



ALBERTA WILDERNESS ASSOCIATION

"Defending Wild Alberta through Awareness and Action"

June 6, 2004

Director of Northern Region
Alberta Environment
Regulatory Approvals Centre
Main Floor, 9802 106 Street
Edmonton, AB, T5K 2J6

Re: File #26915 / Application #002-155804
Grande Cache Coal Corporation

Dear Sir/Madam:

Attached, please find a submission from the Alberta Wilderness Association on this application. The submission includes four specific requests that the association would appreciate having addressed.

Yours truly,

Christyann Olson,
Executive Director

cc:
Bernd Martens, Manager, Environment
Grande Cache Coal Corporation
Suite 501, 703, 6th Ave. S.W. Calgary, AB, T2P 0T9

Fisheries and Oceans, Canada Habitat Management,
Whitemud Business Park
4253 97 St. Edmonton, AB, T6E 5Y7

Environment Canada, Prairie and Northern Region, Species at Risk Division
Room 200, 4999 – 98 Avenue, Edmonton, AB T6B 2X3

Grande Cache Coal Corporation's Application to Re-Open Mine 12, Pit B2

AWA as Interested Party

The AWA is a provincial public interest organization constituted in 1968 with a focus on the protection of wilderness lands, wildlife and public lands in general. Our interest in Willmore Wilderness Park, the Kakwa and adjacent lands was established by the middle 1960's. The AWA was a major contributor to the 1977 Eastern Slopes Policy, its subsequent Integrated Resource Plans and to the 1976 Alberta Coal Policy. Our publication on Willmore Wilderness Park was produced in 1973 as part of our submissions to the Eastern Slopes hearings. To this day, it remains the only publication dedicated to the park's history and ecology. In it there is discussion of the withdrawal of critical wildlife habitat lands from the park in order to facilitate coal development near Grande Cache. These lands include Caw Ridge and the B2 development, as well as what would be Mine 16 and Mine 20 (now known as Mine 12 extensions).

Specifically, the AWA has had a continuous interest in the Caw Ridge area since the middle 1960's, as our extensive files on the area will attest. Staff and executive members of the AWA have visited the area and used it recreationally over the decades since the 1960's. The association has also kept in regular contact with the on going University of Sherbrook wildlife research studies on Caw Ridge. We have consistently argued for ERCB/EUB hearings and EIA studies of mining proposals in the area, going back to the days of McIntyre-Porcupine Mines Ltd. We have maintained extensive correspondence with government and industry over the area's importance for wildlife, the contributions it could make to tourism and a more stable future for the town of Grande Cache, reinstating these lands into Willmore Wilderness park, and most recently, over how the mine sites will be reclaimed.

The fact alone, that Grande Cache Coal Corporation (GCC) sends us, unsolicited, its documents relating to Mine 12 and other developments, attests to the recognized interest AWA has in the area.

Summary of AWA's Concerns

1. **Allowing further development of B2 will give the company a foothold to develop Pits C-F:** While the AWA understands that the present application is for the "B" pit extension of Mine 12, we know that sites C-F are already identified and they are on the top of Caw Ridge. We also know that the EUB/Alberta Government previously allowed B2 to proceed through a re-designation of the pit as an extension of existing Mine 12, thereby circumventing the need for proper environmental assessments and a public hearing.
2. **Caw Ridge is particularly rich wildlife habitat for a wide range of species:** Past submissions and correspondence from the AWA that will be on file with the Alberta Government, detail the association's specific wildlife concerns for Caw Ridge and environs. Observation and science tell us that Caw Ridge is a special site for a wide range of wildlife including the officially "threatened" migratory subspecies of the woodland caribou, and Beaverdam Creek is home to the officially "threatened" bull trout. The increasingly rare grizzly bear is found here, as well as healthy herds of bighorn sheep, wolves, rare wolverine, and a provincially significant herd, which is the largest herd in the province, of the slow-breeding mountain goat. Much is known of the area's wildlife because of the University of Sherbrook's lengthy studies, now recognized as the longest continuous research of mountain goats ever undertaken anywhere in the world.

Unfortunately for wildlife, coal seams near the surface provide rich nutrients for the growth of vegetation, which attracts animals that feed on it. When nutritious feed is combined with slopes blown free of snow in winter and nearby rocky outcrops and stands of trees for protection, the site become particularly attractive for herbivores and their predators. This combination occurs on Caw Ridge and is the primary reason why it has a provincial "Watchable Wildlife" designation.

