage fish in a manner consistent with the *Fisheries Act* and its regulations.
- 3.6 The Proponent shall mitigate the adverse environmental effects of selenium on fish, including by:
 - 3.6.1 placing low permeability lining at the base of the coarse coal reject piles;
 - 3.6.2 capturing water that infiltrates the coarse coal reject piles into a seepage collection system;
 - 3.6.3 segregating and encapsulating potentially acid-generating and non-potentially acid generating material in the waste rock pile and blending potentially acid-generating and non-potentially acid generating material in the coarse coal reject piles; and
 - 3.6.4 placing low permeability cover over the waste rock pile and coarse coal reject piles at the end of their operational life.
- 3.7 The Proponent shall collect contact water runoff from the Designated Project, including from the waste rock pile, the coarse coal reject piles, the coal stockpiles and the shaft sites, into sedimentation ponds. The Proponent shall treat contact water at the sedimentation ponds that does not meet the requirement of subsection 36(3) of the *Fisheries Act* prior to its release into the environment.

- 3.8 The Proponent shall develop and implement, in consultation with Fisheries and Oceans Canada and Indigenous groups, a follow-up program related to fish and fish habitat. The Proponent shall develop the follow-up program prior to construction and shall implement it during all phases of the Designated Project. The follow-up program shall include:
- 3.8.1 determining the effectiveness of the rock weirs referred to in condition 3.2 to protect fish and fish habitat; and
 - 3.8.2 determining the effectiveness of the fish habitat protection measures identified under conditions 3.3, 3.4 and 3.5.
- 3.9 The Proponent shall complete, prior to construction, the geochemical characterization of the geologic material of the Designated Project area, including a description of the geology, the distribution and nature of reactive geologic material. The Proponent shall maintain the completed geochemical characterization up to date during all phases of the Designated Project and shall re-evaluate the water quality model every reporting year, based on information from the up to date geochemical characterization.
- 3.10 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to changes to water quality due to the presence, within the Designated Project Area, of reactive geologic material referred to in condition 3.9 and predicted adverse environmental effects on fish and fish habitat. The parameters to be monitored as part of the follow-up program shall include dissolved metals, total metals, in-situ pH, conductivity, temperature, dissolved oxygen, nutrients and total suspended solids. The Proponent shall implement the follow-up program during all phases of the Designated Project.
- 3.11 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the adverse environmental effects of selenium releases on fish, and to determine the effectiveness of the mitigation measures referred to in condition 3.6. When developing the follow-up program, the Proponent shall take into account British Columbia's *Companion Document to: Ambient Water Quality Guidelines for Selenium Updates*. The Proponent shall implement the follow-up program during all phases of the Designated Project. The follow-up program shall include:
- 3.11.1 characterizing selenium leaching potential from waste rock, coal stockpile, coarse coal rejects and tailings; and
 - 3.11.2 monitoring changes in selenium concentrations in water frequented by fish, sediment, benthic invertebrates and the tissue of slimy sculpin (*Cottus cognatus*) at locations that shall include M19A Creek, M19 Creek, M20 Creek, M17B Creek, Twenty Creek, Murray River and one reference location not expected by the Proponent to be influenced by the Designated Project or other physical activities that have been or will be carried out.
- 3.12 The Proponent shall develop and implement, in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the adverse environmental effects of subsidence caused by or associated with the Designated Project. The follow-up program shall be developed prior to construction and shall be implemented during all phases of the Designated Project. As part of the follow-up program, the Proponent shall monitor the magnitude and patterns of subsidence caused by or associated with

the Designated Project and the effects of that subsidence on hydrology, groundwater, water quality and ground and slope stability within the area of subsidence.

