



Alberta Wilderness Association
"Defending Wild Alberta through Awareness and Action"

June 23, 2020

The Honourable Jason Kenney MLA,
Premier of Alberta
premier@gov.ab.ca

Re: Reinstate Alberta's Coal Policy (1976)

Dear Premier Kenney:

Alberta Wilderness Association (AWA), one of Alberta's oldest non-profit conservation organizations, is very concerned about the government's recent decision to rescind Alberta's Coal Policy (1976). This policy – developed and implemented by the Peter Lougheed government – has protected headwaters, wildlife habitat, and environmentally sensitive areas throughout Alberta's Rockies and Foothills for decades. The Coal Policy reflected well the progressive mindset of Albertans and the progressive policies of the then governing Progressive Conservatives. Your decision, one taken without any consultation with Albertans, rejects that progressive legacy. We write to request that your government:

1. Reinstate the Coal Policy.
2. Clarify the statement made about protecting former Category One lands.
3. Initiate a broad public consultation with Albertans about the future of the Coal Policy.

Reinstate the Coal Policy

Alberta's Coal Policy succeeded well in balancing the economic, social, and environmental needs of Albertans with regards to coal mining. It recognized that, throughout a significant portion of the Eastern Slopes, landscape protection should be prioritized over other land uses. Other portions of the Eastern Slopes would prioritize industrialization. There, as the 1976 policy stated, "areas will be broadly open for both exploration and development under controlled conditions." Nowhere in your government's May 15, 2020 news release do your ministers explain what makes such a balanced approach to resource development "outdated." Please explain why you have concluded this longstanding balance is outdated?

In the news release announcing the government's decision to rescind the Coal Policy, Energy Minister Savage claimed: "Rescinding the outdated coal policy in favour of modern oversight will help attract new investment for an important industry and protect jobs for Albertans." The Minister appears here to claim that provincial policy was a major impediment to developing the metallurgical coal resources found in Alberta's Eastern Slopes. Such a conclusion is suspect. For years, the Fraser Institute has produced an annual survey of mining companies. The Institute's 2019 survey, *Fraser Institute Annual Survey of Mining Companies 2019*, contains a Policy Perception Index, an index the Fraser Institute describes as representing "(A) 'report card' to governments on the attractiveness of their mining policies." How friendly is Alberta to mining investments according to the Fraser Institute survey? Very. Alberta received the highest ranking of any Canadian jurisdiction; Alberta placed in the global top ten when it came to the myriad of factors included in this index – 6th of the 76 jurisdictions from around the world represented in the survey. Contrary to the impression given by Minister Savage, the companies

that participated in the Fraser Institute survey didn't regard Alberta's mining policy climate as outdated or inhospitable to investment.

In the absence of any evidence in your government's May 15, 2020 news release to support the sweeping assertion that the 1976 Coal Policy is outdated, AWA adamantly opposes this policy change. With this decision you have destroyed a zoning system which has been an integral part of Alberta's regulatory process for decades. In its place you ask Albertans to trust the Alberta Energy Regulator's regulatory process. You and your ministers have criticized the AER for having too many staff and for taking too long to approve industrial use permits. Your criticisms never have suggested that the AER should be more diligent and well-resourced with respect to the social and environmental dimensions of its mandate. In effect then, your decision to repeal the Coal Policy tells Albertans to put their faith in a regulatory system that, in all likelihood, will be even less sensitive to the non-economic values vital to a healthy version of the public interest.

Finally, repealing the Coal Policy not only eliminates land-use categories in the Foothills, it also eliminates guidelines established in 1976 to promote the goal of creating jobs for Albertans. It did this by trying to ensure that Alberta workers and Alberta corporations would benefit from coking coal development in Alberta. According to the 1976 policy, companies with ambitions to develop coal had to follow the government's policy requiring "the maximum practical development and use of Alberta manpower, services, materials and equipment in all aspects of resource development, from initial planning and design through construction to final operation." For example, Alberta engineering and construction firms were "to be given every opportunity to participate" in all aspects of coal mine development. Where might this policy and commitment be found in the "modern oversight" promised by your Energy Minister? What changes to the regulatory process will your government make to ensure that this policy legacy is followed?

