

"Coal Hard Facts" in a Land of Make Believe

January 31, 2021



The Caucus of the United Conservative Party recently tried to defend the Kenney government's decision to revoke the 1976 Coal Policy last year. The long piece below looks at the claims UCP MLAs are making about the torrent of criticism their party has faced over their June 2020 policy change. The bottom line of the analysis is that the strongest evidentiary position in this vital debate rests in the 10 myths, not in the UCP's "facts"

- Ian Urquhart, Conservation Director

Other than a catchy title, the United Conservative Party Caucus document "[Coal Hard Facts](#)" offers little to anyone concerned about the Kenney government's dream to see surface coal mines dot the Rockies and foothills. The document is mistaken in so many places it's hard to know where to begin to correct the record.

What About Jobs?

Before UCP MLAs kick off their list of alleged myths, they conjure one of their own. They claim that coal mining “employs thousands of Alberta workers.” This simply isn’t true. Statistics Canada data show that, at its peak between 1997 and 2019, there were 2,985 coal mining jobs in Alberta. That peak was in 1998. In 2019, the sector had shrunk by 49 percent. There were only 1,542 workers in Alberta’s coal industry.

Teck Resources offers further evidence questioning the assertion that coal mining is a vital and viable part of the Alberta economy. Canada’s leading metallurgical coal producer abandoned its Mackenzie Redcap project in 2019. This project was approved by the Alberta Energy Regulator and would have extended the life of its Cheviot mine until approximately 2027. Why? Because Teck didn’t believe the project was economic.

More evidence comes from the situation in Grande Cache. There, the metallurgical coal mine now owned by CST Group – a Hong Kong penny stock, “temporarily” shut down in March 2020. The COVID-19 pandemic was blamed for the closure. Today, the mine remains closed. The December 2020 Happy Holidays message on CST Canada Coal’s website attributed the ongoing suspension to the pandemic; it’s not safe to reopen the mine. This isn’t believable given how successful many Alberta industries are in continuing to operate during the pandemic.

Established coking coal miners in Alberta are walking away from projects, shutting down operations, and laying off workers. This reality underlines that the UCP Caucus’s preamble is more myth than fact.

The Myths? Myth #1: The world is moving away from coal

The first of the UCP’s imagined myths is that the world is moving away from coal. They say: “Don’t believe this.” Their advice rests heavily on the importance of coking/metallurgical coal to steel production.

The Caucus is right...sort of. Metallurgical coal is central to conventional, traditional steel making. What the Caucus doesn’t tell readers though is that steelmakers recognize their industry is a major industrial contributor to greenhouse gas emissions. Steelmakers are looking to new technologies and other measures to reduce their need for coking coal.

Consequently, the International Energy Agency’s World Economic Outlook 2020 projects that global coking coal production will fall from 936 megatonnes in 2019 to somewhere between 622 and 764 megatonnes in 2030. The IEA predicts this 18 to 34 percent decline will deepen by 2040. In that year, the Agency predicts metallurgical coal production will range between 438 and 704 megatonnes, 25 to 53 percent lower than in 2019.

Will metallurgical coal still be important to steel production in 2040?

Yes. Will the world need more or less coking coal then? The IEA analysis suggests significantly less. To maintain that the world is moving away from coal, including metallurgical coal, is not a myth.

Myth #2: Lands that used to be protected are now open to development

The UCP Caucus addresses this alleged myth by saying that revoking the coal policy in June 2020 did not remove coal exploitation restrictions on public lands placed in Category 1 under the 1976 Coal Policy. The adjective “public” is important to note here. David Luff, the former public servant who helped write the Coal Policy, pointed out that the Environment Minister actually eliminated protections on Category 1 lands where individuals own the mineral rights. Under the Coal Policy these freehold mineral rights couldn’t be exercised. Nixon’s September 2020 Ministerial [Directive](#) kept the 1970s-era restrictions on public lands but stated that “(p)ivate lands and freehold minerals are exempt from these restrictions.” “This means that the Government of Alberta,” Luff wrote, “by policy, supports mountaintop removal mining of freehold coal rights in the former Category 1 lands.”