We understand that disturbance to the area and activity in the vicinity of Pit B2 and its dumpsites has already had marked influence on wildlife. Caribou are now avoiding the area, which was a traditional migratory route and mountain goats are avoiding the disturbance, thus limiting their range of habitat.

The AWA strongly opposes mining and road activity on the top of Caw Ridge - we fear extension of development by increment, just as we have seen happen in the past.

3. **Implications of Failure to Reclaim:** When Smoky River Coal Ltd. went into receivership in 2000, the AWA contacted Alberta Environment about reclamation of Mine 12, Pit B2, because the company had failed to produce reclamation plans. In a letter, September 13, 2000, to the AWA from Chris Powter, Manager, Lands Management Program, we were told that the leases had reverted to the Crown, and a fund of some \$7million was in place for reclamation. The letter continues...*"The department and board will jointly develop a reclamation plan and cost estimate for the minesite, as well as a strategy for implementing the plan.....It is expected that the plan will include reclaiming the B2 Pit."*

To date, there has been no reclamation, and in 2003 we learned that GCC had received EUB approval to reopen B2 Pit, with reclamation apparently now falling to the company. Even though the GCC application #155804-00-00 contains a reclamation plan, the AWA remains skeptical of its implementation, given recent past history.

The fact that wildlife are avoiding the current disturbed area is reason enough to proceed immediately to complete the reclamation of B2, as implied in Chris Powter's letter to the AWA of September 13, 2000.

Suggestion for Alternative Procedures

Given the importance of Caw Ridge and its watersheds as wildlife habitat, given the precarious economy of the town of Grande Cache, which is largely based on natural resource extraction (forests and coal), and given the need for GCC to operate in the area, the AWA has sought beneficial alternatives.

There is an obvious need for Grande Cache to diversify its economy. The town is well situated for greater development of nature-based tourism, but that requires maintaining stable landscapes and wildlife populations in the surrounding area. While coal mining has a long history in the area, its cycles have contributed to the boom-bust economy the town has known to date. However, if GCC is truly committed to maintaining a stable town and a long-term future for its shareholders, then the company must realize it cannot rely on surface mining forever and it must look to resurrecting underground mines where there are huge reserves. Surface mining B2 for three years with its long and costly transportation, followed by reclamation, will have major wildlife implications and will not result in a strongly based coal operation.

From past research, AWA is aware that considerable coal exists in abandoned mines, several of which are located in already very disturbed areas close to Grande Cache and the conveyor transportation system. However, these mines are underground operations and would require steep seam technology for further extraction. Since Smoky River Coal abandoned underground operations, we understand that the technology to mine steep seams underground, has advanced considerably. Mine 8, for example, is much closer for transportation than is Mine 12, and it contains many times more proven

reserves of coal. We understand that Mine 8 has between 2.5 and 6 million tonnes of extractable premium grade coking coal.

While Mine 12 and its extensions are cheaper to operate because of surface access, their reserves are smaller, transportation costs much higher, are much more damaging of the environment and reclamation costs will be much greater than would be the reopening of Mine 8. Mine 8 also has higher quality coal than Mine 12.

Mining premium grade Mine 8 coking coal could help GCC secure better and longer-term markets. With China's demand for coking coal growing steadily, but with vast reserves sitting on its doorstep in the Gobi Desert, it will be increasingly important for companies like GCC to secure stable markets around the world. How better than by presenting its most premium coal? How better too, to provide long-term economic stability for Grande Cache, much less the company's shareholders.

AWA Requests

1. Alberta Environment recognize the special wildlife site that is Caw Ridge and its watersheds, and reclaim the present B2 Pit and dumpsites without further mining activity and disturbance. Further to this, AWA would like to know the current status of the \$7million reclamation fund – does it continue to exist? Is it invested and gathering income?
2. Alberta Environment recommend to Cabinet that Caw Ridge and its watersheds be returned to protective status within Willmore Wilderness Park.
3. That GCC considers its own long-term stability and that of Grande Cache town by relinquishing leases associated with Mines 12 and 16, and by making the significant commitment to underground operations, especially by bringing forward into production, existing Mine 8.
4. That Environment Canada and Fisheries and Oceans investigate the ramifications of operating B2 Pit for three more years, on the threatened woodland caribou and the threatened bull trout of Beaverdam Creek.

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