

Northback Holdings Corporation

**Applications for Coal Exploration
Program (CEP) A10123772, Deep
Drilling Permit (DDP) 1948547, and
Temporary Diversion Licence (TDL)
00497386**

May 15, 2025

Alberta Energy Regulator

Decision 2025 ABAER 006: Northback Holdings Corporation, Applications for Coal
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2025 ABAER 006

Northback Holdings Corporation

Applications for Coal Exploration Program A10123772, Deep Drilling Permit 1948547, and Temporary Diversion Licence 00497386

Decision

[1] Having considered all the evidence carefully and for the reasons stated below, the Alberta Energy Regulator (AER) approves applications A10123772, 1948547, and 00497386, subject to the conditions outlined in this decision and the attached approval documents.

[2] In reaching our decision, we considered all relevant materials properly before us. Accordingly, references to specific portions of the evidence in this decision are intended to assist the reader in understanding our reasoning on a particular matter and do not mean that we did not consider all relevant portions of the evidence. We are satisfied that throughout the proceeding and in our decision, we have considered the purposes and factors identified in the relevant enactments, and we find that the applications meet all the regulatory requirements.

Introduction

Applications

[3] This proceeding concerns three applications related to a coal exploration program (the Exploration Program) at Grassy Mountain. These three applications are not for a coal mine. Therefore, this decision focuses on the Exploration Program and not any issues related to the development, operation, or impacts of a future coal mine at Grassy Mountain.

[4] Northback Holdings Corporation (Northback) submitted the following applications:

- Coal exploration program (CEP), application A10123772, under section 20(1) of the *Public Lands Act* and in accordance with the *Code of Practice for Exploration Operations* made under the *Environmental Protection and Enhancement Act (EPEA)*, to conduct a coal exploration program on public lands at Grassy Mountain.
- Deep drilling permit (DDP), application 1948547, under section 10(1)(a) of the *Coal Conservation Act* and section 2 of the *Coal Conservation Rules*, to drill to depths deeper than 150 metres (m) and no deeper than 550 m on public land and Northback's privately owned land.

- Temporary diversion licence (TDL), application 00497386, under section 62 of the *Water Act*, to withdraw 1500 cubic metres (m³) of water from end-pit lake 2 on Northback's private land to use in support of the exploration drilling activities.

[5] The Exploration Program is at the existing unreclaimed Grassy Mountain mine site in the Municipal District of Ranchland, about seven kilometres north of the town of Blairmore. The drilling program targets several coal seams of interest in the Mist Mountain Formation.

[6] The lands associated with this program are located within the boundaries of the *South Saskatchewan Regional Plan*. The proposed activities are also within the boundaries of the *Livingstone-Porcupine Hills Sub-Regional Integrated Resource Plan*. The lands are classified as category 4 in the Government of Alberta's *A Coal Development Policy for Alberta*, meaning "exploration may be permitted under appropriate control... subject to proper assurances respecting protection of the environment and reclamation of disturbed lands."

[7] The Exploration Program is designed to improve Northback's understanding of the extent of the Grassy Mountain coal deposit, obtain raw coal samples, and structurally model the coal seam complexities.

Coal Exploration Program Application

[8] The CEP application is for activities on public lands only and does not apply to Northback's private lands, even though the exploration activities will occur on both public and private land.

[9] Through the course of the proceeding, Northback reduced the number of drill pads and boreholes. Northback initially proposed to drill 46 boreholes from 32 drill pads. Of the proposed locations, 20 drill pads (27 boreholes) were planned on public land. The remaining 12 drill pads (19 boreholes) were on Northback's private land. Some drill pads were to be on previously disturbed sites and others on new sites, resulting in additional land disturbance.

[10] Applicants must provide locations of sensitive areas and an environmental summary in their CEP application. Northback filed a predisturbance site assessment (PDSA), dated June 9, 2023, to meet this requirement. The PDSA summarized aquatic, vegetation, and wildlife resources in the exploration area and proposed mitigation measures to reduce or eliminate any impacts. The PDSA recommended that the location of some drill pads or access routes be reconsidered for environmental reasons. Based on the PDSA findings, Northback revised the number of drill pads, borehole counts, and the estimated land disturbance footprint. The drilling activity on public lands was reduced to 11 drill pads (14 boreholes). The drill pad and borehole count on private land did not change.

[11] An updated PDSA, dated October 18, 2024, was conducted to reflect the reduced scope of the public land exploration program, including limiting drill pads to roads or previously disturbed areas and avoiding environmentally sensitive areas.

[12] At the hearing, Northback confirmed that the Exploration Program is for a total of 23 drill pads (33 boreholes), with 11 drill pads (14 boreholes) on public land. All activity on public land will occur on previously disturbed land and be accessed using existing roads, resulting in no new disturbance on public land. After drilling operations are complete, the sites will be reclaimed to their previously disturbed state.

[13] Northback conducted First Nations consultation as part of the CEP application. The (Alberta) Aboriginal Consultation Office (ACO) deemed the consultation adequate, pending the outcome of the AER's process. The ACO observed the oral hearing and issued its hearing reports, concluding that consultation was adequate for all First Nations.

Deep Drilling Permit Application

[14] Northback submitted a DDP application along with its CEP application. The DDP applies to boreholes located on a combination of public land and Northback's privately owned land.

[15] Northback proposed to drill boreholes to depths deeper than 150 m and no deeper than 550 m. The depth of each borehole will vary depending on the location of the coal seams, the sampling requirements for geochemical characterization, and hydrogeological investigations.

[16] In addition, two proposed boreholes on private land are within 400 m of the historic underground mine workings. Northback requested permission to drill within the 400 m buffer of known underground workings, as required under section 69 of the *Coal Conservation Rules*, stating the risk of these proposed boreholes intersecting the historic workings is considered low.

[17] Drilling will be completed with a reverse circulation drill rig with large-diameter coring capabilities. Coal will be sampled from large-diameter cores in coal zones, including partings, up to a minimum of 1 m below the base of coal. For selected boreholes, samples of the Moose Mountain sandstone will be collected. The boreholes will be abandoned in compliance with the requirements of section 21 of the *Coal Conservation Rules*.

Temporary Diversion Licence Application

[18] The TDL application requests the withdrawal of 1500 m³ of water from end-pit lake 2 on Northback's private land at the northwest quarter of Section 24, Township 008, Range 04, West of the 5th Meridian (NW-24-008-04-W5M). The water is for drilling activities associated with the Exploration Program. The lake is a man-made feature associated with historical mining activities. At the oral hearing, Northback confirmed the proposed water withdrawal rate from pit lake 2 would be 0.01 m³/sec.

Hearing Procedures

[19] The AER issued a notice of hearing on April 10, 2024, which set the process for filing a request to participate and responses to requests to participate. We granted full or limited participation to everyone who requested to participate; in total, 52 parties were granted participation in advance of the hearing.

[20] It became apparent to us that there was tremendous interest in these applications. Therefore, we considered it necessary to allow community members to share their views about the Exploration Program. For this reason, we held the first part of the hearing in Pincher Creek, Alberta. The purpose of the community session was to provide a convenient forum for community members, local organizations, and other Albertans to share their views about Northback's three applications. The community session was held at the Pincher Creek Community Hall in Pincher Creek, Alberta, on December 3 and 4, 2024.

[21] The second part of the hearing, which allowed full participants to provide their evidence, was held at Govier Hall in Calgary, Alberta, from January 14 to 16, 2025. The hearing was adjourned pending advice from the ACO. That advice was received in the ACO's hearing reports on February 7, 2025. Final arguments were provided on March 4, 2025.

[22] A list of the hearing participants is included in appendix 1, and the details of the procedural steps for this proceeding are outlined in appendix 2.

Hearing Participants

[23] Hearing participants included First Nations, local municipalities, landowners, environmental groups, and members of the public from local communities and other areas of Alberta.

[24] Northback and six other parties fully participated in the hearing. These full participants were allowed to file written submissions, speak to those submissions at the hearing, be questioned by and question parties adverse in interest to them, and submit final arguments.

[25] The following full participants supported approving the applications:

- Piikani Nation
- Stoney Nakoda First Nations (Stoney Nakoda)
- Municipality of Crowsnest Pass

[26] The following full participants opposed approving the applications:

- Mr. Vern Emard
- Livingstone Landowners Group (LLG)
- Municipal District of Ranchland No. 66 (MD of Ranchland)

[27] The Blood Tribe/Kainai and Siksika Nation, who were both granted full participation, informed us on December 11, 2024, that while they did not withdraw their objection to the applications, they withdrew from participating in the hearing.

[28] Forty-six organizations and individuals were granted limited participation in the hearing (see appendix 3). These limited participants could file a written submission in advance of the two-day community session and make an oral presentation at the community session.

[29] Of the limited participants, most attended in person and spoke at the community session, some only provided written submissions but did not attend in person, and others provided neither written submissions nor spoke at the community session. The limited participants were divided in their position on the applications, some supported the Exploration Program, and others opposed it.

[30] An additional nine individuals, who had not requested to participate in the hearing before its commencement, attended the community session and requested to make submissions. Their requests were granted, and they were allowed to speak at the community session. We viewed it as appropriate and aligned with the purpose of the community session to hear from additional speakers, who, for various reasons, had not formally requested in advance to participate in the hearing.

Regulatory and Legal Framework

Responsible Energy Development Act

[31] In deciding whether to approve each of the three applications before us (CEP, DDP, and TDL), we must consider certain factors in our governing legislation, including the AER's mandate. Section 2 of the *Responsible Energy Development Act (REDA)* states that the AER's mandate is to "provide for the efficient, safe, orderly, and environmentally responsible development of energy resources in Alberta."

[32] Under section 15 of *REDA*, when the AER is considering an application made under the AER's energy statutes, such as the *Coal Conservation Act*, the AER must consider any factor prescribed by the regulations, including the interests of landowners. Section 3 of the *REDA General Regulation* sets out the factors that the AER must consider: (a) the social and economic effects of the energy resource activity; (b) the effects of the activity on the environment; and (c) the impacts on a landowner as a result of the use of the land on which the activity is located.

[33] Section 20 of *REDA* requires the AER to act in accordance with any subregional plans that are in force. The Exploration Program and the related activities are located in the area covered by *South Saskatchewan Regional Plan*. Therefore, we must ensure our decision is consistent with the intended regional outcomes identified in the plan.

