

Impact Assessment Agency of Canada  
1145-9700 Jasper Avenue  
Edmonton, Alberta T5J 4C3

May 26, 2021

Dear IAA,

On behalf of the Canadian Parks and Wilderness Society's - Northern Alberta Chapter, we write to the Impact Assessment Agency about our concerns on many of the potential adverse environmental impacts of the Coalspur Mines Ltd. Phase 1 Vista Test Underground Mine and Vista Phase 2 Expansion projects. Concerning environmental impacts include impacts on:

- *Endangered* Rainbow Trout (Athabasca River) populations and destruction of their critical habitat and, therefore, jeopardization of Canada's recovery strategy under the *Species At Risk Act*;
- Other species at risk, including migratory birds;
- Canada's commitments to reduce carbon emissions and Canada's ability to meet their climate change commitments;
- Contributions to cumulative downstream water impacts, including negative impacts on water from underground mining;
- The proposed tailings plan for the projects, which are based on methods from Phase I, are not appropriate for the Phase II expansion or Underground Mine;
- Adverse impacts on Indigenous communities, such as those previously raised by the Stoney Nakoda Nations and Louis Bull Tribe; and,
- Viability of follow-up programs, including reclamation and remediation, and risk of environmental liabilities.

Herein, we provide detailed feedback on each of these concerns.

### **Athabasca Rainbow Trout**

- The Athabasca River population of Rainbow Trout was designated as *Endangered* on August 21, 2019, under Schedule 1 of the Species at Risk Act (SARA). Their recovery strategy was released on August 10, 2020, designating Athabasca Rainbow Trout critical habitat. It is our view that the development of the Coalspur Mines Ltd. Phase 1 Vista Test Underground Mine and Vista Phase 2 Expansion projects would violate Canada's recovery strategy for Athabasca Rainbow Trout and is not compatible with survival and recovery of the species. Adverse impacts include:
  - The proposed project area encompasses Athabasca Rainbow Trout critical habitat, as McPherson Creek and its tributaries run through the proposed project area, likely causing destruction of critical habitat.



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- Coalspur Mines Ltd. states that mining activities will have a “direct impact” on an unnamed tributary within the Project area where Athabasca Rainbow Trout were collected both in 2011 and 2018.
- Indirect impacts from the projects include sub-lethal effects from contamination risks from mine sites, including chronic effects of metals, bioaccumulation, sediment contamination, endocrine disruption, risk of tailings ponds failures, and specifically selenium loading in surface waters.
- Genetic testing was completed in 2019 by Coalspur that confirms the presence of pure strain Athabasca Rainbow Trout. As genetic introgression is a primary driver of species decline, the protection of “genetically pure” populations must be prioritized and destruction of their critical habitat is of great concern.
- We emphasize that offsetting is likely an inappropriate measure to address impacts to Athabasca rainbow trout impacts, as this species is at critically low population levels that cannot respond to significant adverse impacts. Offsetting is unlikely to balance the risks posed to the survival and recovery of the species.

## Species at Risk

### Migratory birds

- As per the July 2020 Analysis Report prepared by the Impact Assessment Agency of Canada (<https://iaac-aeic.gc.ca/050/documents/p80731/135628E.pdf>), there are a range of unaddressed, potentially adverse impacts to migratory birds that could result if the Project moves forward. There is currently a lack of detailed baseline data provisions on migratory birds and their habitat for the Project area. Outside of a list of potentially-occurring migratory birds in the Project Area, none of the potential adverse effects to migratory birds flagged by ECCC and the Agency were addressed by the Proponent in their latest Project Description, including: changes to key habitat, changes to movement via sensory disturbance or physical blockage, bird mortality and effects to health through exposure to deleterious substances, including via water and air pathways or secondary receptors (e.g., vegetation); and direct effects such as collisions and interactions with mine waste.
- There are several SARA-listed migratory birds that have known distributional range and habitat preferences that overlap with the Project Area. The proponent should list these species and detail how they will avoid impacts on these species, or at the least, describe their mitigation activities.



### Other unnamed species at risk

- The Initial Project Description is currently lacking information on non-bird, non-fish SARA species that could occur in the Project Area, which should be explicitly identified and appropriate measures included to avoid or mitigate impacts to them.
- There are mentions of assessing species' resilience, but there is a lack of proposed mitigation measures outside of SARA species. Mitigation of impacts for SARA-listed species is especially important, but mitigation measures should also encompass non-SARA species, including provincially threatened or sensitive species, and species of importance to Indigenous communities.

### Climate Change Impacts

- The Vista Test Underground Mine and Vista Phase 2 Expansion projects will challenge Canada to meet several of its climate change commitments. We are concerned how these projects will align with these commitments, and question how they will be compatible with Canada's overall climate goals and targets. We note several recent commitments that will impact these projects and must be thoroughly addressed, including:
  - The International Energy Agency, of which Canada is a member nation, recently produced a report *"Net Zero by 2050, a Road Map for the Global Energy Sector"*. This report recommends that in order to reach Net Zero by 2050, that there be no development of new coal mines or mine extensions – globally, starting this year.
  - As a founding member and co-chair of the "Powering Past Coal Alliance", Canada has led global efforts to phase out thermal coal and made this a cornerstone of its climate plan. Canada itself has committed to a Net Zero Carbon Emissions by 2050.
  - Many of the Proponent's assumptions regarding greenhouse gas emissions fail to consider recent international developments towards collectively moving away from developing new coal mines or extending existing ones, especially regarding thermal coal. This includes the G7 countries' agreement to stop international funding for coal development<sup>1</sup>.

