



Environmental
Assessment Office

EAO's Assessment of an Application for Certificate Amendment

Galore Creek Copper-Gold-Silver Project

Requested by:

Galore Creek Mining Corporation

October 2, 2018

Pursuant to Section 19 of the Environmental Assessment Act, S.B.C. 2002, c.43



Acronyms and Abbreviations

2006 Application	NovaGold's 2006 Application for an Environmental Assessment Certificate
Aboriginal Interests	Asserted or established Aboriginal rights, including title and treaty rights
Act	<i>BC Environmental Assessment Act</i>
Agency	Canadian Environmental Assessment Agency
Amendment Application	Application to amend the Environmental Assessment Certificate
BC	British Columbia
Certificate	Environmental Assessment Certificate
DNR	Government of Alaska, Department of Natural Resources
EAO	Environmental Assessment Office
EAO C&E	Environmental Assessment Office Compliance and Enforcement
ENV	Ministry of Environment and Climate Change Strategy
FLNRORD	Ministry of Forests, Lands, Natural Resources and Rural Development
Galore Creek	Galore Creek Copper-Gold-Silver Project
GCMC	Galore Creek Mining Corporation
km	kilometer
MEMPR	Ministry of Energy, Mines and Petroleum Resources
MIRR	Ministry of Indigenous Relations and Reconciliation
Northern Health	Northern Health Authority
NovaGold	NovaGold Canada Inc.
RDKS	Regional District of Kitimat Stikine
TCG	Tahltan Central Government
VECs	Valued Ecosystem Components
Working Group	Technical Advisory Working Group

1. OVERVIEW OF PROPOSED AMENDMENT

1.1 BACKGROUND

On February 16, 2007, Environmental Assessment Certificate #M06-03 (Certificate) was issued to NovaGold Canada Inc. (NovaGold) for the Galore Creek Copper-Gold-Silver Project (Galore Creek). Galore Creek is located in northwestern British Columbia (BC), 160 kilometres (km) north of Stewart and 120 km southwest of Iskut, in the traditional territory of the Tahltan Nation.

Since the Certificate was issued, there have been two amendments to the Certificate:

- On April 27, 2007, NovaGold applied for an amendment to repeal and replace Certificate Condition 5 relating to indemnity for the Crown arising out of the granting of a certificate for the Project (Galore Creek) or any other subsequent approvals. On June 7, 2007, the BC Minister of Environment issued the amendment.
- On August 31, 2007, NovaGold advised the Environmental Assessment Office (EAO) that it had entered into a partnership with Teck Comino Metals to establish the Galore Creek Mining Corporation (GCMC) and requested the Certificate be amended to change the name of the Certificate Holder from NovaGold to GCMC. On January 24, 2008, the BC Minister of Environment issued the amendment.

1.1.1 NON-COMPLIANCES

In 2016, the Environmental Assessment Office Compliance and Enforcement (EAO C&E) identified that the locations of the Isbā Camp and the Sus Staging Area were not consistent with the documents in Schedule A of the Certificate. The Certificate requires that the Certificate Holder construct and operate Galore Creek in a manner consistent with the documents listed on Schedule A to the Certificate. On September 15, 2017, EAO C&E issued a BC *Environmental Assessment Act* (Act) Section 34 Order requiring GCMC to remove the infrastructure and restore the areas of the Isbā Camp and the Main Staging Area. These areas were identified as the 90 km Camp and Sus Staging in the Section 34 Order.

1.2 THE AMENDMENT

On March 13, 2018, GCMC submitted an application to amend the Environmental Assessment Certificate (Amendment Application) under Section 19(1) of the Act to address the non-compliances. The Amendment Application provides an assessment of effects for the inclusion of the already constructed Isbā Camp, Main Staging Area and a Gravel Pit near the Isbā Camp as authorized project components. The components are needed to house workers, store equipment and materials, and extract gravel for the construction and maintenance of the project access road.

2. AMENDMENT REVIEW PROCESS

Following a preliminary review by the EAO and members of the EAO's Technical Advisory Working Group (Working Group) to assess whether the Amendment Application included sufficient information for review, the EAO accepted the Amendment Application on May 14, 2018, and issued a Fee Order under Section 6 of the EAO's Fee Regulation for a typical amendment.