Coal Conservation Act and Coal Conservation Rules

[34] Our decision must also be consistent with the purposes and provisions of the *Coal Conservation Act* and the *Coal Conservation Rules*.

[35] Section 4 of the *Coal Conservation Act* outlines the purpose of the act: “(a) to provide for the appraisal of Alberta’s coal resources; (b) to provide for appraisals of coal requirements in Alberta and in markets outside Alberta; and (c) to ensure orderly, efficient and economic development of Alberta’s coal resources in the public interest.” Section 4 of the act also includes (f)(i) to ensure the observance of safe and efficient practices in the exploration of coal and (g) to provide for the recording, and for the timely and useful dissemination, of data and information relating to exploration for coal.

Public Lands Act (PLA)

[36] The AER is responsible for administering parts of the *Public Lands Act* regarding energy resource activities in a manner that ensures that the allocation and management of public lands in Alberta are carried out responsibly.

Water Act

[37] The AER is also responsible for administering parts of the *Water Act* regarding energy resource activities in a manner that supports and promotes the conservation and management of water, including the wise allocation and use of water.

AER Manual 008: Oil Sands and Coal Exploration Application Guide

[38] Furthermore, in making our decision, we must consider the applicable provisions of *Manual 008*. *Manual 008* is designed to help applicants and other interested parties understand the regulatory process for coal exploration. It includes guidance on the application requirements, processes, and expected timelines for coal exploration programs.

Impact on Indigenous Peoples

[39] The AER, as a statutory decision maker, is required to consider information provided to it regarding potential impacts of its decisions on Indigenous peoples.

Hearing Issues

[40] In deciding on the three applications (CEP, DDP, and TDL), we considered the following issues to be relevant and within the scope of the Exploration Program:

- the need for the Exploration Program
- impacts on Indigenous peoples
- the social and economic effects including impacts on local communities and municipalities

- impacts on landowners
- the effects of the program on the environment

[41] We were not persuaded to expand the hearing issues to consider matters that were beyond the scope of the Exploration Program. As noted in our hearing scope letter dated September 3, 2024, this proceeding is limited to Northback's three applications. It concerns 23 drill pads (33 boreholes) on a combination of public and private land for a 105-day duration. It is not about the development of future coal mines, the global supply and demand for metallurgical coal, or the impacts of commercial coal mining.

Need for the Exploration Program

[42] The need for the Exploration Program was contested. LLG and the MD of Ranchland opposed the applications and submitted that the public interest does not favour approving these applications.

[43] Northback stated that its Exploration Program is in the public interest because it is aligned with the purpose of the *Coal Conservation Act*, which includes providing for the appraisal of Alberta's coal resources and ensuring orderly, efficient, and economic development of Alberta's coal resources in the public interest.

[44] Northback provided several reasons for the necessity of the Exploration Program and the data gathered by it:

- The technical data is necessary to refine knowledge relating to development costs, economics, potential products and markets, design, and reclamation requirements.
- The exploration activities are necessary to obtain information about the quantity, quality, and spatial extent of the coal deposit and the geotechnical, geochemical, and hydrogeological conditions of Grassy Mountain. The geotechnical data will provide additional information to refine pit wall and rock stockpile designs. Hydrogeological information will provide a better understanding of groundwater behaviour and subsurface transport mechanisms. Geochemical data will provide a better understanding of the distribution of key elements to inform the designs of mitigation measures.
- Exploration is an iterative and ongoing process throughout the entire life of a mining asset. There is no threshold for the amount of data required before a mine can proceed, and exploration is no longer needed.
- Continued exploration is necessary to develop, verify, and update models before mining starts and throughout the mining operation.
- The data gathered from this program would enable First Nations to make increasingly informed decisions about resource development in their traditional territory.

- The company has invested substantial resources and incurred significant expenses in the advancement of the Grassy Mountain project, having spent about \$1 billion since 2015.
- Northback is working to address the findings of the previous joint review panel (JRP) report (2021 ABAER 010) and is considering a future mine design with a smaller footprint than the previous mine design. The information from the Exploration Program is needed for that.

[45] The MD of Ranchland contested the need for the Exploration Program. In its final argument, the MD of Ranchland argued that the coal in Grassy Mountain is already sufficiently appraised, as evidenced by the fact that Northback felt comfortable spending over a billion dollars to advance the previous project at Grassy Mountain based on the older exploration data. The MD of Ranchland further argued that through the past drilling of 633 exploration boreholes, of which 517 are legacy and 116 are more recent, Northback ought to have the information it requires. Therefore, this exploration is unnecessary. The MD of Ranchland argued that drilling 33 more boreholes, in addition to the 633 already drilled, is not in the public interest.

[46] LLG also contested the need for the Exploration Program. In its final argument, LLG supported the MD of Ranchland's position that Northback would be unable to correct the deficiencies found by the JRP by drilling 33 more boreholes.

[47] Piikani Nation stated that the program will provide employment opportunities to Piikani members, who currently face high unemployment rates and a lack of job opportunities on the reserve. The Exploration Program will provide Piikani Nation with more data that will be useful in reviewing and assessing any future mining project.

[48] Stoney Nakoda stated that they are interested in assessing and observing this program from both a scientific and cultural perspective and would like to engage through their cultural assessment process. The additional data collected through the Exploration Program will provide information about the potential development of Northback's coal leases. This information is important to the Stoney Nakoda and will allow them to continue to evaluate the proposed use of the lands.

Panel's Analysis and Findings

[49] The applications for the Exploration Program must be assessed on their own merits and not on those of previous applications or those that might be brought forward in the future.

[50] We disagree with Northback that its historical expenditure incurred to advance development at Grassy Mountain is a factor for consideration for these applications. Northback incurring expenses for advancing its Grassy Mountain project, regardless of the magnitude of those expenses, is not a relevant consideration for us.

[51] Exploration is a data-gathering process. Mineral deposits are often geologically complex, and a company may need to repeatedly evaluate the resource to establish and refine their understanding of the geological or physical settings and characteristics of resources. Iterative evaluation allows a company, such as Northback, to create a clearer picture of what lies below the ground and potentially advance a robust development plan that ensures the efficient recovery and minimizes waste of the resource.

[52] An exploration drilling program is a necessary step for understanding the quality, quantity, and recoverability of the coal deposit. However, an exploration program does not automatically equate to a coal mine. There are many examples of a company deciding not to develop a resource after multiple exploration programs. Alternatively, a company can work on new development designs, consider different technologies, and submit new applications.

[53] Exploration is only one step taken by a resource company in the long and complex series of activities that may or may not lead to the development of a mine. If, in the future, Northback decides to proceed with mine applications at Grassy Mountain, it must follow a rigorous regulatory process that all resource development applications must follow.

[54] The opponents of these applications were concerned that approving this Exploration Program would revive the Benga Grassy Mountain mine project. The applications for that project went through an extensive regulatory process and the applications were denied by the JRP. We are assessing three applications for an Exploration Program. Accepting the need for this Exploration Program does not constitute approval of a coal mine.

[55] Although the MD of Ranchland and LLG contested the need for the Exploration Program, their evidence did not persuade us that the program is not needed. It would have been beneficial to our analysis if the opposing parties had demonstrated through engineering, geological, or other technical evidence why no further exploration was needed. Simply arguing that the previous exploration boreholes at Grassy Mountain ought to have yielded sufficient information, without providing any basis for this conclusion, is not persuasive.

Impacts on the Piikani First Nation

[56] Piikani Nation Chief and Council, on behalf of the Piikani Nation, supported the Exploration Program. However, they emphasized that their support for the drilling program cannot be assumed to be support for any further applications, including a commercial mine.

[57] The Piikani Nation told us who they are and how they relate to their territory where the Exploration Program will be located. They said the following:

- Piikani territory is marked by significant landmarks and sacred sites that they continue to connect with, including Chief Mountain, the Porcupine Hills, and the North Saskatchewan River. These lands

have sustained their community for thousands of years and the Creator has given them the responsibility of living as one with their lands and being caretakers of all plants, animals, and beings that live upon it. They are dedicated to preserving their territory for future generations and ensuring their ways and heritage live on.

- Piikani Nation is a signatory to Treaty 7. The treaty is described as an agreement to share the land in exchange for various benefits.

[58] Piikani Nation spoke of the land disturbances in their territories and their impact on the members' ability to meaningfully exercise their rights. Piikani Nation said they have been affected by the legacy of mining in the Crowsnest Pass, which has resulted in unreclaimed coal-mining areas. Piikani Nation urged us when considering the Exploration Program, to consider the Truth and Reconciliation Commission's Call to Action 92, which urges the Canadian corporate sector to act towards reconciliation.

[59] According to Piikani Nation, Northback continues to demonstrate its commitment to the Piikani Nation, including entering into an access management agreement and plan that permits Piikani members to access Northback's private lands at Grassy Mountain and exercise their rights.

[60] Piikani Nation stated that the Exploration Program will occur wholly on Piikani territory and has the potential to affect Piikani Nation Aboriginal and treaty title, rights, and interests. Nonetheless, the Piikani Nation supports the Exploration Program for the following reasons:

- The Exploration Program will provide Piikani Nation with more data that will be useful in reviewing and assessing any future mining project, permitting the Nation to make an informed decision on any project that may result from the data collected during the program or any other proposed future project.
- Piikani Nation is working to break the cycle of poverty and dependency and to become economically viable. One way to achieve this is to use the land and resources in Piikani territory to improve the health, education, and social and economic conditions for the community.
- The program will provide employment opportunities to Piikani members, who currently face high unemployment rates and a lack of job opportunities on the reserve. About 40% of Piikani members live off reserve to fulfil needs that cannot be met in the community, like education, housing, and employment.

[61] The Piikani Nation does not have a benefits agreement with Northback; however, if the program proceeds, it will provide a positive social and economic impact for the community from short-term employment opportunities:

- Piikani Security Services Ltd (PSSL) currently provides all of Northback's security services and will be awarded a significant contract to provide site-wide and organizational security should the program be approved. PSSL is the largest employer on the reserve, employing 23 members. If the program is

not approved, PSSL would lose hundreds of thousands of dollars in revenue, and job losses would occur.