### Cumulative and downstream impacts:

- We are concerned about the significant downstream impacts from increased sedimentation and contaminant loading, which will travel far beyond the proposed project area. Downstream water

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<sup>1</sup> "In climate push, G7 agrees to stop international funding for coal". Reuters, May 21, 2021.  
<https://www.reuters.com/business/energy/g7-countries-agree-stop-funding-coal-fired-power-2021-05-21/>



quality will be affected and possibly significantly degraded, affecting all downstream tributaries, streams, and wildlife. Adverse impacts on water quality include those related to increased migration of contaminants, introduction of deleterious substances, increased runoff, seepage discharges and releases, increased erosions and sedimentation and increased nitrogen releases), changes in flow of surface and/or groundwater discharge, effects of blasting, loss of habitat from subsidence, effects of extreme weather events on seepage and runoff, and the corresponding management of waste and wastewater<sup>2</sup>.

- We do not agree with the Proponent’s assertion that there are no water impacts from underground mining. As found in the IAA Analysis Report (2020), underground mining can impact:
  - changes to stream flow through Project-related water withdrawal and discharge, including dewatering of the underground mine; and
  - changes to surface water quality such as increased contaminants or sediments from Project activities, including increased mining and associated activities and groundwater-surface water interactions during underground mining.
- The expansion, in combination with existing and proposed projects, will have substantial cumulative downstream impacts on the water quality of the Athabasca River, as well as cumulative land use impacts. Cumulative impacts need to be addressed within the context of existing levels of land use in the region, however, this region (The Upper Athabasca Land Use Region) does not currently have an overall land use plan to manage such impacts. Additionally, changes to Alberta’s coal policy have renewed interest in coal development throughout Alberta’s Rocky Mountains, raising further concerns regarding cumulative development pressure across the continental corridor of the Rocky Mountains, and how the cumulative impacts of all mines can be addressed.

### **Tailings Plan:**

- Coalspur has indicated on page 20 of the initial project description that new tailings cells along the south boundary of Phase II will be required to manage additional tailings discharge. According to Coalspur, “the Process used in Phase II for capturing tailings will be identical to the process used in Phase I.” And on page 75, Coalspur indicates that “Phase II will continue to use the established closed loop system associated with the McPherson Tailings cells [...]”.
- We are concerned about the appropriateness of using the same methods from Phase I for Phase II, as there have already been significant issues with the tailings and water treatment plans for Phase I. On April 8, 2021, the Alberta Energy Regulator declined to approve six additional cells

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<sup>2</sup> Environment and Climate Change advice on impacts to fish and fish habitat, IAA Analysis Report, July 2020: [https://iaac-aeic.gc.ca/050/evaluations/document/137208#\\_Toc43733141](https://iaac-aeic.gc.ca/050/evaluations/document/137208#_Toc43733141).



for Phase I, solely approving just two tailings cells beyond one currently in use. Coalspur's proposal to use existing groundwater and fresh water to dilute tailings refuse was rejected by the AER, stating "Coalspur's proposed approach is equivalent to a dilute and pollute-up to strategy. This is inconsistent with the principle of effective pollution prevention and control."<sup>3</sup> The AER instead required Coalspur to conduct further data and sample collection for the existing and newly approved cells, and to closely monitor water quality and quantity.

- Coalspur's proposed plan for both Phase II and the Underground Mine, which appears to be based on the same process used for Phase I, must be subject to a thorough review within the assessment.

### **The Proponent's reclamation liabilities:**

- The Proponent is currently in Companies' Creditor Arrangement Act proceedings and has claimed that the viability of the existing mine is dependent on adding the increased coal volume of Phase II, citing volatile coal prices<sup>4</sup>. These financial issues raise doubt regarding the projects ability to deliver on its promised economic and job creation benefits, which will undoubtedly be measured against its environmental impact.
- Given the precarious financial situation of the proponent, we have concerns regarding the company's ability to meet reclamation liability payments and commitments, or their ability to address any emerging environmental issues.

### **Impacts on Indigenous communities:**

- Given the Agency is of the view that the Project may cause adverse impacts on the rights of the Indigenous peoples of Canada that are recognized and affirmed by section 35 of the *Constitution Act, 1982* (section 35 rights)<sup>5</sup>, we re-iterate the previous concerns raised by the Stoney Nakoda and Louis Bull Tribe regarding the Vista Phase 2 expansion, and urge the government to thoroughly and meaningfully engage with Indigenous communities to address their concerns. The Nations noted concerns about lack of consultation by the provincial or federal governments, and we emphasize that these gaps must be addressed.

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<sup>3</sup> AER Decision is available upon request here: <https://www.aer.ca/regulating-development/project-application/notices/application-1929395-0>

<sup>4</sup> Companies Creditor Arrangement Act filing by Coalspur Mines (Operations) Ltd. <https://insolvencyinsider.ca/filing/coalspur-mines-operations-ltd/>

<sup>5</sup> IAA Analysis Report, July 2020: [https://iaac-aeic.gc.ca/050/evaluations/document/137208#\\_Toc43733141](https://iaac-aeic.gc.ca/050/evaluations/document/137208#_Toc43733141).





Thank you for the opportunity to provide feedback on our concerns regarding the Coalspur Mines Ltd. Phase 1 Vista Test Underground Mine and Vista Phase 2 Expansion projects. We look forward to the Agency's summary of issues.

Sincerely,

Gillian Chow-Fraser, Boreal Program Manager



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