Territorially, by allowing all Category 2 lease holders to be eligible automatically to apply to turn those leases into mines, the Kenney government removed the de facto prohibition on surface mining the Coal Policy established. The 1.5 million hectares of Category 2 lands that previously enjoyed de facto protection from development applications lost it when the Coal Policy was rescinded.

Myth #3: Changes to the coal policy means an end to restrictions on Category 2 and 3 lands (sic).

The UCP Caucus challenges this statement by arguing that exploiting coal always was allowed on these lands. They support this position by noting a letter the NDP Energy Minister wrote to the AER in 2016; the letter regarding Ram River Coal said that the company’s Aries project on Category 2 lands could be reviewed by the AER.

First, it’s very disappointing that then Minister of Energy McCuaig-Boyd was prepared to allow this company’s application to proceed, doubly disappointing that the Minister of Environment and Parks didn’t signal her opposition to allowing the application to be heard when she wrote to Alberta Wilderness Association about this issue.

Second, the UCP Caucus position doesn’t appreciate the importance of ministerial discretion to the nature and effectiveness of the Coal Policy’s restrictions on applying to build mines on Category 2 lands. When the Coal

Policy was in effect any application to build a mine on Category 2 lands required the Minister to exempt the application from the policy.

A proponent couldn't then, as one could the day after the policy was abolished, simply drop an application to turn leases into mines onto the AER's desk. McCuaig-Boyd's letter might be seen as such an exemption (note that Ram River Coal approached Minister McCuaig-Boyd, not the AER, about making an application). According to David Luff, from 1976 until 2020 companies with coal leases on Category 2 lands knew they needed a ministerial exemption before mining could be applied for. The exemption was required because, as he wrote, "(t)he Coal Policy was drafted in that manner to deter coal mining in the Category 2 lands because of their environmental sensitivity."

Finally, the fact that the Notley government showed bad judgment with respect to Ram River Coal isn't an invitation to magnify that mistake as the Kenney government has done.

Myth #4: Coal mines will forever change our mountain landscape

The claim that this is a myth arguably is the biggest howler in the UCP Caucus collection. In the UCP mindset strip mining is something that can be easily corrected. Coal companies, if they're still financially solvent when their mines close, will get things back to the way they were when they reclaim the mountains they decapitate. The caucus says: "Our majestic mountains will be protected."

A responsibility to reclaim lands means anything but restoring the mountain landscape to its pre-mining condition. The majesty of our mountain landscapes rests in their natural wildness; reclaimed landscapes are manufactured landscapes. There is nothing majestic about manufactured terrain.

The likely impact of the Grassy Mountain project on whitebark pine, a species at risk, underlines this point. Environment and Climate Change Canada states that whitebark pine "is essential to ecosystem functioning in many subalpine and treeline forests." As such, this endangered species is an essential contributor to the majesty of Alberta's Eastern Slopes. It's humbling to realize that many of the whitebark pines alive today in the high country of the Crowsnest stood witness long ago to Blackfoot Confederacy buffalo hunters and white explorers from the Palliser expedition.

Benga Mining estimates it will destroy 21,000 whitebark pine as it takes the top off of Grassy Mountain. In their place, Benga promises to plant three times as many seedlings. But, the company doesn't plan to make any effort to recreate the steep slopes on which whitebark pines outcompete other species.

The slopes of Benga's manufactured terrain will be much more gentle than what the Earth's geological and climatic forces have forged in that corner of Alberta. And, since it takes approximately 100 years until seedlings mature into cone-bearing whitebark pine none of you reading this will see what this new, manufactured landscape will look like. How can anyone say with a straight face that this constitutes genuine protection for Alberta's majestic mountains?

Myth #5: Rescinding the 1976 Coal Policy has deregulated Alberta coal development

The Caucus says this isn't true. They accurately point out that the Alberta Energy Regulator regulates coal mining.