- Piikani Sand and Gravel (PSG) operates a gravel pit on reserve lands and has a federal licence to sell aggregate products to off-reserve customers. Northback has committed to source all its aggregate needs for the Exploration Program through PSG. This is a significant contract, providing on-reserve employment for Piikani Nation members.
- Piikani Employment Services (PES) supports Piikani members in pursuing employment opportunities. Northback has committed to work with PES to provide training and employment opportunities that would otherwise not be available on or near the reserve.
- Piikani Travel Centre will benefit from more sales volumes because of increased traffic through the reserve by contractors and more spending potential of Piikani members due to increased employment opportunities.
- Piikani program monitors will be employed to ensure the program is conducted with minimal environmental and cultural impacts on the Piikani while facilitating opportunities for the Piikani Nation to operationalize their Indigenous knowledge.

[62] Piikani Nation stated that if the applications were denied, they would lose the social and economic benefits summarized above. They also commented that while these benefits and opportunities may not appear significant to those outside of the Piikani Nation, they will have a considerable impact on the community in tangible and intangible ways. In the Piikani's view, what would be the point of a regulatory process if reconciliation and their constitutionally protected Indigenous rights and interests are not given any weight as part of the process?

[63] Northback submitted that the panel must make efforts to foster reconciliation by considering the interests of Indigenous peoples and the significant benefits from the Exploration Program to the Piikani Nation, which would otherwise not materialize.

[64] A few individual members of the Piikani First Nation spoke against the applications, fearing they would lead to a full-scale mine that would, in turn, create harmful environmental impacts on their community. They indicated that any benefits received by the Piikani Nation would be received by only a few members and not the whole Nation. They noted the need for reconciliation and the protection of individuals from negative health effects due to coal mining.

Panel's Analysis and Findings

[65] In making our decision about Northback's applications, we carefully consider the interests of Indigenous peoples. We agree that this regulatory process should provide the opportunity for the Piikani Nation to benefit from economic development opportunities.

[66] Piikani Nation submissions tell us Northback has developed a beneficial and collaborative relationship with the Piikani Nation. The Exploration Program has the potential to positively contribute to and strengthen the relationship between the Piikani Nation and Northback. The Piikani Nation assessed the benefits and impacts of the Exploration Program, concluding that the positive benefits outweigh the negative impacts, and through their relationship with Northback, those impacts have been mitigated.

[67] The Exploration Program will generate short- and long-term social and economic benefits (i.e., employment, training, business capacity development) for the Piikani Nation, its members, and businesses. Providing training and meaningful employment opportunities for the Piikani Nation will positively contribute to overcoming unemployment on reserve. Supporting Indigenous-owned businesses is needed for maintaining business viability. Members can access jobs while they remain close to their families and territory. This in turn, contributes to the vibrancy of the community. Although not every member of the Piikani Nation may experience these benefits, we are persuaded, on balance, that the Exploration Program will positively affect the Piikani Nation.

[68] We accept that the Exploration Program will enable the Piikani Nation to operationalize their Indigenous knowledge and allow their continued practice of this knowledge, while monitoring Northback's Exploration Program activities. In the long term, the access management agreement to Northback's land will allow Piikani Nation members to continue to exercise traditional land use and teach those skills to future generations. With access to the data from the Exploration Program, the Piikani Nation can assess the resource independently and make informed decisions on any future applications related to Grassy Mountain.

[69] The regulatory process promotes reconciliation when considering the impacts on the interests of Indigenous people. We are satisfied that the Exploration Program will positively impact the Piikani Nation, providing social and economic benefits to them.

[70] Piikani Nation requested several conditions be included in any applications approval. Northback agreed to three conditions: sharing information gathered from the Exploration Program, data collected from trail cameras, and retaining Piikani members as cultural and environmental monitors for the duration of the program. Northback did not agree with two proposed conditions regarding ongoing air and water quality testing, given the scope and duration of the applied-for Exploration Program. However, Northback stated it welcomes the opportunity to work collaboratively with the Piikani Nation to provide relevant and requested data in the future. Given Northback's commitment, the Piikani Nation had no concerns or comments on Northback's response.

[71] We expect Northback to comply with the following:

- Where requested by Piikani Nation, the data collected by Northback as part of this Exploration Program be made available to the Nation for their review and analysis. The Piikani Nation may be

required to enter into a confidentiality agreement with Northback in respect of any commercially sensitive data or information derived from the Exploration Program.

- Northback is required to retain Piikani members as cultural and environmental monitors for the duration of the Exploration Program.
- Northback will provide the Piikani Nation, upon their request, for the duration of the Exploration Program, with the information obtained from Northback's trail cameras located near the lands where the program would be carried out.

Impacts on the Stoney Nakoda First Nations

[72] The Stoney Nakoda Nations (Stoney Nakoda) are three individual First Nations: Bears paw, Chiniki, and Goodstoney. Stoney Nakoda told us who they are and how they relate to their territory where the proposed Exploration Program will be located. They said the following:

- Stoney Nakoda, the Îyârhe Nakoda, are the people of the mountains, and many of their origin and creation stories and the stories of animals are based in the mountains. These mountains are sacred places. The eastern slopes are their traditional territory and where their reserves, gravesites, sacred areas, cultural resources, and historical and current camping and gathering sites are located. The Stoney Nakoda's relationship to the land is everlasting and the Stoney Nakoda people are stewards of the land.
- Stoney Nakoda are signatories to Treaty 7.
- Stoney Nakoda have a confidential relationship agreement with Northback and stated that approval of the applications means that the economic and socio-cultural benefits contained in the agreement may be realized.
- Stoney Nakoda struggle with high unemployment, estimated at 38% for those members who reside in Mîni Thnî and as high as 50% in Eden Valley. They said employment opportunities provide an important way for members to support themselves while remaining connected to their community. Self-determination depends on their ability to participate in the wage economy and benefit from ongoing nonrenewable resource projects on their traditional lands in ways that support their community projects, traditions, and culture.

[73] Stoney Nakoda support the Exploration Program for the following reasons:

- The program area is within Stoney Nakoda territory. The impact of the unreclaimed mine and the opportunity to be part of a future reclamation process is very important to them.
- They were not consulted on the Grassy Mountain legacy mine, and they want to be involved in the development process of any future mine.

- They would use their cultural assessment process to offer mitigations and recommendations to Northback for the Exploration Program and any potential future projects.
- They want to work towards shared employment and training goals with Northback, as they do not have access to funding sources that other groups do.
- They are interested in assessing and observing this program from both a scientific and cultural perspective and would like to engage through their cultural assessment process.
- The additional data collected through the Exploration Program, will provide information about the potential development of the coal leases granted to Northback. This information is important to the Stoney Nakoda and will allow them to continue to evaluate the proposed use of the lands.

[74] Stoney Nakoda spoke of their process for assessment of the applications, which involves the principle of biculturalism. What flows from that principle is the “cultural monitoring methodology.” Within that methodology, they take various steps to understand the impacts of the project, not only in terms of Western science, but also the cultural impact.

[75] Northback agreed that Stoney Nakoda will continue to be consulted throughout the lifetime of Northback’s operations, which includes funding for participation in an environmental stewardship and monitoring project and the remediation of Grassy Mountain.

Panel’s Analysis and Findings

[76] In making our decision about Northback’s applications, we carefully considered the interests of Indigenous peoples. For Stoney Nakoda, those interests include the ability to live in their territories and have access to resources and employment.

[77] Stoney Nakoda will benefit from the Exploration Program in several ways:

- Capacity development through shared employment and training goals for their members.
- Continued retention of their cultural ties to the mountains and active use these lands to exercise their Aboriginal and treaty rights.
- Application of their cultural assessment methodology to offer mitigations and recommendations to Northback for the Exploration Program.

[78] Stoney Nakoda’s evidence about the unemployment of its members was a factor in our considerations. Stoney Nakoda’s evidence indicated that the prosperity they once enjoyed from oil and gas development has declined. Providing alternative economic benefits through the Exploration Program can lead to positive social and economic outcomes.

[79] Having access to the data collected through the Exploration Program will help Stoney Nakoda to be informed and independently assess any future applications related to Grassy Mountain.

[80] For the preceding reasons, we accept that the Exploration Program will benefit Stoney Nakoda.

Social and Economic Effects on Municipalities

Impact on the Municipal District of Ranchland No. 66

[81] The MD of Ranchland borders British Columbia and is directly north of the Municipality of Crowsnest Pass. The MD of Ranchland is statutorily obligated to develop safe and viable communities and foster the well-being of the environment, pursuant to section 3 of the *Municipal Government Act*. The Exploration Program at Grassy Mountain is in the MD of Ranchland. The MD of Ranchland describes itself as a rural agricultural area of about 2557 km² (632 000 acres) with a population of roughly 100 people.

[82] The MD of Ranchland opposed the Exploration Program and submitted that it has an emphasis on landscape management and maintaining the headwaters that feed into the South Saskatchewan River system.

[83] The MD of Ranchland argued that any economic benefits gained through the Exploration Program are minimal and do not outweigh the environmental impacts.

Panel's Analysis and Findings

[84] The MD of Ranchland's evidence did not provide any social or economic data or analysis to support their position, and we are not persuaded that there are any positive or negative social or economic impacts to the MD of Ranchland because of this Exploration Program.

[85] The MD of Ranchland's concerns about the program were environmental, relating to the potential for selenium leaching and the spread of noxious weeds. We have addressed these concerns in the environmental considerations section.

Impact on the Municipality of Crowsnest Pass

[86] The Municipality of Crowsnest Pass was formed in 1979 as a result of the amalgamation of five municipalities in the Crowsnest Pass. It occupies 373.1 km² with 6007 residents. The access road to Grassy Mountain is from the Municipality of Crowsnest Pass.

[87] The Municipality of Crowsnest Pass was granted full participation in the hearing. It filed written evidence that focused on social and economic benefits to the municipality. However, it did not call a witness at the hearing and, therefore, its evidence was untested.

[88] Northback submitted that it invests heavily in the local Crowsnest Pass community, including supporting schools, charities, recreational facilities, and events. It has policies in place to hire locally first and use regionally based contractors where possible. If approved, the total program spend is estimated at \$5 million, of which 50% is anticipated to be spent in the local region.