4 Migratory birds

- 4.1 The Proponent shall carry out the Designated Project in a manner that protects migratory birds and avoids harming, killing or disturbing migratory birds or destroying, disturbing or taking their nests or eggs. In this regard, the Proponent shall take into account Environment and Climate Change Canada's *Avoidance Guidelines*. The Proponent's actions when taking into account the *Avoidance Guidelines* shall be in compliance with the *Migratory Birds Convention Act, 1994* and with the *Species at Risk Act*.
- 4.2 The Proponent shall control lighting required during construction and operation, including direction, timing, intensity and glare, to avoid adverse environmental effects on migratory birds, while meeting operational health and safety requirements.
- 4.3 The Proponent shall verify, prior to construction, the accuracy of the environmental assessment as it pertains to the presence and distribution of migratory birds and the use of migratory bird habitat within the Designated Project area, including within the subsidence zone identified by the Proponent on figure 10.5-1 of the environmental impact statement, taking into account the inventory standards for each species from the British Columbia's Resources Information Standards Committee. Migratory bird surveys shall be conducted over more than one year and at different times of the year to account for inter-annual and seasonal variation. The Proponent shall develop the methodology for migratory bird surveys in consultation with relevant authorities.
- 4.4 The Proponent shall develop, prior to construction and in consultation with relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures implemented by the Proponent to avoid harm to migratory birds, their eggs and nests, including the measures used to comply with conditions 4.1 and 4.2, and to verify the use by migratory birds of the subsidence footprint identified by the Proponent on figure 10.5-1 of the environmental impact statement. The Proponent shall implement the follow-up program during all phases of the Designated Project.

5 Greenhouse gas emissions

- 5.1 The Proponent shall implement, during all phases of the Designated Project, mitigation measures to limit methane emissions to 500 000 tonnes of equivalent carbon dioxide per calendar year. The Proponent shall quantify and report greenhouse gas emissions directly attributable to the Designated Project to Environment and Climate Change Canada in a manner that is consistent with the *Canadian Environmental Protection Act, 1999*.
- 5.2 The Proponent shall develop, prior to construction, and implement, during all phases of the Designated Project, an engine maintenance and operation program to control emissions from diesel equipment exhausts and vehicles used for the Designated Project.
- 5.3 The Proponent shall develop, prior to construction and in consultation with relevant authorities, a follow-up program to determine the effectiveness of the mitigation measures as it pertains to greenhouse gas emissions, including methane emissions, directly attributable to the Designated Project. The Proponent shall implement the follow-up program during all phases of the Designated Project.

6 Health and socio-economic conditions

- 6.1 The Proponent shall mitigate, during all phases of the Designated Project, emissions of fugitive dust from the Designated Project, including through road surface improvement and treatment of unpaved roads associated with the Designated Project.
- 6.2 The Proponent shall establish speed limits on access roads associated with the Designated Project and shall require Designated Project-related employees to abide by those limits.
- 6.3 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the health of Indigenous Peoples. The Proponent shall implement the follow-up program during all phases of the Designated Project. The follow-up program shall include:
 - 6.3.1 monitoring air quality on a monthly basis for total suspended particulates, particulate matter (PM₁₀) and dustfall at sites located upwind and downwind of the active mine area and at a control site not expected to be influenced by activities of the Designated Project and not influenced by the two predominant wind directions, using as benchmarks the *National Ambient Air Quality Objectives*, the *Canadian Ambient Air Quality Standards* and British Columbia's *Ambient Air Quality Objectives*; and
 - 6.3.2 monitoring of soil and water quality for contaminants of potential concern identified by the Proponent in table 4.3-4 of appendix 18-A of the environmental impact statement, polycyclic aromatic hydrocarbons and arsenic. As part of the development of the follow-up program, the Proponent shall identify levels of environmental change relative to baseline conditions for contaminants of potential concern, polycyclic aromatic hydrocarbons and arsenic that would require the Proponent to implement modified or additional mitigation measure(s) to mitigate the increased risk to human health. If monitoring results demonstrate that concentration levels for contaminants of potential concern, polycyclic aromatic hydrocarbons or arsenic are greater than the levels of environmental change identified by the Proponent, the Proponent shall update the human health risk assessment for the consumption of traditional foods exposed to these contaminants.
- 6.4 The Proponent shall notify the Agency in a timely manner if existing beaver dams are removed in M19A Creek during any phase of the Designated Project. If beaver dams are removed, the Proponent shall develop a site performance objective to inform the development and implementation of modified or additional measures to mitigate the risk to human health from potential selenium toxicity in resident fish present in M19A Creek, taking into account the results of the monitoring referred to in condition 3.11.2.
- 6.5 The Proponent shall develop, prior to construction and in consultation with Indigenous groups and relevant authorities, and implement, during all phases of the Designated Project, a plan to communicate the results of the follow-up program referred to in condition 6.3 to Indigenous groups and relevant authorities. The communication plan shall include procedures to communicate any associated potential health risks, updated human health risk assessment and the modified or additional mitigation measures resulting from the follow-up program referred to in conditions 6.3 or the development of the site performance objective referred to in condition 6.4.

