

BRULE MINE PROJECT (PROJECT)

RECOMMENDATIONS OF THE EXECUTIVE DIRECTOR AND REASONS FOR RECOMMENDATIONS

Pursuant to section 17 of the *Environmental Assessment Act* S.B.C. 2002, c. 43 (BCEAA), the Executive Director of the Environmental Assessment Office (EAO) provides the following recommendations and reasons relating to the Project. In preparing this document, the following have been considered:

- Brule Mine Project Application for an Environmental Assessment Certificate, including Appendices (Application);
- All subsequent Project review documentation identified in Schedule A to the proposed Environmental Assessment Certificate (Certificate); and
- Brule Mine Project Assessment Report (Assessment Report).

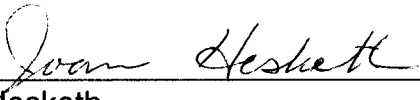
The Executive Director recommends that the Certificate be issued for the Project, for the following reasons:

1. The environmental assessment of the Project was carried out in accordance with the scope, procedures and methods identified in the order issued by EAO under section 11 of the BCEAA on October 14, 2005.
2. The environmental assessment of the Project addressed the potential effects identified in the section 11 Order, including First Nations' interests, and the potential effect of the Project on its environmental, economic, social, heritage and health setting.
3. Measures relating to the distribution of information about the Project to the public have been carried out by Western Canadian Coal Corp (Proponent) in accordance with the section 11 Order, including holding open houses and meetings with the public and local governments.
4. Measures relating to the distribution of information about the Project to First Nations and the Kelly Lake Communities have been carried out by the Proponent in accordance with the section 11 Order. The First Nations involved in the review of the Project included three Treaty 8 First Nations (McLeod Lake Indian Band, Saulteau First Nations and West Moberly First Nations). In addition, non-Treaty 8 groups at the community of Kelly Lake as represented by the Kelly Lake Cree Nation, Kelly Lake First Nation, and Kelly Lake Métis Settlement Society have also expressed interest in the development of coal projects in the region. Measures included information meetings, site visits and open houses.

5. Opportunities have been provided by EAO for the First Nations and Kelly Lake Communities to participate in the assessment process including review and commenting on: the draft Terms of Reference for the Application; the draft section 11 Order; the Application; the draft Assessment Report; and the draft environmental assessment certificate. The First Nations and Kelly Lake Communities also had an opportunity to participate in the working group established by EAO to review the Project.
6. Opportunities have been provided by EAO for Canadian federal, provincial, and local government agencies to participate in the environmental assessment as members of the working group, chaired by EAO.
7. Issues identified by the public, First Nations and Kelly Lake Communities, and provincial and federal agencies that fall within the purview of the assessment of the Project have been considered. The Assessment Report identifies these issues and documents practical means to prevent or reduce to an acceptable level any potential significant adverse effects of the Project.
8. Eight public comments were received by the EAO during the 46 day formal review period. The most common concerns raised by the public at open houses and in correspondence related to the potential impacts of emissions of fugitive coal dust from the proposed loadout and coal haul at Hasler and cumulative dust effects at Willow Flats. Other concerns included: safety on the coal haul route; impacts on water quality, trapping and caribou; environmental monitors; and, opportunities for local employment, training and contracting.
9. The issues raised by the public were addressed by the Proponent as follows: moving the proposed load out from Hasler to Falling Creek; environmental management plans for air quality and dust management; surface erosion and sediment control; traffic management; wildlife and fish protection; selenium management; and an agreement with one of the four licensed trappers. The Proponent is currently negotiating with the other three trappers and the guideoutfitter. The Proponent has committed to employ environmental monitors and to develop a community awareness program to keep residents apprised of developments and employment opportunities.
10. Issues raised by the First Nations and the Kelly Lake Communities include: potential infringement of Treaty 8 rights such as impacts on traditional land use sites, fish, wildlife, and regional cumulative effects; concerns regarding air quality and coal dust on berry picking; participation in environmental monitoring; desire for share of economic benefits; and concern regarding increased substance abuse with increased affluence associated with mine development.

11. In response to concerns regarding potential impacts to traditional use sites, the Proponent committed to avoiding the sites through establishing buffers and refining powerline and haul road alignments. Concerns regarding impacts of fish and wildlife were satisfactorily dealt with through proposed mitigation and environmental management plans and commitments. The proposed mitigation measures and commitments will also minimize the Project's contribution to regional cumulative effects on Treaty rights. Air quality and dust issues were addressed by the Proponent's proposed air quality and dust control plan which includes watering of haul roads and covering of haul trucks. The Proponent has also committed to provide First Nations and the Kelly Lake Communities regular opportunities to review environmental monitoring and reclamation results.
12. To provide opportunities for First Nations' economic participation, the Proponent entered into Cooperation Agreements with the West Moberly and Saulneau First Nation, as well as with the Kelly Lake Métis Settlement Society and is currently in negotiations with the McLeod Lake Indian Band. These Cooperation Agreements include: mechanisms to facilitate employment and contracting opportunities related to the Proponent's projects in the area; contracting procedures and standards; and agreements concerning support for training and apprenticing opportunities.
13. To help deal with potential increase in substance abuse, the Proponent is developing an employee recovery program.
14. Provincial, federal and local government issues were identified and addressed through working group meetings. The key technical issues identified during the review of the Project were potential impacts on air (coal dust), water quality (total suspended solids and acid rock drainage and metal leaching, particularly of selenium), wildlife, fish, ecological communities of conservation concern and cumulative effects. Socio-economic effects were primarily in the form of concerns regarding the location of the coal loadout and potential property use conflicts, and effects on guide outfitters and licensed trappers. The Proponent has satisfactorily responded to the issues raised by government agencies.
15. The environmental assessment associated with the Project has satisfactorily addressed the potential effects identified in the Application Terms of Reference, issued for the Project on October 18, 2005.
16. EAO is satisfied that if the Project is approved, the First Nations should be able to reasonably practice their treaty rights to hunt, trap and fish in the Treaty 8 area traditionally used by these First Nations. Additionally the Project should have no significant adverse effects on the other interests of the First Nations and Kelly Lake Communities.

17. All potential significant adverse effects of the Project are considered by EAO to be manageable to an acceptable level through:
- the implementation of the Proponent's design and mitigation measures identified in the Application;
 - compliance with and implementation of the commitments and conditions specified in the Certificate; and
 - compliance with subsequent statutory permits, licences and approvals, or any authority required under any other enactment.
18. The Project is in the broad public interest and it provides significant economic benefits to the Province of British Columbia.



Joan Hesketh
Executive Director and Associate Deputy Minister
Environmental Assessment Office

Dated: June 9, 2006