Impact on Landowners

Impact on Mr. Vern Emard

[89] Mr. Vern Emard owns property on Grassy Mountain. Mr. Emard indicated his concerns relate to a dispute about the use of the Grassy Mountain Road, Northback's privately owned road, that he uses to access his property. Northback has agreed to allow Mr. Emard to use the Grassy Mountain Road at no cost, as long as he signs a road use agreement, the purpose of which appears to be largely safety related. However, Mr. Emard refuses to sign the road use agreement.

Panel's Analysis and Findings

[90] While Mr. Emard expressed general complaints about Northback, he did not outline any concerns specifically regarding these applications. Mr. Emard stated his acceptance of the applications if we find them to be in the public interest. There was no evidence of impacts on Mr. Emard as a result of the Exploration Program.

[91] Resolving a contractual dispute over a private road use agreement is outside our authority. Therefore, we cannot recommend any resolution to this dispute. Nonetheless, we encourage Mr. Emard and Northback to work together to find a mutually agreeable resolution to their differences.

Impact on the Livingstone Landowners Group

[92] LLG explained that it represents over a hundred landowners, ranchers, and residents in the area bounded by the Livingstone Range to the west, the Porcupine Hills to the east, and north of the town of Pincher Creek. Its mandate is to ensure that any development in the area is undertaken in such a way as to ensure the environment is protected, sustained, and productive. LLG opposed the applications and expressed concerns regarding the environmental effects of the Exploration Program and coal mining in general. LLG spoke of the importance of water generally and the Oldman River headwaters in particular. In LLG's view, recent droughts and climate change magnify the criticality of water supplies, and this exploration decision could lead to adverse impacts on Alberta's water.

[93] LLG's witnesses refuted the adequacy of Northback's PDSA and outlined concerns regarding the potential environmental impact on wildlife, including fish, and discussed large-scale consequences of surface coal mining in the headwaters of the Oldman River watershed. LLG was dissatisfied with the level of consultation it received from Northback. LLG submitted that Northback's consultation with key

stakeholders such as LLG and the MD of Ranchland residents did not meet the spirit of the regulatory regime related to consultation.

Panel's Analysis and Findings

[94] We note LLG's concerns regarding the impact of coal mining in the eastern slopes and the potential effects of new coal mines on the Oldman River watershed. However, as mentioned above, the three applications before us are for a coal exploration program; they are not applications for a coal mine.

[95] LLG's members appear to be spread over a large geographic area at a considerable distance from the Grassy Mountain site. LLG provided no specific information on the locations of its members' properties, the proximity of these properties to the proposed coal exploration activities, or how these activities will impact its members. Therefore, LLG members do not appear to be impacted by these applications.

[96] LLG's witnesses provided general and broad-scale assessments of environmental effects of coal exploration activities and coal mining, which are outside the scope of this proceeding. However, our findings regarding the potential effects of these applications on wildlife and water quantity and quality, which were raised by LLG, are discussed in the environmental considerations section below.

Environmental Considerations

[97] Several interrelated themes about the environmental aspects of the applications were raised:

- scale of the environmental review
- land disturbance and the potential effect on wildlife
- erosion and sediment control
- water quantity and quality, including potential for selenium contamination
- the spread of invasive weeds
- reclamation

[98] Each of the environmental considerations is discussed below.

Scale of Environmental Review

[99] There was considerable discussion by LLG regarding the scale of the environmental review conducted by Northback. LLG submitted that the information provided by Northback only discusses the exploration activity on public lands and excludes information related to work on Northback's private land. LLG asserted that a more comprehensive environmental impact assessment was required.

[100] LLG suggested that larger-scale wildlife data sets and landscape planning studies, such as those used during the development of the *Livingstone-Porcupine Hills Land Footprint Management Plan* and the *Southern Rockies Landscape Planning Pilot Study*, would have provided some measure of historical information and potential habitat and biodiversity information. In LLG's view, without the referenced publicly available information and discussion with content experts, Northback's assessment of the impact of the exploration activities was deficient and inaccurate.

[101] Northback explained that it conducted a PDSA that provides an overview of the existing environmental constraints and proposed mitigations. This work was conducted on both private and public lands. However, only the public land PDSA report was included in the applications filed.

[102] The primary objective of the PDSA was to guide the Exploration Program to avoid wetlands, watercourses, erodible slopes, and other environmental features. The PDSA helped ensure access routes and drill pad locations avoided environmentally sensitive areas. Northback further explained that the PDSA included detailed mitigation measures to minimize impacts on the surrounding environment.

Analysis and Findings

[103] The *Code of Practice for Exploration Operations* made under *EPEA* requires the activity plan for a project to include a description of the operating procedures to be used in sensitive areas, including the contingency plan to safeguard sensitive areas. *AER Manual 008* requires a CEP applicant to provide information on the location of sensitive areas and an environmental summary.

[104] We were not persuaded by LLG's argument that Northback's assessment of the potential impact of the Exploration Program on wildlife and habitat was insufficient. Northback used a desktop analysis for its field assessments, which is standard for an exploration program. Field assessments were also completed to determine wildlife presence to further inform the location of the drill pads.

[105] We find that the level of detail in the two submitted PDSAs meets the regulatory requirements. An environmental impact assessment is not required for any of the applications, and, as such, LLG's complaints in this regard are not relevant.

[106] In addition, Northback stated that it also conducted a PDSA for the activities on their private land, which was not refuted by any of the hearing participants. Therefore, we accept that this assessment was conducted and that the recommended mitigation measures will be implemented on both private and public land.

[107] The scale of environmental review conducted by Northback regarding potential adverse environmental effects from the exploration activities is sufficient and proportionate to the scope of the applications and meets the regulatory requirements.

Land Disturbance and the Potential Effect on Wildlife

[108] The applications comprise temporary, short-term, and localized exploration activities entirely on predisturbed land. The program consists of 11 drill pads comprising a total of 0.44 hectares of previously disturbed public land.

[109] Northback confirmed that the drill pads on both private and public land are on previously disturbed land that includes access roads, trails, stockpiles, and other locations historically used for exploration, and there will be no new land disturbance. Northback explained that the existing linear disturbance density near the Grassy Mountain site is high, and because no new roads will be constructed on public or private land, the existing linear disturbance density will not change.

[110] Northback explained that exploration drilling will use compact truck-mounted or tracked drilling rigs designed for rugged terrain, have a small footprint, and can operate in very confined areas. While the proposed maximum size of the drill pads is about 20 by 20 m, the actual equipment footprint is about 6 m long and 2.5 m wide. The entire program would be conducted in about 105 days.

[111] LLG was concerned about the impacts of traffic on wildlife. LLG also cited concerns about hunting grizzly bears from roads or trails. Northback responded that its roads are private, monitored by security, and gated, and the speed limits and traffic volumes are low. As such, in Northback's opinion, the contribution of the existing exploration roads as a source of grizzly bear mortality is highly unlikely and reiterated that the applications do not involve creating any new roads or trails.

Analysis and Findings

[112] There were concerns about the effects on wildlife due to increased road density and changes to linear disturbance, causing animal mortality by additional traffic, habitat fragmentation, and hunting. However, this Exploration Program will require no new roads to be constructed, and there will be no increase in linear disturbance as a result. Moreover, the increase in road use to access the drill pads will be minimal. Northback's uncontested evidence was that two trucks per shift for 105 days would be travelling the local roads. The exploration area is accessible only via private roads controlled by Northback.

[113] The program will be entirely on previously disturbed land and of a short duration. Concerns regarding the program's effects on wildlife populations and habitat from changes to linear disturbance density, increased traffic, and unauthorized hunting are unsubstantiated. Therefore, the impact on wildlife from this Exploration Program is unlikely.

[114] Northback has a remote camera wildlife monitoring program in place since 2016. In addition, Northback committed to conducting predisturbance wildlife sweeps before initiating exploration activities to determine the presence of key wildlife features. These mitigation measures will minimize the potential impacts on wildlife and their habitat.

Erosion and Sediment Control

[115] There was much discussion about the adequacy of Northback’s mitigation measures to control erosion and prevent sediment from entering streams.

[116] LLG submitted that additional erosion adds sediment to the aquatic environment beyond the natural background level in the watershed. This could, in turn, impact fish populations, habitat, and water quality.

[117] Northback explained its erosion and sediment control plan “would be effective in mitigating the potential for drainage from access of drill pads in reaching water bodies” and would include the following:

- Deployment of erosion control structures, such as silt fences, erosion control logs, or other tools.
- Boots-on-the-ground monitoring for the duration of the program to identify locations where erosion or sedimentation may pose a potential risk.
- Training for contractors coming to the site, including staying within designated work areas, following posted speed limits, and avoiding travelling on ground that may be prone to potential disturbance, and ongoing monitoring of ground conditions.

[118] Northback explained that the erosion and sediment control plan would be finalized in conjunction with its contractors before the start of field activities, and plans related to environmental protection or safety and health would be shared as preread material for all contractors and staff. These documents would be finalized and reviewed in detail as part of a project kickoff before mobilization to the site, which is standard practice for all of Northback’s field-related activities. Northback confirmed the erosion and sediment control plan will cover all stages of the drilling program and would be regularly reviewed and updated.

[119] Northback explained that for safety reasons, some minor surface modifications to the existing trails and roads, like grading, may be made. LLG disagreed that downstream water quality issues would be mitigated simply by following unspecified best management practices. Even if the program requires no construction of new trails, there is an acknowledgement that existing trails need to be upgraded. In LLG’s view, this cannot be considered minor and requires significant soil disturbance. Widening and other trail improvements combined with heavy vehicle passage will increase erosion potential. Even though Northback’s PDSA indicates that constructing and operating in dry or frozen conditions will minimize impacts, LLG is of the view that given frequent chinooks and winter rains, this mitigation strategy is unlikely to reduce erosion. LLG submitted that, generally, most erosion happens during the first year following disturbance.

[120] LLG stated that unpaved roads are major sediment sources and that unpaved logging roads, which are equivalent to mine roads, will, under heavy use of more than four trucks per day, generate 500 tonnes of sediment per road kilometre per year and deliver 70 000 kilograms per hectare of sediment per road.

[121] Northback emphasized that a critical factor is that the size of the equipment required for the Exploration Program is far smaller than equipment used for commercial mining operations. Northback stated that the Exploration Program will not require haul trucks, and there will be no dust from hauling coal. Additionally, the frequency of road use is far less than in commercial mining operations.

