



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

September 21, 2023

Alberta Energy Regulator  
Suite 1000, 250-5 Street SW  
Calgary, Alberta T2P 0R4  
Email: [SOC@aer.ca](mailto:SOC@aer.ca)

**Statement of Concern Re: Northback Holding Corporation Application #'s: A10123772, 00497386-001, and 1948547.**

**Dear Alberta Energy Regulator,**

Alberta Wilderness Association (AWA) appreciates the opportunity to provide this Statement of Concern (SOC) on Application #'s: A10123772, 00497386-001, and 1948547 submitted by Northback Holding Corporation (formerly Benga Mining Ltd.) on September 6, 2023, to receive authorization for a coal exploration program and a Water Act temporary diversion license for commercial water diversion, as well as a coal deep drilling permit. Northback states they have applied with the intent to conduct a coal exploration program on the Grassy Mountain Deposit, located north of Blairmore, Alberta. **These applications should be immediately denied, as Ministerial Order 002/2022 explicitly states no new coal exploration or development can take place in the Eastern Slopes.**

AWA opposes this application and requests AER deny approval of Northback's application, considering the existing moratorium on all coal exploration and development across the Eastern Slopes, as well as the fact that the prospect of mining this coal deposit has already been denied during the federal and provincial government's *Joint Review Panel for the proposed Grassy Mountain Coal Project*, due to the significant economic, environmental, and societal risks it posed to the region. Commercial water diversions should also be out of the question, considering the extensive and severe drought conditions currently affecting southern Alberta; the Oldman Dam Reservoir, which is supplied by headwaters in the Eastern Slopes, was under extreme water restrictions for much of summer, a situation that may become more dire in 2024 if Alberta does not receive a normal volume of spring snowmelt.

AWA is an Alberta-based conservation group with more than 7,500 members and supporters across Alberta, Canada, and around the world. AWA seeks the completion of a protected areas

network and the good stewardship of Alberta's public lands, waters, and biodiversity to ensure future generations enjoy the abundant benefits they provide.

On March 2, 2022, the Minister of Energy issued Ministerial Order 002/2022 directing AER to undertake steps to implement a moratorium on new coal exploration and developments on all category lands as defined by the *1976 Coal Policy* in the Eastern Slopes<sup>1</sup>. Specifically, the order states,

“No exploration or commercial development activities related to coal will be permitted within Category 1 lands, in accordance with the 1976 Coal Policy. All approvals (as defined by the *Responsible Energy Development Act* (REDA)) for coal exploration on Category 2 in the Eastern Slopes shall continue to be suspended and no new applications will be accepted until such time as written notice is given by the Minister of Energy and/or Minister of Environment and Parks. With the exception of lands subject to an advanced coal project or an active approval for a coal mine, all approvals (as defined by REDA) for coal exploration or development on Category 3 and 4 lands in the Eastern Slopes shall be suspended and no new applications will be accepted until such time as written notice is given by the Minister of Energy and/or Minister of Environment and Parks.”<sup>1</sup>

As Benga Mining Ltd.'s original applications for the Grassy Mountain Coal Mine were denied in 2021, Northback's new submission would constitute a new application, which is not to be accepted under the current ministerial order. There is also no need to continue pursuing coal exploration in the area, as the extensive consultations completed by the Joint Review Panel have already revealed it is not suitable for coal development<sup>2</sup>.

In the review, the Panel highlighted concerns over the “significant adverse environmental effects on surface water quality, Westslope cutthroat trout and their habitat, whitebark pine, rough fescue grasslands, and vegetation species and community biodiversity”, and found mining would “contribute to existing significant adverse cumulative environmental effects on Westslope cutthroat trout, little brown bats, grizzly bears, and whitebark pine”<sup>2</sup>. The original project would also “result in the loss of lands used for traditional activities, and this would affect Indigenous groups and their members who use the project area” and cause “significant adverse effects to physical and cultural heritage for three Treaty 7 First Nations”<sup>2</sup>.