7 Current use of lands and resources for traditional purposes

- 7.1 The Proponent shall develop, in consultation with Indigenous groups, a plan to communicate information related to noise generated by the Designated Project with Indigenous groups. The Proponent shall develop the communication plan prior to construction and shall implement and maintain it up to date during all phases of the Designated Project. The communication plan shall include how and when information related to the timing, duration and levels of noise generated by the Designated Project will be communicated to Indigenous groups.
- 7.2 The Proponent shall maintain noise generated by the Designated Project below noise levels identified by the Proponent in table 18.5-2 of the environmental impact statement, including through the use of noise-dampening technologies on vehicles and equipment.
- 7.3 The Proponent shall develop, prior to construction and in consultation with Indigenous groups, a protocol for receiving complaints related to the exposure to noise generated by the Designated Project. The Proponent shall respond to any noise complaint(s) received within 48 hours of the complaint being received and shall implement corrective actions to reduce exposure to noise in a timely manner. The Proponent shall implement the protocol during all phases of the Designated Project.
- 7.4 The Proponent shall notify Indigenous groups of temporary road closures by the Proponent at least 30 days in advance of any such closure, unless the closure is required in response to an emergency situation.
- 7.5 The Proponent shall provide access, during all phases of the Designated Project, to the Saulteau First Nations, West Moberly First Nations and McLeod Lake Indian Band to the sacred site and camping site, identified by these Indigenous groups as sites used in the Designated Project area for traditional purposes, to the extent that such access is safe. The Proponent shall notify Saulteau First Nations, West Moberly First Nations and McLeod Lake Indian Band in a timely manner if access to the sacred site and camping site must be prohibited for safety reasons.
- 7.6 The Proponent shall verify, prior to construction and following consultation with Indigenous groups, the presence or absence in the Designated Project area of traditional and medicinal plants identified by Indigenous groups. If presence is confirmed, the Proponent shall develop, in consultation with Indigenous groups, and implement, during all phases of the Designated Project, measures to mitigate the adverse effects of the Designated Project on traditional and medicinal plants identified by Indigenous groups. Mitigation measures shall include:
 - 7.6.1 notifying Indigenous groups at least 90 days in advance of construction to allow Indigenous groups to catalogue, harvest and transplant traditional and medicinal plants present in the Designated Project area; and
 - 7.6.2 providing access, during all phases of the Designated Project, to the Designated Project area to Indigenous groups for the purpose of gathering traditional and medicinal plants, to the extent that such access is safe. The Proponent shall notify Indigenous groups in a timely manner if access to the Designated Project area must be prohibited for safety reasons.
- 7.7 The Proponent shall maintain, during construction and operation, the mineral lick identified by the Proponent on figure 3.2-3 of appendix 13-A of the environmental impact statement in its natural state and shall keep it accessible to ungulates during the summer.