[122] Regarding the expected traffic volume in and out of the exploration site, Northback estimated two vehicles per shift travelling up and down the hill to support the drilling operations. They plan to conduct 24-hour drilling operations, so there would be a crew change in the morning and one at night. There would also be other supporting services at the site, which Northback estimates will be single trips per day in and out, following posted speed limits. Occasional access to other portions of the site, related to security services, using private locked roads would not be a significant addition to the traffic volume. After the drilling program is complete, the amount of road travel would drop to extremely low levels.

[123] Northback also explained that the drilling operations will use a combination of compressed air and a small amount of water. The water will be used to lubricate the drill bit and suppress dust, meaning that the drilling operations will not generate meaningful amounts of dust, and any small amounts of dust generated will be localized.

Analysis and Findings:

[124] LLG's submission regarding sediment loads from disturbances due to road use and its analogy to unpaved logging roads being equivalent to mine roads using haul trucks is irrelevant because this is not a mining operation: coal will not be excavated or hauled during this Exploration Program. We accept Northback's uncontested estimate of travel volumes during the exploration activities, and road use will be significantly lower than commercial mining operations. In addition, the exploration activities are only estimated to last for 105 days.

[125] Northback's evidence that no new road construction or disturbance will happen because of this Exploration Program was uncontested. LLG's assertion that "most erosion happens during the first full year following disturbance" is not relevant to this Exploration Program as no new roads will be constructed. LLG cited an example and provided photos of road construction at an unrelated coal exploration project, where new roads appeared to have been built on undisturbed slopes. That evidence is unrelated to these applications and, therefore, cannot be relied on.

[126] We accept Northback's uncontested evidence that this Exploration Program requires no new road construction, the size of drill pads has halved since the original application was submitted, and all drill pads are now located on previously disturbed land. As such, we impose a condition that no new road construction will be permitted.

[127] Northback's evidence about the drilling methodology and the size and the type of the drilling equipment for this program was not refuted. Therefore, we accept the explanation that the truck- or track-mounted drilling equipment will be able to function on small footprints, constricted areas, and on rough terrain and steep slopes, thereby limiting additional ground disturbance. Northback committed to conducting the Exploration Program in winter during frozen conditions, which will further reduce erosion. To that end, we impose a condition to ensure that the Exploration Program is conducted during dry or frozen conditions. We also require Northback to share its erosion and sediment control plan with the AER seven days before commencing activities.

[128] All of the above measures, in conjunction with the PDSA mitigations, will reduce erosion, minimize dust creation, and control sediment addition to streams.

Water Quantity and Quality

[129] Impacts on water quality and quantity, including potential selenium contamination, and the potential effects on fish and downstream water users were raised.

[130] Regarding the water source for the Exploration Program, Northback submitted the following:

- Pit lake 2 has been a water source for multiple previously approved exploration programs and associated TDL applications. The maximum amount of water permissible for withdrawal under the TDL is 1500 m³ (about 60% of a standard Olympic-size swimming pool). The Exploration Program may ultimately require even less water than this amount.
- Neither the proposed drilling program nor the temporary water diversion from the pit lake will affect water quality or quantity available for downstream water users.
- Pit lake 2 has no surface connectivity with any natural water bodies, and the integrity of nearby water bodies will not be compromised. There is no obvious surface outlet from the pit lake, though there is a possibility that some surface runoff occurs during short periods of the year corresponding to high-flow events.
- There is no indication of significant overflow from the pit lake to the surrounding environment, such as an incised channel or evidence of erosional scour. Google Earth imagery of the pit lake extending back to 1985 shows no evidence of an outflow channel growing or receding. That suggests the surface area and level of the lake are extremely constant over time.

- Pit lake 2 is higher than the surrounding terrain on three sides, and the terrain drops off to the west, east, and south. This topography is important because it limits the contributing area for precipitation runoff into the pit lake or infiltration into groundwater.
- A detailed hydrological assessment has not been conducted, and the underlying geology or the hydrogeological characteristics, such as depth to groundwater or hydraulic conductivity, are unknown. It is unknown whether the water table near or at the pit lake is based on the regional groundwater level or whether it is perched and, therefore, disconnected from the regional groundwater. However, based on the pit lake's location and limited contributing area due to topography, the flowthrough of groundwater in and out of the pit lake could be very small.

[131] With regard to selenium, Northback explained the following:

- Water quality testing of the pit lake water found that the total selenium concentrations in the lake were below the guidelines for the protection of aquatic life.
- Selenium leaching is a well-known issue tied to legacy waste rock piles at certain mine sites. However, the proposed Exploration Program will not create any new waste rock piles.
- The Exploration Program is expected to remove about 9 m³ of coal, which will be collected and sealed in containers and submitted to a laboratory for analysis. Given the broad spatial distribution of the proposed drilling locations, Northback submitted that the likelihood of selenium leaching into either Blairmore Creek or Gold Creek in concentrations presenting a risk to westslope cutthroat trout or other fish species is negligible.

[132] The MD of Ranchland disagreed and submitted that any coal drilling or mining activities on Grassy Mountain raises the possibility of selenium leaching into local creeks, which, in turn, would harm several at-risk fish species in the area.

[133] LLG presented the article "[Legacy Coal Mining Impacts Downstream Ecosystems for Decades in the Canadian Rockies](#)" (Colin A. Cooke, Craig A. Emmerton, Paul E. Drevnick, Environmental Pollution, Volume 344, 2024, ISSN 0269-7491). The article stated that Blairmore and Gold Creeks, which drain the legacy Grassy Mountain mine, are not a continuing source of selenium.

Analysis and Findings

[134] The withdrawal of 1500 m³ of water for the Exploration Program is a relatively small volume, equivalent to 1.5% of the pit lake's volume and less than 1% of the lake's depth. Northback's uncontested evidence regarding the location of the pit lake and the area's topography suggests that the pit lake is hydrologically isolated. The visual observations over the past 20 years point to stable water levels, indicating that inflow and outflow volumes are balanced. We accept Northback's explanation that previous withdrawals of water for exploration drilling programs have not affected the water level. We accept that withdrawing a small volume of water from a potentially isolated lake with historically stable

levels will have a negligible effect on the pit lake water volume, the regional groundwater or downstream surface water bodies.

[135] Regarding impacts on water quality and specifically the potential for selenium contamination, the disturbance and oxidation of waste rock in this region, such as waste rock piles or external dumps from legacy mining operations, can lead to selenium generation and release. However, this Exploration Program will not involve excavation, mining operations, or creating new waste rock piles.

[136] The article cited by LLG noted that Blairmore and Gold Creeks, which drain the Grassy Mountain mine area, are not a continuing source of selenium. The article suggested that this is due to the small scale of the historical surface mining operations and the size and location of the waste rock piles. If the existing waste rock piles are not elevating downstream selenium levels, it is reasonable to conclude that these exploration activities are unlikely to elevate selenium levels.

[137] The analysis of the water samples from pit lake 2 identified that selenium concentrations are below the guidelines for the protection of aquatic life. This water will be used for drilling operations and is not a source of elevated selenium concentrations.

[138] The risk of selenium contamination of nearby waterways because of the Exploration Program appears to be very low. Nonetheless, drilling waste, fluids, and cuttings should be disposed of appropriately to prevent oxidation and potential release of selenium into the environment. Out of an abundance of caution, we will require Northback to comply with AER *Directive 050: Drilling Waste Management*. This directive details the requirements for the treatment and disposal of drilling waste. It is designed to ensure that the methods used to assess, manage, and dispose of drilling fluid and cuttings protect the environment.

[139] *Directive 050* sets out the requirements for specific waste disposal methods, including mix-bury-cover or land-spreading. It also provides acceptable metal concentration levels for drilling waste and the required soil endpoints for land waste disposal methods. These factors combined will address acceptable selenium concentrations. This condition will minimize any chemical contamination of the disturbed land at Grassy Mountain.

[140] LLG acknowledged that the range of its concerns and those of its members was very broad and pertained to the consequences of potential large-scale surface mining of coal in the headwaters of the Oldman River watershed. Dr. Stelfox's presentation, *Assessing watershed-scale consequences of coal surface mines in the headwaters of the Oldman River Watershed (ORW)*, provided extensive examples and scenarios of the potential impacts of as many as eight new coal mines on the Oldman River watershed and downstream water users. The cumulative impact of multiple future commercial coal mines is outside the scope of this proceeding. This proceeding is about a coal exploration program of 23 drill pads (33 boreholes), which results in activities that are small-scale, localized, and of short duration. Dr. Stelfox

presented potential environmental impacts at a regional level and did not address the specific impacts of this Exploration Program. LLG did not refute Northback's evidence that the proposed exploration activities will have minimal impact on local streams and downstream water users. The potential impacts of this Exploration Program are not comparable to those of multiple coal mines. Therefore, Dr. Stelfox's evidence is not relevant to these applications.

[141] Considering the above factors, including Northback's plans for erosion and sediment control, implementation of testing, management and appropriate disposal of drilling waste, and our findings regarding the temporary diversion of pit lake water, we find that impacts from the Exploration Program on the quantity and quality of water and on downstream users of the Oldman River are unlikely.

Spread of Invasive Weeds

[142] Northback acknowledged that invasive weeds are a concern for the MD of Ranchland, and weeds can spread via various vectors, including animals, wind, water, and vehicles.

[143] Northback plans to manage invasive weeds by implementing an integrated weed management plan, which involves early detection and rapid response. The plan applies to any public land worksites, access routes, Northback private land and roads, and other related infrastructure. The plan is designed to ensure

- compliance with Alberta's *Weed Control Act* and other relevant federal and provincial regulations, and
- integrate weed control strategies in cooperation with the MD of Ranchland and the Municipal District of Crowsnest Pass.

[144] The MD of Ranchland was concerned about invasive weeds that have built up in seed banks in the soil on Grassy Mountain and submitted that earthworks associated with the Exploration Program will disturb these seed banks and cause the weeds to spread. According to the MD of Ranchland, Northback's reliance on its workers or independent contractors to spot weeds when conducting operations is not sufficiently proactive to minimize their spread. In the MD of Ranchland's view, there are no assurances that equipment or vehicles will be properly cleaned to avoid the spread of weeds.