For all these reasons and more, on June 17, 2021, AER denied Benga's applications, stating that this coal project was “not in the public interest”<sup>3</sup>. AWA encourages AER to follow their own precedent and deny Benga's new, repurposed submission as Northback. The findings of Alberta's Coal Policy Committee engagement and recommendation reports only reaffirm AER's 2021

statement; Albertans are strongly opposed to coal development on the Eastern Slopes, largely because of the adverse environmental impacts<sup>4,5</sup>.

Finally, exploratory projects themselves can create a significant threat to the environment and an unacceptable liability to Albertans<sup>6</sup>. The logging required to make access roads fragments habitat and exposes the shallow montane soils to erosion and colonization by invasive species. Exploratory roads then become sources of sediment, washing downstream rivers and creeks during precipitation events, negatively impacting aquatic habitat and watershed health. Considering that a) the exploration phase is not profitable in development projects, b) the federal and provincial governments have found this site to be inappropriate for coal development, and c) insurers are becoming increasingly hesitant to fund coal companies<sup>7</sup>, Albertans could be on the hook for reclamation costs of both Benga's legacy work and Northback's proposed exploratory program.

**AER must implement the moratorium on coal exploration and development as directed by Ministerial Order 002/2022. AWA respectfully requests that Northback Mining Corporation's application, along with any potential subsequent coal extraction or exploration activities in the Eastern Slopes, be denied.**

Sincerely,

ALBERTA WILDERNESS ASSOCIATION  
Kennedy Halvorson



Conservation Specialist

### **Resources Cited**

<sup>1</sup>Government of Alberta, Department of Energy. 2022. Responsible Energy Development Act S.A. 2012, c. R.17.3. Ministerial Order 002/2022. [https://kings-printer.alberta.ca/Documents/MinOrders/2022/Energy/2022\\_002\\_Energy.pdf](https://kings-printer.alberta.ca/Documents/MinOrders/2022/Energy/2022_002_Energy.pdf)

<sup>2</sup>Alberta Energy Regulator and the Impact Assessment Agency of Canada. 2021. Report of the Joint Review Panel, Benga Mining Limited Grassy Mountain Coal Project. Established by the Federal Minister of Environment and Climate Change and the Alberta Energy Regulator. <https://iaac-aeic.gc.ca/050/documents/p80101/139408E.pdf>

<sup>3</sup>Alberta Energy Regulator. 2021. News Release 2021-06-17: Joint review panel concludes review of Grassy Mountain Coal project. <https://www.aer.ca/providing->

[information/news-and-resources/news-and-announcements/news-releases/news-release-2021-06-17](#)

<sup>4</sup>Coal Policy Committee. 2021. Engaging Albertans about coal.

<https://open.alberta.ca/dataset/78cfffec-e5dc-4474-8617-72b1ca2f4ab2/resource/604fd294-49ba-4942-88b4-5a8fd4d1d191/download/energy-coal-policy-committee-engaging-albertans-2021-12.pdf>

<sup>5</sup>Coal Policy Committee. 2021. Final Report: recommendations for the management of coal resources in Alberta.

<https://open.alberta.ca/dataset/cabeccc3-3937-408a-9eb5-f49af85a7b3f/resource/75d241f9-5567-4a86-91e7-3ed285e42f18/download/energy-coal-policy-committee-final-report-2021-12.pdf>

<sup>6</sup>The Tye. 2023. Forsaken and ‘Urgent’: Alberta’s Eroding Coal Roads.

<https://thetyee.ca/News/2023/09/08/Forsaken-Urgent-Alberta-Eroding-Coal-Roads/>

<sup>7</sup>Reuters. 2023. Insight: Coal miners forced to save for a rainy day by insurance snub.

[https://www.reuters.com/sustainability/coal-miners-forced-save-rainy-day-by-insurance-snub-2023-08-31/#:~:text=LONDON%2C%20Aug%2031%20\(Reuters\),demand%20for%20the%20fossil%20fuel.](https://www.reuters.com/sustainability/coal-miners-forced-save-rainy-day-by-insurance-snub-2023-08-31/#:~:text=LONDON%2C%20Aug%2031%20(Reuters),demand%20for%20the%20fossil%20fuel.)