- 7.8 The Proponent shall maintain, during construction and operation, wallow areas identified by the Proponent on figure 3.2-3 of appendix 13-A of the environmental impact statement in their natural state and shall keep them accessible to ungulates during the ungulate breeding season.
- 7.9 The Proponent shall maintain tree buffers around the decline site, the shaft sites and the coal processing site and on either side of the Murray River Forest Service Road.
- 7.10 The Proponent shall undertake progressive reclamation of the habitats adversely affected by the Designated Project in the Designated Project area.
- 7.11 The Proponent shall develop, prior to construction and in consultation with Indigenous groups, Environment and Climate Change Canada and other relevant authorities, a follow-up program to verify the accuracy of the environmental assessment as it pertains to the effects of changes caused by the Designated Project to the environment on fishing, harvesting, hunting and trapping activities for traditional purposes, including hunting for moose (*Alces americanus*), fisher (*Martes pennanti*) and grizzly bear (*Ursus arctos*). The Proponent shall implement the follow-up program during all phases of the Designated Project and shall review the follow-up program with and provide the results to Indigenous groups, Environment and Climate Change Canada and other relevant authorities annually no later than December 31, starting in the reporting year that construction of the Designated Project begins.
- 7.12 The Proponent shall, prior to construction, conduct field surveys to confirm the distribution of low elevation range habitat and Type 1 Matrix habitat, defined as critical habitat for the Quintette herd of Southern mountain caribou (*Rangifer tarandus caribou*) in the *Recovery Strategy for the Woodland Caribou, Southern Mountain population (Rangifer tarandus caribou) in Canada*, within the subsidence footprint identified by the Proponent on figure 13.7-3 of the environmental impact statement. The proponent shall determine the field survey methodology in consultation with Saulteau First Nations, West Moberly First Nations, McLeod Lake Indian Band, Environment and Climate Change Canada and other relevant authorities prior to undertaking the field surveys.
- 7.13 The Proponent shall, in consultation with Saulteau First Nations, West Moberly First Nations, McLeod Lake Indian Band, Environment and Climate Change Canada, and other relevant authorities, mitigate the adverse environmental effects of the Designated Project on the critical habitat for the Quintette herd of Southern mountain caribou (*Rangifer tarandus caribou*) identified pursuant to condition 7.12, during all phases of the Designated Project. Mitigation shall be implemented prior to or immediately after the occurrence of the adverse environmental effects. Initial mitigation shall be implemented to the satisfaction of Environment and Climate Change Canada prior to construction. In doing so, the Proponent shall give preference to avoiding the destruction or alteration of critical habitat over minimizing the destruction or alteration of critical habitat, to minimizing the destruction or alteration of critical habitat over restoring altered or destroyed critical habitat on-site, and to restoring altered or destroyed critical habitat on-site over offsetting.
- 7.14 The Proponent shall develop, prior to construction and in consultation with Saulteau First Nations, West Moberly First Nations, McLeod Lake Indian Band, Environment and Climate Change Canada and other relevant authorities, a follow-up program to verify the accuracy of the environmental assessment and to determine the effectiveness of the mitigation measures as it pertains to the adverse environmental effects of the Designated Project on the Quintette herd of Southern mountain caribou (*Rangifer tarandus caribou*) and its critical habitat. The Proponent shall implement the follow-up program during all phases of the Designated Project and shall report the results of the follow-up program to Saulteau First Nations, West Moberly First Nations, McLeod

Lake Indian Band, Environment and Climate Change Canada and other relevant authorities annually on or before December 31, starting in the reporting year that construction of the Designated Project begins.