[145] Northback stated that the identification of weeds through inspections by employees and contractors is an important component of effective weed management. Northback committed to implementing the weed mitigation measures set out in its PDSA, including cleaning all equipment to remove weeds to prevent spreading weeds between areas.

[146] Northback clarified that it would inspect equipment and vehicles in Blairmore before they could enter its private road leading to Grassy Mountain. If soil or suspected weeds are observed on equipment and vehicles, they would not be permitted on site. They would be cleaned at the facility in Blairmore before being allowed entry to site.

[147] The private access road to Grassy Mountain originates in the Crowsnest Pass at Northback's private property boundary in the town of Blairmore. The access control point is a locked gate where Northback's security contractors assist with monitoring vehicle movements onto the site.

Analysis and Findings

[148] Northback's integrated weed management plan applies to work conducted on private and public lands and appears to have incorporated and prioritized components of weed management recommended by the MD of Ranchland. The MD of Ranchland did not submit any evidence to suggest that this plan was deficient or did not meet the municipality's requirements for weed management.

[149] In our view, the following factors are significant for preventing the spread of invasive weeds:

- Implementing the weed mitigation measures as outlined in Northback's PDSA and the integrated weed management plan.
- A robust integrated weed management plan that emphasizes preventing the introduction and spread of invasive weeds.
- Controlled access to the program site and the exploration drill pads.
- Requiring all vehicles entering the site to be inspected and clean of soil and weeds.
- A commercial cleaning facility that is easily accessible in the nearby town of Blairmore.
- Vehicles will enter the site from the south and not travel past the northern boundary of Grassy Mountain and further into the MD of Ranchland.

[150] Therefore, we find it reasonable to expect that the above factors will minimize the spread of invasive weeds such that a significant impact on the MD of Ranchland is unlikely.

Reclamation

[151] Grassy Mountain is the site of an unreclaimed legacy coal mine. The reclamation of this site was very important to many parties. We acknowledge that reclamation of the legacy mine is important; however, it is only the reclamation work associated with this Exploration Program that we have jurisdiction to address.

[152] The MD of Ranchland and LLG both raised concerns about the type of reclamation work that Northback had completed at its historical exploration sites and whether this work met regulatory requirements. The MD of Ranchland was also concerned that the timing of the reclamation of the exploration sites was linked to the potential future development of a coal mine. Northback's chief operating officer stated, "while we appreciate the topic of reclamation and its significance with respect to the broader Grassy Mountain site, Northback is committed to meeting its requirements related to activities that we conduct, including exploration drilling...we will complete the reclamation requirements in accordance with the regulations and standards and discussions with the AER." Northback confirmed its intent to complete reclamation work shortly after finishing the drill program, emphasizing there is no relationship between a potential future mine and its regulatory requirements regarding the reclamation of the exploration drill pads.

[153] Northback's senior manager for safety, health, and environment addressed the concerns about the historical reclamation work, stating that "Northback has diligently reclaimed the areas affected by its exploration activities... This includes borehole abandonment, recontouring, revegetation. So functionally the components of reclamation for these drill sites have been completed; however, there is still the outstanding administrative component of applying for reclamation certification, and Northback has been in communication with the Alberta Energy Regulator on a path to pursue reclamation certificates for those sites." He also commented that "while Northback has carried out reclamation activities in connection with its past exploration programs, in most cases, the trails and roads on public land continue to be used by other parties, as was the case before Northback began carrying out exploration fieldwork beginning in 2014."

[154] LLG discussed the poor track record of mining companies generally concerning reclamation after exploration. Northback provided an update on their historical reclamation efforts and explained that the proposed reclamation methods outlined in the PDSA are best practices for exploration programs.

Analysis and Findings

[155] As the Exploration Program will take place on previously disturbed land, the reclamation for these exploration activities involves restoring the sites to their previous state before this Exploration Program. Reclamation involves recontouring, putting soil back, disposing of brush and salvaged timber, and revegetation where appropriate.

[156] Section 8 of *AER Manual 008* describes that exploration operations must be reclaimed in accordance with *Code of Practice for Exploration Operations* made under *EPEA*. Although section 5.2 of the *Code of Practice for Exploration Operations* gives operators two full growing seasons to complete reclamation and three full growing seasons to apply for a reclamation certificate, the AER encourages operators to complete reclamation within one year of the surface disturbance to help ensure reclamation

success. Reclamation certificate applications must be submitted within three years of the completion of exploration operations. These timelines apply to reclamation work on both private and public lands.

[157] The duty to conserve and reclaim land and obtain a reclamation certificate arises from section 137 of *EPEA*. Under *EPEA*'s *Conservation and Reclamation Regulation (CRR)*, the objective of reclamation is to ensure the reclaimed land has an equivalent land capability. Equivalent land capability is defined in section 1(e) as the ability of the land to support similar land uses that existed prior to an activity being conducted on the land, but that the individual land uses will not necessarily be identical. The *CRR* requires operators to reclaim specified land in accordance with applicable standards, criteria, and guidelines, and these requirements apply to both public and private land.

[158] LLG raised general concerns regarding the regulatory approach to reclamation for coal exploration projects and urged us to consider "requiring some form of financial guarantee that the exploration activity be remediated." While we acknowledge the concerns raised by LLG regarding the potential for coal exploration programs to create environmental damage, the current security framework, documented in *AER Manual 024: Guide to the Mine Financial Security Program*, does not apply to exploration operations for coal and oil sands unless and until the locations are developed as part of the mine. The AER does not have the authority to collect financial security for coal exploration projects.

Environmental Commitments made by Northback

[159] Throughout this proceeding, Northback made several commitments regarding the implementation of environmental mitigation measures. This includes the conditions required by Alberta Forestry and Parks for Crown land reservation numbers 090495 and 090498, the measures outlined in their PDSA, and Northback's integrated weed management plan.

[160] We expect Northback, as a minimum, to implement the environmental mitigation measures filed as part of this proceeding, related to the following:

- placement of drill pads and associated access
- soil and terrain
- hydrology
- vegetation
- weed management
- wildlife

Therefore, the conditions found in appendix 4 are incorporated into the approval documents for these applications.

Pincher Creek Community Session

[161] We held a community session to allow interested parties and members of nearby communities to share their views about Northback's three applications.

[162] People spoke on their own behalf or on behalf of their group or association. Participants at the community session included both longtime residents of the Crowsnest Pass and relative newcomers. Some participants lived within the Crowsnest Pass area, whereas others lived as far away as Lethbridge, Nanton, Calgary, and Edmonton.

[163] Many people spoke of their heritage as multigenerational coal-mining families, the rich coal-mining history of the Crowsnest Pass, the vibrancy of the community spirit, and the desire for a much-needed economic boost that the applications and a potential future mine could provide. Some spoke of concerns that tourism alone will be unable to sustain the community. They spoke of the decline of their community and their concerns about the lack of viable economic prospects in the community for future generations.

[164] We heard from people who currently work or whose families had worked for generations as coal miners, contractors to the coal industry, multigenerational ranchers, people from the tourism industry, wildlife specialists, a geoscientist, small business owners, Piikani First Nation members, and musicians. Their presentations and submissions included heartfelt, passionate statements that they want what is best for their families, their communities, and the environment. The submissions at the two-day community session presented diverse opinions and a broad range of topics.

[165] In general, the presenters focused on the impacts of coal mining rather than the exploration activities associated with Northback's three applications. The main themes discussed in the limited participants' submissions and at the community session are summarized below.

[166] The following comments were received concerning the need for the Exploration Program:

- Several people who support the applications and a few who are opposed acknowledged the need for exploration drilling to provide important information and evidence on which future mining decisions, environmental assessments, operational plans, and mitigation measures for mining impacts can be based.
- A few presenters challenged the need for more exploration, especially considering the area has been evaluated extensively. Some participants disputed the need to mine metallurgical coal.
- Several members of the Piikani First Nation spoke against the applications, fearing they would lead to a full-scale mine that would, in turn, create harmful environmental impacts on their community.

[167] The following comments were received concerning social and economic effects:

- Several people felt that tourism and a coal industry with environmental safeguards and modern mining practices can coexist; it does not need to be one or the other. One person commented, “We need a ‘yes, but’ solution. There’s nothing selfish in working for a solution where we can all benefit from the result. At no point should we pit one person’s livelihood against another’s.”
- Several presenters representing local businesses explained that they had already incurred significant capital expenses or recruited additional workers in anticipation of the subject applications proceeding; they have since had to pivot or downsize their operations, leading to job losses.
- Piikani First Nation business representatives spoke in favour of the applications, explaining that the approved applications would create beneficial economic additions to the community’s businesses, meaningful training and employment opportunities, and positive lifestyle changes for its residents.
- Some participants disputed the potential economic benefits arising from approval of these applications or a future mine. They felt that little economic benefit to the community would result from the applications or that any economic benefits created by a future mine at Grassy Mountain would not outweigh the potential impacts on the Oldman River watershed and downstream users.

[168] The following comments were received concerning environmental effects:

- Many people explained that Grassy Mountain is highly disturbed from previous mining activity that ended 60 years ago, and a mine at this location is needed to clean up and reclaim the old mine workings, hazardous pits and tunnels, and eliminate leaching and dust from exposed coal and waste rock piles. Several participants expressed fears that if the applications are not approved and the project never moves forward to a full-scale mine, Grassy Mountain will remain in its current state, which some described as “a mess.”
- People opposed to the applications explained that the proposed exploration activity and a resumption of coal mining in the area would contribute to habitat fragmentation and negatively impact wildlife, including grizzly bears and wolves. They also raised concerns about the impacts of selenium on threatened fish species and the potential impacts on the recreational value of the area’s world-class trout fishery.
- The Pekisko Group, a group of ranching families, focused their submission on the impacts of commercial coal-mining operations on water, grasslands, agriculture, toxicology, and human health. The Pekisko Group requested to expand their participation, add new witnesses, file more evidence, and attend the second part of the hearing in Calgary as a full participant. We denied their request in our December 17, 2024, decision.