The EAO considered whether there was a need for a public comment period on the Amendment Application. The EAO, in collaboration with the Tahltan Central Government (TCG), determined that since the project changes being considered were location changes for project components within the originally assessed project footprint, a public comment period was not necessary.

The EAO convened a Working Group for the review the Amendment Application. The TCG, Northern Health Authority (Northern Health), Regional District of Kitimat Stikine (RDKS), Ministry of Environment and Climate Change Strategy (ENV), Ministry of Energy, Mines and Petroleum Resources (MEMPR), Ministry of Forests, Lands, Natural Resources and Rural Development (FLNRORD) and Ministry of Indigenous Relations and Reconciliation (MIRR) were invited to participate in the Working Group.

The EAO held an introductory teleconference Working Group meeting on May 15, 2018, to provide an overview of the amendment process and an overview of the proposed amendment. Following this initial meeting, RDKS, ENV, MEMPR, FLNRORD and MIRR declined the invitation to participate further, as they did not have comments on the proposed changes.

The remaining Working Group members (Northern Health and TCG) were invited to provide further comments on the Amendment Application during a two week review period. Northern Health submitted comments and concerns on the Amendment Application, but no further comments were received from TCG. Over the course of the review, GCMC provided responses to Northern Health's comments and proposed a condition to minimize the potential dust and noise exposures of off-shift workers at the Isbā Camp from the nearby Gravel Pit. The resolution of technical issues or outstanding issues for the assessment of the proposed amendment is captured in Section 3 of this Amendment Assessment Report. The draft decision materials were circulated to the Working Group and TCG for comment and revised in consideration of their input.

The Government of Alaska, Department of Natural Resources (DNR) and the Canadian Environmental Assessment Agency (Agency) were also contacted to determine their level of interest in the amendment. DNR told the EAO that the project changes are unlikely to cause effects downstream across the Alaska-BC border so it only needed to be informed of the result of the amendment process. The Agency provided a letter (dated June 29, 2018) stating that the proposed project changes do not constitute a designated physical activity under the Regulations Designating Physical Activities, and as such, the Agency would not be involved in the amendment process.

3. SUMMARY OF ISSUES AND EFFECTS

GCMC's assessment in the Amendment Application includes:

- How the locations, components and activities associated with the Isbā Camp, Gravel Pit and Main Staging Area were considered in NovaGold's 2006 Application for an Environmental Assessment Certificate (2006 Application);
- Whether the project changes were considered in the permitting processes after the Certificate was issued, including the review and issuance of Special Use Permits (SUP S24637 and SUP S24766);
- How GCMC collaborated with the Tahltan Nation in accordance with the GCMC and TCG's Participation Agreement during the review the development of the Amendment Application;
- The potential interaction between the changes of the location of the Isbā Camp, gravel pit and Main Staging Area and the Valued Ecosystem Components (VECs) considered in NovaGold's 2006 Application; and
- The extent to which the mitigation measures, commitments and conditions identified in the 2006 Application, the Certificate and subsequent permits issued for Galore Creek were implemented to prevent or reduce potential adverse effects in relation to the project changes.

GCMC considered the above information and the assessment of effects of the project changes on applicable VECs and concluded that the potential adverse effects have not changed from that presented in the 2006 Application. Therefore, GCMC did not identify any additional mitigation measures beyond the conditions and commitments in the Certificate or FLNRORD Special Use Permits.

ISSUES RAISED BY THE WORKING GROUP

During the review of the Amendment Application, Northern Health submitted comments to EAO regarding the potential health impacts from noise and dust from the operation of the Gravel Pit and air emissions on workers residing in the adjacent Isbā Camp from the incinerator for kitchen waste.

In discussion with GCMC, the EAO determined that incinerator was contemplated in original Certificate and the potential health impacts would be effectively covered by existing commitments from the original Certificate.

Northern Health commented that given the location of the camp moved in close proximity to a Gravel Pit that was not included in the initial assessment, the new predicted air and noise exposures at the camp and nearby receptors need to be clearly identified and compared to health-based thresholds. Northern Health noted that while Health and Safety Regulations protect workers during their working hours, the regulations do not protect workers off-hours. As a result, residents in the camp are now considered as public receptors for environmental exposures such as air quality, and noise in environmental assessments.