- 7.15 For any offsetting required pursuant to condition 7.13 or if the results of the follow-up program referred to in condition 7.14 demonstrate that the Designated Project causes residual environmental effects that cannot be avoided, minimized or restored on the Quintette herd of Southern mountain caribou (*Rangifer tarandus caribou*) and its critical habitat, the Proponent shall develop, in consultation with Saulteau First Nations, West Moberly First Nations, McLeod Lake Indian Band and relevant authorities and to the satisfaction of Environment and Climate Change Canada, an offsetting plan. The Proponent shall implement the offsetting plan. The offsetting plan shall include:
- 7.15.1 mapping of the critical habitat of the Quintette herd of Southern mountain caribou (*Rangifer tarandus caribou*) altered or destroyed by the Designated Project;
 - 7.15.2 an offsetting ratio based on an assessment of options, including securement options, that consider the types of offset, location, technical and economic feasibility and probability of success;
 - 7.15.3 mapping of areas secured for offsetting;
 - 7.15.4 a description of how areas secured for offsetting will be maintained; and
 - 7.15.5 if residual environmental effects cannot be fully offset with habitat-based measures, a description of non-habitat measures to be implemented by the Proponent.
- 7.16 The Proponent shall provide Indigenous groups with the implementation schedule, updates or revisions to the implementation schedule pursuant to conditions 11.1 to 11.3 at the same time these documents are provided to the Agency.

8 Physical and cultural heritage and structure, site or thing of historical, archaeological, paleontological or architectural significance

- 8.1 The Proponent shall mark areas within 50 meters of the boundaries of archeological sites GgRf-2, GgRf-3, GgRf-4, GgRf-5, GgRf-10, GgRg-6, GgRg-9, GgRg-5 and GgRg-8 on construction maps prior to construction and shall delineate these areas on the ground as no-work zones. The no-work requirement shall not apply to action(s) required to be undertaken by the Proponent or relevant authorities to protect the integrity of the archeological sites.
- 8.2 The Proponent shall develop, prior to construction and in consultation with Indigenous groups, a heritage management plan for the Designated Project. The Proponent shall implement the heritage management plan during all phases of the Designated Project. The plan shall include:
- 8.2.1 a description of the types of physical and cultural heritage features and structures, sites or things of historical, archaeological, paleontological or architectural significance that may be encountered by the Proponent during construction;
 - 8.2.2 procedures for the on-site monitoring by employees of or contractors to the Designated Project of construction activities that may adversely affect physical and cultural heritage

features or structures, sites or things of historical, archaeological, paleontological or architectural significance;

- 8.2.3 procedures for the identification and removal by the Proponent of physical and cultural heritage features and structures, sites or things of historical, archaeological, paleontological or architectural significance that may be adversely affected by construction activities;
 - 8.2.4 procedures for the preservation and transmission of information about physical and cultural heritage features and structures, sites or things of historical, archaeological, paleontological or architectural significance that may be adversely affected by construction activities; and
 - 8.2.5 a chance find protocol if previously unidentified physical or cultural heritage features or structures, sites or things of historical, archaeological, paleontological or architectural significance are discovered by the Proponent or brought to the attention of the Proponent by an Indigenous group or another party during any phase of the Designated Project.
- 8.3 The Proponent shall, if physical or cultural heritage features or structures, sites or things of historical, archaeological, paleontological or architectural significance are within the subsidence footprint identified by the Proponent on figure 10.5-1 of the environmental impact statement, have a qualified individual conduct an assessment at the location of the features or structures, sites or things. The Proponent shall, in consultation with Indigenous groups, identify and implement measures to mitigate and monitor the adverse environmental effects of the Designated Project on these features or structures, sites or things.

9 Environmental Monitoring

- 9.1 The Proponent shall participate, at the request of Environment and Climate Change Canada, in any regional or cumulative environmental monitoring initiative(s), including management and technical committees with the Government of British Columbia and Indigenous groups, that are relevant to the Designated Project.

