

December 13, 2021

Canada

CIAR File No.: 83207

Shelly Boss Project Manager, Prairie and Northern Region Impact Assessment Agency of Canada

Subject: Natural Resources Canada's Submission of the Federal Authority Advice Record for the Designation Request of the Proposed Potash Solution Mining Project

On November 23, 2021, the Impact Assessment Agency of Canada (IAAC) requested that Natural Resources Canada (NRCan) provide input to a Federal Authority Advice Record form for the designation request of the proposed Potash Solution Mining Project (the Project) by Potash and Agri Development Corporation of Manitoba (the proponent). NRCan understands that IAAC will use this advice to inform the Minister of Environment and Climate Change on whether the Project should be designated under the Impact Assessment Act.

It is unlikely that NRCan will be required to exercise a power or perform a duty or function related to the Project. NRCan may provide specialist or expert information or knowledge in areas of its scientific and technical expertise (e.g., groundwater quantity, socioeconomic impacts of mining) to IAAC, as requested, if the Project is subject to a federal impact assessment.

Please find attached below NRCan's submission of the Federal Authority Advice Record for the designation request of the Project.

If you have any questions, please contact me via e-mail at anica.madzarevic@nrcan-rncan.gc.ca.

Sincerely,

<original signed by>

Anica Madzarevic Impact Assessment Officer Office of the Chief Scientist

Attachment: Federal Authority Advice Record: Designation Request under IAA



ATTACHMENT

Federal Authority Advice Record: Designation Request under IAA

Response due by December 13, 2021

PADCOM Potash Solution Mining Project

Department/Agency	Natural Resources Canada
Lead Contact	Anica Madzarevic
Full Address	588 Booth St., Ottawa, ON
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Telephone	343-571-9873
Alternate Departmental Contact	Sara Ryan (sara.ryan@nrcan-rncan.gc.ca)

 Has your department or agency considered whether it has an interest in the Project; exercised a power or performed a duty or function under any Act of Parliament in relation to the Project; or taken any course of action (including provision of financial assistance) that would allow the Project to proceed in whole or in part?

Natural Resources Canada (NRCan) has not exercised a power or performed a duty or function under any Act of Parliament in relation to the Project.

2. Is it probable that your department or agency may be required to exercise a power or perform a duty or function related to the Project to enable it to proceed?

It is unlikely that NRCan will be required to exercise a power or perform a duty or function related to the proposed Project.

3. If your department or agency will exercise a power or perform a duty or function under any Act of Parliament in relation to the Project, will it involve public and Indigenous consultation?

N/A

4. Is your department or agency in possession of specialist or expert information or knowledge that may be relevant to any potential adverse effects within federal jurisdiction caused by the Project or adverse direct or incidental effects stemming from the Project?

NRCan possesses specialist or expert information or knowledge in groundwater quantity and socioeconomic impacts related to mining, which may be relevant to potential adverse effects within federal jurisdiction caused by the Project.

5. Has your department or agency had previous contact or involvement with the proponent or other parties in relation to the Project?

NRCan has not identified any previous contact or involvement with the proponent or other parties in relation to the Project.

6. From the perspective of the mandate and area(s) of expertise of your department or agency, does the Project have the potential to cause adverse effects within federal jurisdiction or adverse direct or incidental effects as described in section 2 of IAA? Could any of those effects be managed through legislative or regulatory mechanisms administered by your department or agency? If a licence, permit, authorization or approval may be issued, could it include conditions in relation to those effects?

Socioeconomic Perspective

Based on information in the Environment Act Proposal Application, the Project has the potential for positive and negative socioeconomic impacts, such as the following:

- Impacts on the local communities and local First Nation communities residing in the Treaty 2 Territory, including:
 - 17-35 direct employees drawn from local communities, including Gambler First Nations;
 - Creation of an additional 20-40 indirect jobs in the communities;
 - The proponent will spend \$2.6-5 million per year on socio-economic development when producing 250,000 tonnes per year of product; and
 - a royalty tax for Manitoba of \$4.7-9.5 million per year.
- Impacts to the local communities, such as adverse effects on infrastructure and community services.
- 7. Does your department or agency have a program or additional authority that may be relevant and could be considered as a potential solution to concerns expressed about the Project? In particular, the following issues have been raised by the requester:
 - a. Impacts on water quality through expected or accidental release (e.g., hot brine spills/leaks)
 - b. Impacts on water quantity due to withdrawal from aquifer

- c. GHG emissionsd. Pipeline crossings of watercourses, rail and transmission lines
- e. Effects to fish and fish habitat

NRCan has not identified an existing program or additional authority that could be considered as a potential solution to the concerns expressed about the Project.

8. If your department has guidance material that would be helpful to the proponent or the Agency, please include these as attachments or hyperlinks in your response.

Anica Madzarevic

Name of departmental / agency responder

Impact Assessment Officer

Title of responder

December 13, 2021

Date