GCMC provided results of GCMC's dust and noise modelling. The modelling demonstrated that the likelihood of dust or noise to have effects on the health of Isbā camp residents is low. The low rating was based on the assumptions that extraction activities at the Gravel Pit would occur during daylight hours when no workers were expected in the camp, and that there would be infrequent use of equipment, as well as considering the distance of Gravel Pit from the Isbā Camp, and the conservative nature of the modelling.

The EAO and GCMC discussed options for a condition or conditions to provide confidence that the health of workers would be protected while in camp. The EAO first proposed conditions that would have requirements for monitoring and adaptive management for noise levels and air quality, and allow operational flexibility for use of the Gravel Pit, while protecting worker health at Isbā Camp.

Through discussions, and in consideration of the relatively small amount of time the gravel extraction activities would occur, the following condition was put forward by GCMC, and agreed to by TCG and Northern Health:

Extraction activities will not occur at the Gravel Pit while the Isbā Camp is being used to house off-shift workers.

With this condition, there would be no exposure to noise and dust from the Gravel Pit for off-shift workers in the camp, and therefore dust or noise monitoring and management plans would not be needed. The EAO determined that the condition adequately addressed the potential adverse effects identified in the assessment.

In addition to the issues of dust and noise, Northern Health raised several issues related to the conclusions of the 2006 Application. Northern Health's concerns were that there have been important improvements to the understanding, assessment and management of health impacts related to resource development over the last ten years, particularly in northern and rural contexts. Northern Health stated that the 2006 assessment did not consider these important changes and a new assessment of the management of project camps is required. The EAO assessed that these concerns were not specifically related to proposed project changes being requested by GCMC, and therefore did not fall within the scope of the proposed amendment.

4. ABORIGINAL CONSULTATION

Galore Creek is located within the traditional territory of the Tahltan Nation. In reviewing the Amendment Application, the EAO consulted with the TCG regarding the potential impacts to the Tahltan Nation's asserted or established Aboriginal rights, including title and treaty rights (Aboriginal Interests). The TCG also participated as a member of the Working Group.

A letter from the TCG dated February 27, 2018, was provided as Appendix C of the Amendment Application. In the letter, TCG acknowledged that sufficient and adequate engagement had occurred between GCMC and the TCG for the proposed Application Amendment in accordance with Section 4.5 of the Participation Agreement between TCG and GCMC for the Galore Creek Mine. The TCG completed a

review of the changes with GCMC and the TCG concerns were addressed in the Amendment Application before it was submitted to the EAO.

The EAO met with the TCG on May 2, 2018, to discuss the Amendment Application and sought to understand if the TCG had any concerns related to the project changes. On numerous occasions throughout the review of the Amendment Application, the EAO contacted the TCG by phone, to further discuss their concerns with the project changes. To date, the TCG has not raised any additional concerns to the EAO regarding the project changes. The TCG considers the concerns identified by Northern Health were not currently relevant as the project is in care and maintenance.

5. CONCLUSIONS

Based on:

- Information in GCMC's Amendment Application;
- GCMC's and the EAO's consultation with TCG, CEAA, Government of Alaska DNR, provincial, and local government agencies, and GCMC's and the EAO's commitment to ongoing consultation;
- Comments on the Amendment Application from the Working Group and GCMC's responses to comments;
- The design changes of Galore Creek as specified in the proposed Schedule A (Certified Project Description) of the Certificate to be implemented by GCMC during all phases of Galore Creek; and
- The proposed condition requiring that GCMC not operate the gravel pit while the Isbā Camp is being used to house off-shift workers.

The EAO is satisfied that:

- The Amendment Application adequately identified and assessed the potential adverse changes to the environmental, economic, social, heritage and health effects of Galore Creek resulting from the proposed amendment;
- Consultation with the TCG about the proposed amendment have been adequately carried out by the Certificate Holder and EAO; and
- The provincial Crown has fulfilled its obligations for consultation and accommodation related to the Aboriginal Interests of the Tahltan Nation.

The EAO recommends to the Executive Director of Environmental Assessment Office, upon consideration of the conclusions in this report and any other relevant factors, that the Executive Director issue an Amended Certificate under Section 19 of the *Environmental Assessment Act* (Amendment #3) to allow the requested amendment of the Environmental Assessment Certificate #M06-03 for the Galore Creek project.

Addendum: Certificate #M06-03, Amendment #3