Their more debatable claim is that the Regulator's actions ensure that coal development "is safe and environmentally responsible." One of the first things the UCP government did after the 2019 election was to dismiss AER staff. By February 2020, 18 percent of the Regulator's staff (210 workers) had been let [go](#). This fit well with the UCP's belief, clearly laid out in their election platform, that Alberta's energy sector was [overregulated](#). Overregulated meant too many staff, too many regulations, too long to approve applications, and taking too much money from industry.

While the UCP Caucus preaches the importance of science and environmental responsibility the AER has let their "less regulation" mantra suffocate those values when it comes to regulating those who intend to strip mine the Eastern Slopes. CPAWS and the University of Calgary's Public Interest Law Clinic discovered this in [June 2020](#). Elan Coal applied to the AER for a policy exemption. It wanted to ignore the spring restricted activity period, a period when road building and drilling should not occur. The prohibition is intended to keep industry out of the backcountry during the spring lambing/kidding season. The AER rubber stamped Elan's application. It was approved in a day. No government wildlife scientist conducted a serious examination of how the exemption would affect wildlife. Instead, the inconvenience a one-month delay would present to Elan's schedule trumped all else.

Later in 2020 the AER proved that it could make the regulatory approval process even quicker. It could pay even less attention to wildlife values. Three days before the backcountry work season was scheduled to end in the name of wildlife related values, Elan applied for permission to ignore the deadline. The AER approved Elan's application on the same day it was [submitted](#).

It's impossible to regard this perspective on regulation as affirming the importance of environmental responsibility.

Myth #6: Water quality and important headwaters are at risk from mining development

Here the UCP counters by stating that the *Environmental Protection and Enhancement Act* protects Alberta's environment and that the province's water supply is not at risk.

A fatal flaw in this rebuttal comes from the recently completed Grassy Mountain Coal Project hearing. There, the Alberta government showed no interest in the fact that Benga Mining, the project's proponent, freely admitted it either wouldn't meet provincial water quality guidelines or that it shouldn't have to meet the guidelines.

Selenium pollution is one of a handful of potentially harmful consequences of surface coal mining. Readers of *The Tyee* and *The Narwhal* will be familiar with the damage selenium may inflict on [aquatic species](#). No provincial official appeared at the Grassy Mountain hearing to question Benga Mining's position on selenium pollution. The company's position is that the provincial water quality guideline for selenium – 0.002mg/litre – is too stringent and shouldn't apply to the Grassy Mountain mine. Benga's site-specific alternative was amorphous, described by counsel for the Livingstone Landowners Group as a "[moving target](#)." At 0.015mg/litre, one version of that alternative was more than seven times greater than the provincial guideline. Furthermore, as counsel for the Coalition of AWA and the Grassy Mountain Group and others [pointed out](#), Benga provided zero evidence to support its claims about what the primary species of selenium would be.

While Environment and Climate Change Canada officials raised important questions about Benga's work, Alberta's officials were missing in action. Not only were they not at the hearing to present evidence on selenium but they weren't there to help the Panel understand what to make of the other failures to adhere to water quality guidelines Benga readily admitted. Benga's final argument asked us not to worry about the predictions that its operations would exceed the Alberta water quality guidelines for chromium, cobalt, ammonia, and nitrate in Blairmore and Gold Creeks. Nor should we worry about the predictions that "various contaminants in the end-pit lake including selenium, arsenic, cadmium, cobalt, copper, nickel, and zinc exceed [guidelines](#)." We shouldn't worry because the company's human health risk assessment said we shouldn't. And, Benga called its work "the product of conservative analyses."

I would have expected Alberta's Minister of Environment and Parks to send his officials to the hearing to explain why this evidence doesn't put headwaters and our water supply at risk. He didn't.

Myth #7: A coal lease means a coal mine will soon be underway.

To supporters of the Lougheed government Coal Policy who use this argument to push government to reinstate that Progressive Conservative policy the UCP Caucus says: “A coal lease does not equal a project...A lease does not mean a project will proceed.” The regulatory history of the AER, and the Energy Resources Conservation Board before it, offers more support for the myth than for the UCP’s “facts.”