- Several presenters expressed concerns regarding the potential impacts of future mining operations on the quantity and quality of water in the Oldman River watershed and the impact on downstream users, such as ranchers, farmers, and large-scale industrial food producers as far away as Lethbridge and beyond. Several presenters also highlighted the current and recurring drought conditions, which they felt emphasized the need to preserve and protect surface water resources.
- Participants made comparisons to the Elk Valley in British Columbia. They expressed concerns about coal mining in that area causing selenium contamination of rivers and streams and carcinogens contained in fine particulate matter and coal dust.
- Different opinions were presented about whether living downstream or downwind of the proposed activities or a future mine would be a detriment to cattle ranching operations or the health of communities.
- Some presenters disputed the concerns about the impacts on grizzly bear populations. They said they had observed that mine sites can provide habitat to support and protect wildlife, including black bears and grizzly bears.

[169] We appreciated the opportunity to hear the range of views expressed at the community session.

Public Interest

[170] We need to determine if approval of these three applications is in the public interest and is consistent with our regulatory mandate. In assessing whether approval of Northback's Exploration Program is consistent with the AER's mandate and in the public interest, we need to evaluate whether the potential benefits of the applications outweigh the potential negative impacts.

[171] Section 15 of *REDA* and section 3 of the *REDA General Regulation* require us to consider the social and economic effects, environmental effects, and impacts on landowners. We assessed the need for the Exploration Program and found it is necessary to further the understanding of the coal deposit. We assessed the social and economic effects of the Exploration Program and found it to be positive. Northback expects the total program spend to be about \$5 million, of which roughly 50% will be spent locally. While the magnitude of the economic impacts may appear modest, they are proportional to the program scale and duration. The social and economic effects of the program and the potential they represent are important to the Piikani Nation, Stoney Nakoda, and the local communities in the Crowsnest Pass. Approving the applications will allow Northback to continue investing locally.

[172] Northback and the Piikani Nation have formed a positive relationship that facilitates training and meaningful employment opportunities for members of the Piikani Nation. The Exploration Program will enable the Piikani Nation to operationalize Indigenous knowledge and allow for the continued exercise and practice of this knowledge. If the program proceeds, it will result in a net positive economic impact

by creating employment opportunities for Piikani businesses, including Piikani Security Services, Piikani Sand and Gravel, and Piikani Employment Services.

[173] We found that the Exploration Program will have positive social and economic impacts on the Stoney Nakoda, which will not materialize if the Exploration Program is not approved.

[174] The Exploration Program's positive impacts include preserving the jobs of Northback employees and Northback's continued presence in Alberta. The evidence indicated that Northback has invested in some environmental studies and programs, including a rough fescue reclamation trial on its private land, a research program on five-needle pine species, and the collection of data related to reclamation and water treatment research. Allowing the Exploration Program enables Northback to continue these programs.

[175] We considered the effects of these applications on the environment. We assessed land disturbance, the potential impact on wildlife populations and habitat, erosion and sedimentation, water quantity, water quality, potential for selenium contamination, spread of invasive weeds, and reclamation. We found the following:

- The Exploration Program will be localized and of limited duration.
- The activities, including drill pad construction, will take place entirely on previously disturbed land. No new roads or trails will be constructed, and there will be no change in linear disturbance density.
- The program will be conducted during dry or frozen ground conditions.
- Traffic volume is expected to be low and road and trail surface alterations will be minor.
- The impacts on wildlife populations from habitat fragmentation, increased traffic, and unauthorized hunting are unlikely.
- The source water for the drilling activities is an isolated pit lake created by previous mining operations. The temporary diversion of a relatively small volume of water (approximately 60% of a standard Olympic-size swimming pool) will have no impact on the regional water table, or the quantity of water available to downstream water users.
- The potential for selenium generation is unlikely because there will be no excavation, no coal-mining operations, and no new waste rock piles created.
- The reclamation activities will restore the sites to their previous disturbed state within the prescribed timelines in the regulations.
- We imposed additional conditions to ensure
 - appropriate mitigation measures for control of erosion and sedimentation to preserve water quality;
 - appropriate disposal of drilling waste, fluids, and cuttings; and

- implementation of mitigation measures to control the spread of weeds.

[176] Therefore, through mitigation measures, the AER's regulatory framework, and the conditions we are imposing, there will be little or no residual environmental effects from the Exploration Program.

[177] We were not persuaded that this Exploration Program would negatively impact landowners, including Mr. Emard and LLG.

[178] Our mandate is to provide for the efficient, safe, orderly, and environmentally responsible development of energy and mineral resources in Alberta through the AER's regulatory activities. We must ensure our decision is consistent with the intended regional outcomes identified in the *South Saskatchewan Regional Plan*, which states that maintaining opportunities for responsible development of coal resources is important to the region and the province.

[179] We must consider the purposes of the *Coal Conservation Act* and that the provincial legislature has directed the AER to provide for the appraisal of Alberta's coal resources and to ensure the orderly, efficient, and economic development of Alberta's coal resources in the public interest. We must consider the purposes of the *Public Lands Act* and ensure that the allocation and management of public lands is carried out responsibly. We must also consider the purpose of the *Water Act*, which requires energy resource activities to be conducted in a manner that supports and promotes the conservation and management of water and the wise allocation of water.

[180] Although the *REDA General Regulations* do not apply to the *Public Lands Act* or the *Water Act*, we consider that the AER is always guided by the principle that it must act in the best interests of the people of Alberta, even where, in this case, the provisions of the relevant legislation do not specifically refer to public interest.

[181] The Exploration Program, in addition to refining Northback's understanding of the Grassy Mountain coal deposit, will provide the Piikani and Stoney Nakoda First Nations and Albertans with additional information about the Grassy Mountain coal deposit. The Exploration Program will contribute to the ongoing evaluation of this coal resource and, based on our assessment, will do so in an orderly, efficient, and environmentally responsible manner. The program will have positive social and economic impacts.

[182] Therefore, the Exploration Program is consistent with our mandate under *REDA* and the purposes of the *Coal Conservation Act*, *Public Lands Act*, and the *Water Act* and is in the public interest.

Conclusion

[183] We are satisfied that throughout the proceeding and in our decision, we have considered the purposes and factors identified in the relevant enactments, and we find that the applications meet all the regulatory requirements.

[184] In considering the submissions of all the parties we find that the Exploration Program is in the public interest. The three applications are hereby approved, subject to the conditions in appendix 4 and in the draft approval documents in appendix 5.

Dated in Calgary, Alberta, on May 15, 2025.

Alberta Energy Regulator

Parand Meysami, MSc, PEng, LLB
Presiding Hearing Commissioner

M.A. (Meg) Barker, PGeol
Hearing Commissioner

Shona Mackenzie, CDir, PEng
Hearing Commissioner

Appendix 1 Hearing Participants

Principals and Representatives

(Abbreviations used in report)

Witnesses

Northback Holdings Corporation (Northback)

M. Ignasiak

J. Eadie

A. Beatie

C. De La Mare

D. Bewley

J. Redburn

K. Trumpour

S. Brown

S. Wipf

T. Riewe

Full Participants:

Piikani Nation

C. Hanert

C. Provost

Stoney Nakoda

B. Barrett

D. Cherkas

Municipality of Crowsnest Pass

A. Gulamhusein

No witness

Municipal District of Ranchland No. 66

M. Niven

R. Davis

M. Custer

Livingstone Landowners Group

G. Fitch

B. Trafford

L. Fitch

B. Stelfox

Vern Emard

V. Emard

Limited Participants:

Alberta Wilderness Association: K. Halvorson

A. Garbutt

A. Vanderplas

B. Castellarin

B. Fehr
B. Davison
B. Koinberg
B. Mowat*
C. Petrone
C. Spearman*
Citizens Supportive of Crowsnest Coal: T. and C. Linderman
Coal Association of Canada: R. Campbell
C. Lund
D. Wakaluk
D. McIntyre
E. Fairbrother*
F. North Peigan*
G. Clark
G. Gamelin*
H. McKillop
H. Lynch-Staunton*
J. Clarke
J. Singh
K. Allred
K. Watson
K. Lazzarotto
L. Eddy*
L. Michalsky
M. Withrow
M. Field
Pekisko Group: R. Herbert, J. Smith, M. Olsgard
Piikani Resource Development Limited: M. Grier
Piikani Security Services: D. Grier
R. Cartwright
R. Sharma
R. MacGarva
T. Nicole Johnston*
Tig Contracting: C. Bezzeg, D. Forsyth
T. Linderman
W. Smith*
S. Cartwright

*denotes speakers not previously granted participation

Alberta Energy Regulator staff

M. LaCasse, AER Counsel

S. Gibbons, AER Counsel

T. Wheaton

E. Arruda

A. Stanislavski

A. Lung

D. Parsons

J. Xu

N. Khakoo

J. Filax

A. Wajda-Plytta

C. Teichreb

E. Kerkhoven

D. Koroluk

Appendix 2 Proceeding 444 Procedural Steps

Date	Northback Holdings Corporation (Northback) Application Nos. 1948547 / A10123772 / 00497386 (the Applications)	Exhibit
February 22, 2024	AER General Counsel advised the Chief Hearing Commissioner that the AER had accepted the applications from Northback and that the applications should be decided by a panel of hearing commissioners.	1.01
April 10, 2024	Notice of hearing issued.	6.01
May 1, 2024	Deadline to request to participate.	7.01 – 7.55
May 15, 2024	Northback response to requests to participate.	9.01
May 15, 2024	Panel letter to Northback regarding a hearing panel member.	12.01
May 16, 2024	Northback's response regarding a member of the hearing panel.	13.01
May 22, 2024	Panel member recusal from the panel of hearing commissioners and the new panel was identified.	14.01
June 5, 2024	Majority of participation decisions issued.	21.01 – 29.01
June 5, 2024	<p>Panel provided the following individual and groups with an additional opportunity to reply to Northback's response to their request to participate:</p> <ul style="list-style-type: none"> • Alberta Wilderness Association • Canadian Parks and Wilderness Society • Citizens Supportive of Crowsnest Coal • Coal Association of Canada • Corb Lund • Crowsnest Conservation Society • Gold Creek Grazing Cooperative • Pekisko Group • Timberwolf Wilderness Society 	30.01
June 17, 2024	Municipal District of Ranchland No. 66 motion for a stay of hearing pending the outcome of the Court of Appeal decision.	32.01
June 27, 2024	Panel issued remaining participation decisions. Alberta Wilderness Association, Canadian Parks and Wilderness Society, Corb Lund, Crowsnest Conservation Society, Pekisko Group, and Timberwolf Wilderness Society did not respond to the panel's June 5, 2024, request.	33.01 - 41.01