Another important component of the Coal Policy was its position that Albertans, following free market principles, should not subsidize coal companies. This position appears in the policy's discussion of transportation infrastructure. Thinking of the well-being of taxpayers, the government stated: "Where entirely new facilities are needed primarily for the use of a coal development, the Government would expect the developer to pay their full cost." In repealing the Coal Policy, is your government also rescinding the 1976 policy that coal mine developers should pay for the costs of new infrastructure needed to exploit coal? AWA members and the public more generally, would like to know how your government plans to respect these positions from the 1976 policy. Surely, these aspects of the Coal Policy and the values they promoted are not "outdated."

These provisions, and others in the Coal Policy pertaining to subjects such as royalties and investment opportunities, committed to protect and advantage Alberta's workers, businesses, and taxpayers. Instead of simply acknowledging that they have been "superseded or not enforced" (Alberta Energy, *Information Letter 2010-23*, May 15, 2020), if you revived them, you would promote better livelihoods for Albertans.

Clarify the statement made about protecting former Category One lands

The Ministry of Energy's May 15, 2020 Information Letter about rescinding the Coal Policy states: "Alberta will continue to restrict coal leasing, exploration and development within public lands formerly designated as coal category 1. This prohibition on coal activities is being continued to maintain watershed, biodiversity, recreation and tourism values along the Eastern Slopes of Alberta's Rocky Mountains." (AWA emphasis) Please clarify that this statement represents an absolute, "no exceptions"

prohibition on all coal mining related activities on these lands? The Coal Policy stated that in Category 1 lands “no exploration or commercial development will be permitted.” Please confirm that this is what the Ministry of Energy means when it uses the words “restrict” and “prohibition.”

Initiate a Broad Public Consultation with Albertans About the Future of the Coal Policy

AWA believes inclusive, public participation is vital to democratic public policy-making. Some who share that belief may have applauded now-Minister Nixon for comments he made in the Legislature on May 3, 2018. Then he accused the New Democratic government of not consulting in good faith with Albertans. His concern then was with the consultation conducted for the Bighorn Wildland Provincial Park proposal. He asserted that the NDP decided, before additional public consultation was conducted, to create that provincial park. He believed that a January 16, 2018 memorandum “shows that a provincial park has been predetermined by the NDP, and any so-called consultation by this government is a sham.” Later, he asked: “Is there a consultation, or have you already decided that there’s going to be a park, as this memo says?” On May 17, 2018, the Hon. Member for Rimbey-Rocky Mountain House-Sundre continued his criticism of the government’s failure to consult with and listen to Albertans. He tabled a petition in the Legislature from 17,004 people who, in his words, “want to make it clear that this government has not consulted with them on the future of the Bighorn and would like the government to talk to them before they make decisions about their backyard.”

The current Minister of Environment and Parks’ 2018 argument about the Bighorn surely applies just as forcefully, if not more so, to the decision to repeal the Coal Policy. Where was the public consultation about a fundamental change in land-use policy in Alberta’s Eastern Slopes? There wasn’t any. As inadequate as the Bighorn public consultation may have been to the current Environment and Parks Minister, at least some public consultations had taken place through the North Saskatchewan Regional Plan process. This cannot be said of the decision to repeal the Coal Policy. Revisiting the value of the Coal Policy gives your government an excellent opportunity to underline the worth it ascribes to inclusive consultation as part of the policy making process.

AWA is gravely concerned with your decision to repeal the Coal Policy. We believe that decision openly disregards the balance the Coal Policy struck between the range of economic, social and values that mattered to Albertans in the 1970s, values that matter to Albertans now. AWA hopes you will reinstate the Coal Policy. Furthermore, AWA hopes you will see this as an opportunity to commit to the importance of public consultation your party’s spokespersons championed while in opposition. Healthy democracy in Alberta demands nothing less.

Sincerely,
ALBERTA WILDERNESS ASSOCIATION



Christyann Olson,
Executive Director

cc:

Honourable Sonya Savage, MLA, Minister of Energy, minister.energy@gov.ab.ca
Honourable Jason Nixon, MLA, Minister, Alberta Environment and Parks, aep.minister@gov.ab.ca
Rachel Notley, MLA, Leader of the Opposition, edmonton.strathcona@assembly.ab.ca