

**In the matter of the
Environmental Assessment Act
S.B.C. 2002, c. 43
(Act)**

and

**In the matter of an
Application
for an
Environmental Assessment Certificate
(Application)**

by

**Teck Coal Limited
(Proponent)**

for the

**Line Creek Operations Phase II
(Project)**

Reasons for Ministers' Decision

On September 25, 2013, pursuant to Section 17(3)(c) of the Act, we, the Minister of Environment and the Minister of Energy and Mines (Ministers), issued an environmental assessment (EA) certificate for the Project for the reasons indicated in this document.

1. NATURE AND SCOPE OF THE DECISION

Section 17(3) of the Act sets out the parameters for our decision. We:

- were required to consider Environmental Assessment Office's (EAO's) *Line Creek Operations Phase II Assessment Report* (Assessment Report) and accompanying Recommendations of the Executive Director; and
- considered any other matters we thought relevant to the public interest in making our decision on the Application.

We also needed to be satisfied that the Province had met its duty to consult, and if appropriate, accommodate First Nations with respect to potential impacts of the Project on their Aboriginal rights.

2. MINISTERS' CONSIDERATIONS

2.1. Assessment Report and Proposed Design and Mitigation Conditions

EAO, with advice from an advisory working group, reviewed the Application and documented its findings in the Assessment Report. EAO proposed 26 certificate conditions, which together with the design aspects specified in the proposed Certified Project Description would mitigate the potential impacts of the Project. EAO was satisfied that the proposed certificate conditions and project design would prevent or reduce potential negative:

- social, economic, heritage or health impacts of the Project such that no significant adverse effects are expected; and
- vegetation, wildlife or fish habitat impacts of the Project such that no significant adverse effects are predicted.

However, for aquatic life, EAO was not able to conclude on the magnitude, reversibility and therefore significance of adverse effects after mitigation, including cumulative effects due to uncertainty regarding:

- the concentrations of contaminants above which adverse effects on aquatic life would be expected;
- potential interactive effects of the mixture of contaminants at the predicted concentrations; and
- the effectiveness of the planned Dry Creek and West Line Creek selenium active water treatment facilities.

EAO was satisfied that the Crown's duty to consult and accommodate First Nations had been discharged for the Project.

2.2. Recommendations of the Executive Director

The Executive Director under the Act considered the Assessment Report, and the design and mitigation conditions set out in the proposed EA certificate. Notwithstanding that EAO was not able to conclude on potential impacts to aquatic life, the Executive Director recommended that an EA certificate be issued for the Project on the basis that the Elk Valley Water Quality Plan (EVWQP) (see Section 2.3) ordered by the Minister of Environment on April 15, 2013, will bring clarity to the water quality issues, and any actions required can be addressed at the permitting stage.

2.3. Other Matters

In addition to the Assessment Report, proposed design and mitigation conditions, and Recommendations of the Executive Director we also considered the following:

- The Minister of Environment has ordered Teck Coal Limited (Teck) to develop and implement an EVWQP for its five coal mines in the valley. Through the EVWQP, Teck must stabilize and reverse the increasing trend of selenium and other contaminants and calcite deposition in the Elk River watershed. Teck must submit the EVWQP to the Minister of Environment by July 22, 2014. The Executive Director has indicated that the EVWQP will bring clarity to the water quality issues of the Project, and any actions required can be addressed at the permitting stage. We concur;
- Teck has made a significant commitment to reduce contaminants in mine affected water:
 - a pilot water treatment program is underway at Teck's Fording River Operations which is exploring different technologies and combinations of technology for the reduction of contaminants in mine affected water;
 - an operations scale active water treatment facility is under construction at Teck's Line Creek Operations. The facility will treat up to 7500 m³/day of water per day, and Teck plans to increase the capacity to 15,000 m³/day in a second development phase;
- The continued operation of Teck's coal mines in the Elk Valley will:
 - economically enable Teck to implement the EVWQP and achieve the end goal of stabilizing and then reducing the concentration of selenium and other contaminants in the Elk River watershed; and
 - ensure that government meets its obligation under the Canada/US Boundary Waters Treaty to protection of the water quality in Lake Kococanusa; and
- The Project will maintain the current level of employment at the Line Creek Operations, along with its benefits to the employees' families and local and provincial economy.

3. CONCLUSION

After consideration of the findings of the Assessment Report, the design and mitigation conditions of the proposed EA certificate, the Recommendations of the Executive Director, and other matters as outlined in section 2, and having regard to our responsibilities under the Act, we issued a conditional EA certificate for the Project.



Honourable Mary Polak
Minister of Environment



Honourable Bill Bennett
Minister of Energy and Mines

Signed this 7th day of October, 2013