Most of that history concerns applications and approvals for oil & gas or tar sands projects of one type or another. When the UCP campaigned to cut the staff and budget of the AER it didn’t do so based on the charge the Regulator wasn’t approving applications. It did so because it claimed it was taking too long for the Regulator to approve them. The vast majority of applications are approved by Alberta’s Regulator.

Since there hasn’t been a coal mine approved on Category 2 lands since the Coal Policy was introduced we don’t have a recent historical record to turn to for coal. But, we first have the fact that coal companies are pitching at least eight coal mining projects on Category 2 lands to potential investors.

We also know that government ministers portray Alberta as an investment-friendly jurisdiction that is keen to develop a metallurgical coal industry (see Myth #10 below). Valory Resources even displays a letter of support from Alberta Environment and Parks Minister Nixon for its [Blackstone project](#).

Read Nixon’s letter, a letter where not a single environmental concern is raised, and ask yourself whether he believes the provincial government has any serious interest in stopping Valory’s leases from becoming a mine.

Myth #8: The 1976 Coal Policy protects water from selenium

The Caucus attacks this supposed myth with this sentence: “Selenium is not even mentioned in the 1976 Coal Policy.” The sentence is true but that doesn’t mean the Coal Policy didn’t offer Alberta’s watersheds protection from selenium poisoning. The policy protected those waters through its de facto prohibition against surface mining. No surface mining, no selenium pollution. If you don’t smash thousands and thousands of tonnes of Alberta’s mountain landscapes you don’t risk increasing selenium levels in our waters. It’s just that simple.

Myth #9: Alberta’s government is abandoning the federal-provincial plan to phase out emissions from low-quality thermal coal by 2030.

The UCP states this is “categorically false.” I agree... but this is something of a straw man proposition. Frankly, I haven’t seen many, if any,

comments suggesting otherwise from the thousands of Albertans who have called for the reinstatement of the Coal Policy. And, in the interest of setting the Alberta coal phase-out record straight, we should note that the words of the UCP Caucus defend an Alberta government commitment made by the previous NDP government. Readers might want to join me then in congratulating the UCP Caucus for endorsing the Notley government's accelerated phase-out of coal-fired electricity.

Myth #10: Alberta's government didn't cancel all of the leases affected by policy changes.

There isn't a whiff of myth in this statement. The government's news release about revoking the Coal Policy invited industry to turn their leases on Category 2 lands into strip-mines. The Energy Ministry news release reads in part: "Government is placing a strong focus on creating the necessary conditions for the growth of export coal production."

The fact that destroys the Caucus position is that, with the policy change, lease holders no longer needed ministerial permission in order to apply to build a strip mine on Category 2 lands. That makes the "myth" accurate and true...revoking the Coal Policy removed the ministerial exemption hurdle coal miners had to get over. All of the leases granted on Category 2 lands prior to June 1, 2020 now are entitled automatically to apply for surface mining permissions. That wasn't the case prior to the UCP policy change.

In trying to rebut this truth, the UCP Caucus writes: "To ensure Albertans are heard, Alberta's Government has cancelled 11 leases issued in December 2020." While this sentence is true, it's meaningless and insulting. By any metric, the cancelled leases – 1,852 hectares of the Eastern Slopes – amount to a pittance of the Category 2 lands leased to coal mining companies. For example, 31,000 hectares or 310 square kilometres of Category 2 Lands are leased to the Australian penny stock companies Atrum Coal and Montem Resources. The insult? It's one thing for your party's leaders to offer Albertans such a stingy response to their outpouring of opposition. But, don't insult their intelligence by pretending your party's token response is meaningful.