10 Accidents and malfunctions

- 10.1 The Proponent shall take all reasonable measures to prevent accidents and malfunctions that may result in adverse environmental effects.
- 10.2 The Proponent shall, prior to construction, consult with Indigenous groups and relevant authorities on the measures to be implemented to prevent accidents and malfunctions.
- 10.3 The Proponent shall, prior to construction and in consultation with Indigenous groups, relevant authorities and Teck Resources Limited, develop an emergency response plan in relation to the Designated Project. The emergency response plan shall include the measures developed by the Proponent to be implemented in the event of a failure of the Quintette Mine tailings dam.
- 10.4 In the event of an accident or malfunction with the potential to cause adverse environmental effects, the Proponent shall implement the measures appropriate to the accident or malfunction as described in the emergency response plan referred to in condition 10.3 and shall:

- 10.4.1 notify Indigenous groups and relevant authorities of the accident or malfunction as soon as possible, and notify the Agency in writing;
 - 10.4.2 implement immediate measures to mitigate any adverse environmental effects caused by the accident or malfunction;
 - 10.4.3 submit a written report to the Agency no later than 30 days after the day on which the accident or malfunction took place. The written report shall include:
 - 10.4.3.1 a description of the accident or malfunction and of its adverse environmental effects;
 - 10.4.3.2 the measures that were taken by the Proponent to mitigate the adverse environmental effects caused by the accident or malfunction;
 - 10.4.3.3 any view(s) received from Indigenous groups and relevant authorities with respect to the accident or malfunction, its adverse environmental effects and the measures taken by the Proponent to mitigate these adverse environmental effects;
 - 10.4.3.4 a description of any residual adverse environmental effects and any modified or additional measure(s) to be taken by the Proponent to mitigate residual adverse environmental effects;
 - 10.4.3.5 a description of how the measures of the emergency response plan referred to in condition 10.3 were implemented; and
 - 10.4.4 submit a written report to the Agency no later than 90 days after the day on which the accident or malfunction took place, on the changes made by the Proponent to avoid a subsequent occurrence of the accident or malfunction and on the implementation of any modified or additional measure(s) to mitigate and monitor residual adverse environmental effects and to carry out any required progressive reclamation, taking into account the information submitted in the written report pursuant to condition 10.4.3.
- 10.5 The Proponent shall develop, prior to construction, a communication plan in consultation with Indigenous groups. The Proponent shall implement and maintain the communication plan up to date during all phases of the Designated Project. The plan shall include:
- 10.5.1 the types of accidents and malfunctions requiring the Proponent to notify each Indigenous group;
 - 10.5.2 the manner by which each Indigenous group shall be notified by the Proponent of an accident or malfunction and of any opportunities for the Indigenous groups to assist in the response to the accident or malfunction; and
 - 10.5.3 the contact information of the representatives of the Proponent that the Indigenous groups may contact and of the representatives of each Indigenous group to which the Proponent provides notification.

11 Implementation schedule

- 11.1 The Proponent shall submit an implementation schedule for conditions contained in this Decision Statement to the Agency at least 30 days prior to the start of construction. The implementation schedule shall indicate the commencement and completion dates for each activity required by conditions set out in this Decision Statement.

- 11.2 The Proponent shall submit an update to the implementation schedule referred to in condition 11.1 in writing to the Agency every two years no later than December 31, until completion of all activities referred to in condition 11.1.
- 11.3 The Proponent shall provide the Agency with a revised implementation schedule if any material change(s) occur from the initial implementation schedule referred to in condition 11.1 or any subsequent update(s) referred to in condition 11.2. The Proponent shall provide the revised implementation schedule to the Agency at least 30 days prior to the implementation of the change.

12 Record keeping

- 12.1 The Proponent shall maintain all records relevant to the implementation of the conditions set out in this Decision Statement. The Proponent shall provide the aforementioned records to the Agency upon demand within a timeframe specified by the Agency.
- 12.2 The Proponent shall retain all records referred to in condition 12.1 at a facility in Canada. The records shall be retained and made available for 25 years following the end of operation or until the end of decommissioning of the Designated Project, whichever comes first. The Proponent shall notify the Agency at least 30 days prior to any change(s) of the location of the facility where the records are retained, and shall provide the address of the new location.

Issuance

This Decision Statement is issued in Ottawa, Ontario by:

< Original signed by >

The Honourable Catherine McKenna
Minister of the Environment

December 13, 2017
Date _____