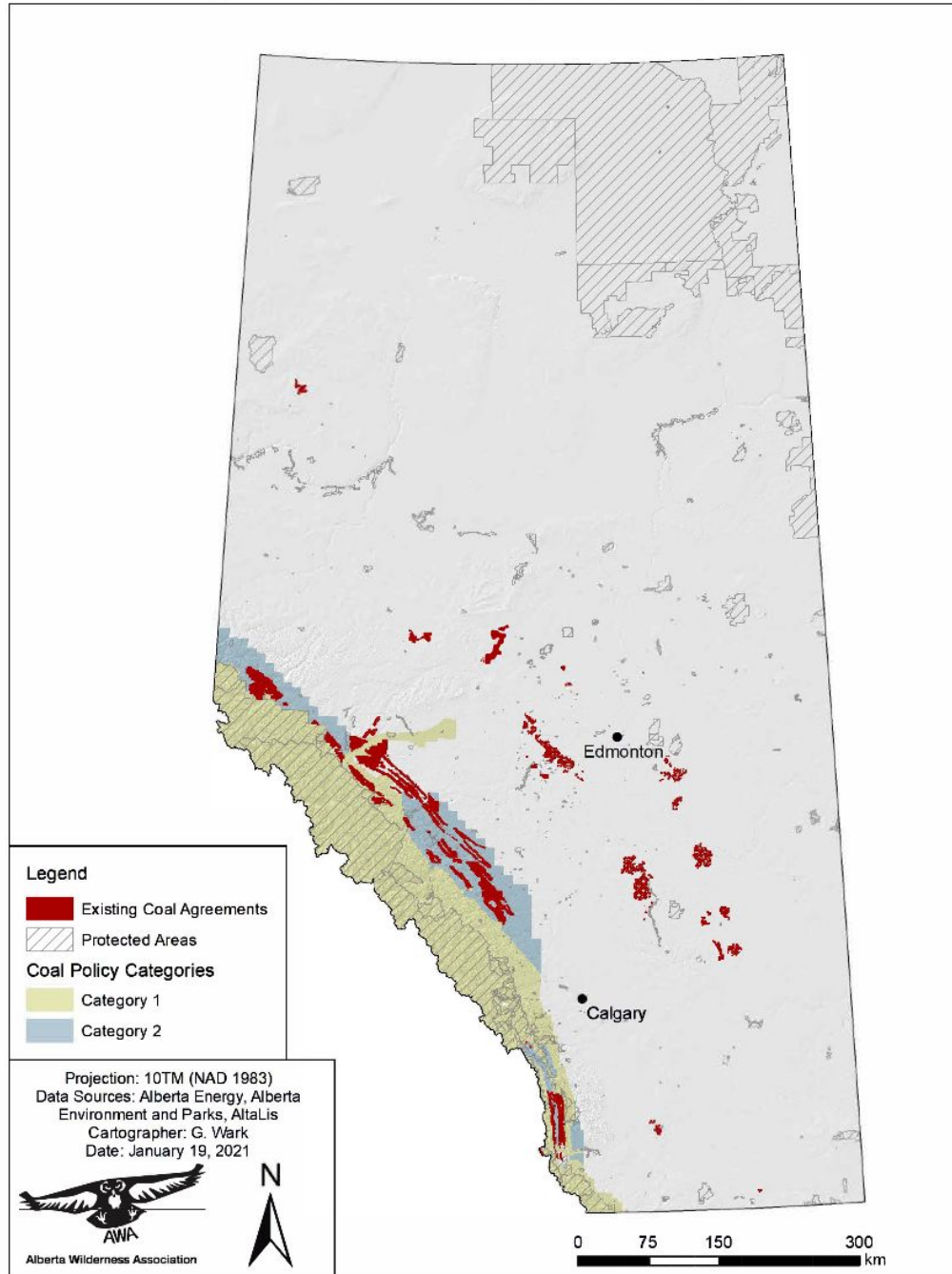
Concluding Remarks

"Coal Hard Facts," like the offerings from Ministers in the Kenney government, wants to plant the seeds of disinformation into the minds of people who care about the Eastern Slopes. It's another good, but sad, illustration of the UCP's belief that its view of a healthy future for Alberta is found by looking in the rearview mirror.

For more information:

Dr. Ian Urquhart
AWA Conservation Director
iurquhart@abwild.ca
780-937-4692

Existing Coal Leases on Coal Policy (1976) Category 2 Lands





Dedicated to the conservation of wilderness and completion of a protected areas network, AWA inspires communities to care for Alberta's wild spaces through awareness and action.

[Donate](#)

Copyright © 2021 Alberta Wilderness Association, All rights reserved.

Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#).