July 10, 2024	Deadline for full participants to respond to MD of Ranchland's motion for a stay of hearing.	42.01
July 16, 2024	Northback's response to MD of Ranchland's motion for a stay of hearing.	49.01
July 24, 2024	MD of Ranchland's response to full participants and Northback's responses to its motion for a stay of hearing.	50.01
August 9, 2024	Panel issued its decision denying MD of Ranchland's motion.	51.01
August 13, 2024	Panel set the submission schedule and hearing dates.	52.01
August 22, 2024	Northback requests alteration in hearing dates and locations.	53.01
August 23, 2024	Panel responds to Northback's request, decides to maintain the hearing dates, and requests feedback from parties on the location.	54.01
August 26 to 29, 2024	Participants and Northback respond to request for comments on the hearing location.	55.01 - 60.01
September 3, 2024	Panel issues its decision on scope, hearing dates, and hearing location.	61.01
September 4, 2024	Northback written submission received.	62.01
September 6, 2024	MD of Ranchland files a motion to adjourn proceeding 444.	63.01
September 9 to 20, 2024	Full participants and Northback respond to MD of Ranchland's motion to adjourn proceeding 444.	65.01 - 76.01
September 27, 2024	Panel issues its decision denying MD of Ranchland's motion to adjourn.	77.01
October 1 to 23, 2024	Written submissions from full participants and Northback's reply submission received.	78.01 - 86.01
October 29, 2024	Panel requests comments from parties regarding the location and scheduling of limited participant community session.	87.0
November 1 to 6, 2024	Written submissions from limited participants and Northback's response received.	91.0 - 91.20 and 93.0
November 19, 2024	Notice of scheduling of hearing issued.	94.0
December 3 and 4, 2024	Community sessions held in Pincher Creek.	Transcripts Vol 1 and 2
December 6, 2024	The Pekisko Group filed a motion requesting the panel expand Pekisko's participation by adding new witnesses, filing more evidence, and attending the second part of the hearing in Calgary with the full participants.	103.0
December 10, 2024	Northback response to the Pekisko Group's motion received.	104.0

December 17, 2024	Panel issued its decision denying the Pekisko Group's motion.	112.0
December 19, 2024	Letter from panel to Northback and full participant outlining the schedule and procedures for hearing in Calgary.	113.1
January 14 to 16, 2025	Hearing held in Calgary for full participants.	Transcripts Vol 3, 4 & 5
February 7, 2025	Aboriginal Consultation Office Hearing Reports received.	130.0 - 130.5
March 4, 2025	Final arguments held - hearing closed.	Transcripts Vol 6

Appendix 3 Limited Participants and Community Session Speakers

Limited Participants who were granted participation in advance:

- Alberta Wilderness Association: Kennedy Halvorson^{*+}
- Allan Garbutt⁺
- Andy Vanderplas⁺
- Blairmore Lions Club: Kurt Weiss
- Brandy Fehr^{*+}
- Brent Koinberg⁺
- Canadian Parks and Wilderness Society – Southern Alberta Chapter
- Chad Petrone^{*+}
- Citizens Supportive of Crowsnest Coal: Troy Linderman, Carmen Linderman^{*+}
- CNP EMS Industrial Safety Services: Troy Linderman^{*+}
- Coal Association of Canada: Robin Campbell^{*+}
- Corb Lund⁺
- Colt Lazzarotto^{*}
- Crowsnest Conservation Society: Brenda Davison⁺
- Crowsnest Pass Quad Squad: Gary Clark^{*+}
- Dale Linderman
- Darcy Wakaluk⁺
- David McIntyre^{*+}
- Dirk Gillingham
- Gold Creek Grazing Co-op
- Heidi McKillop⁺
- John Clarke⁺
- Josefina Singh^{*+}
- Ken Allred⁺
- Kevin Watson⁺

- Kim Cunningham, Bonnie Castellarin^{*+}
- Koral Lazzarotto⁺
- Lucas Michalsky^{*+}
- Mitchell Withrow⁺
- Monica Field^{*+}
- Pat Rypien^{*}
- Pekisko Group: Rachel Herbert, John Smith, Mandy Olsgard^{*+}
- Piikani Employment Services^{*}
- Piikani Resource Development: Mariah Grier^{*+}
- Piikani Security Services: Daylu Grier^{*+}
- Piikani Travel Centre^{*}
- Potts Painting Inc.: Kara Potts
- Randy Cartwright and Shar Cartwright^{*+}
- Ricky Sharma⁺
- Southwest Alberta Skateboard Society: Rob MacGarva⁺
- South West Waste Management: Kendall Toews
- Tanya Hill and Jordy Methera^{*}
- Tig Contracting: Clayton Bezzeg, Don Forsyth⁺
- Timberwolf Wilderness Society

* Denotes limited participants that filed a written submission in advance of the community sessions.

⁺ Denotes limited participants that appeared at the community sessions on December 3 and 4, 2024.

The following individuals spoke at the community session on December 3 and 4, 2024, and were not granted participation in advance:

- Bruce Mowat
- Chris Spearman
- Edna Fairbrother
- Fabian North Peigan
- Glecy Gamelin
- Hugh Lynch-Staunton
- Lee Eddy
- Tanya Nicole Johnston
- Wynonna Smith

Appendix 4 Summary of Conditions and Commitments

Conditions generally are requirements in addition to or otherwise expanding upon existing regulations and guidelines. An applicant must comply with conditions or it is in breach of its approval and subject to enforcement action by the AER. Enforcement of an approval includes enforcement of the conditions attached to that licence. Sanctions imposed for the breach of such conditions may include the suspension of the approval, resulting in the shut-in of a facility. The conditions imposed on the Exploration Program approval documents are summarized below.

The AER notes that Northback made certain undertakings, promises, and commitments (collectively referred to as commitments) to parties involving activities or operations that are not strictly required under AER requirements. These commitments are separate arrangements between the parties and do not constitute conditions to the AER's approval of the applications. The AER expects the applicant to comply with commitments made to all parties. However, while the AER has considered these commitments in arriving at its decision, the AER cannot enforce them.

Conditions

- Northback will comply with *Directive 050: Drilling Waste Management* or manage their drilling waste (drill fluids and cuttings) and the subsequent disposal to the satisfaction of the AER.
- Northback's project-specific erosion and sediment control (ESC) plan is to be shared with the AER before the start of exploration operations.
- The program must be consistent with Northback's Integrated weed management plan.
- The environmental mitigation measures must be consistent with the recommendations outlined in Northback's predisturbance site assessments.
- The conditions required by Alberta Forestry and Parks for Crown land reservation numbers 090495 and 090498.

Commitments by Northback

- Where requested by the Piikani Nation, the data collected by Northback as part this Exploration Program be made available to the Nation for their review and analysis. The Piikani Nation may be required to enter into a confidentiality agreement with Northback in respect of any commercially sensitive data or information derived from the Exploration Program.
- Northback will retain Piikani members as cultural and environmental monitors for the duration of the program.
- Northback will provide to the Piikani Nation, upon their request, for the duration of the Exploration Program, the information obtained from Northback's trail cameras located near the lands where the program would be carried out.

Appendix 5 Draft CEP A10123772, DDP 1948547, and TDL 00497386

May XX, 2025

Northback Holdings Corporation

Sent Via Email

RE: Notice of Decision: Authorization Issued
COAL EXPLORATION PROGRAM: CEP230000
Application Number A10123772

Dear Sir/Madam,

Based on the review of your Coal Exploration Program application dated August 31, 2023, and revised on November 21, 2023, the Alberta Energy Regulator (AER) has completed its review of your application.

Pursuant to section 20(1) of the *Public Lands Act* and in accordance with the *Code of Practice for Exploration Operations* made under the *Environmental Protection and Enhancement Act*, Northback Holdings Corporation is hereby authorized to enter upon and occupy the public lands described in the application for the purpose of conducting a coal exploration program, subject to the methods and environmental conditions outlined in the application, the conditions listed in the enclosed Schedule A, and all other applicable statutory requirements. In the event of a conflict between Schedule A and the application, Northback Holdings Corporation is to comply with the conditions listed in Schedule A.

Please use the file number CEP230000 on all related plan submissions and correspondence.

Should you have any questions regarding the above decision, please contact the undersigned at AERSurfaceActivityApplication@aer.ca, quoting the disposition number.

Sincerely,

TBC, Manager Coal Mining, Regulatory Applications

Alberta Energy Regulator

cc: Doug Koroluk, AER
Jennifer Filax, AER
AERSurfaceActivity.Application@aer.ca

Contact - TBC

Alberta Culture

SCHEDULE A

1. **IN THIS DOCUMENT**, unless the context indicates otherwise:

“approval” whenever required, must be in writing.

“authority” means: this document or the right to occupy public land granted by this document.

"Authorizer" means: the "Authorizer" duly designated under the *Public Lands Act*.

"officer of the Regulatory body" means: an employee of the Regulatory body, responsible for the management of surface activity on the land.

“holder” means: the recipient of the right to occupy public land granted by this document.

“land(s)” means: the specific land which the holder is authorized to occupy by this document.

“Regulatory body” means: the Alberta Energy Regulator.

2. Payments required by this document are to be made payable to the “Government of Alberta.”
3. The holder shall comply with all relevant laws in the Province of Alberta.
4. A copy of this authority shall be retained on the job site during all phases of your activity, including, if applicable, preparation, construction, development, maintenance, and abandonment.
5. The holder shall not conduct any activity on the land where prior rights have been issued without the consent of the holder of these prior rights.
6. The holder is responsible for obtaining any necessary federal, municipal, and other permits and approvals with respect to this authority.
7. The holder agrees to hold harmless the Regulatory body from any and all third party claims, demands, or actions for which the holder is legally responsible, including

those arising out of negligence or willful acts by the holder or the holder's employees or agents. This hold harmless shall survive this Agreement.

8. The holder shall indemnify and save harmless the Regulatory body from any and all claims, actions, suits, or similar proceedings commenced by any competent regulatory body against the holder or the Regulatory body in connection with the activity or holder's use of the land, including without limitation the local municipality, any other department or agency of the Alberta Government or the Government of Canada.
9. The holder shall, at its own expense and without limiting its liabilities herein, insure its operations under a contract of General Liability Insurance, in accordance with the *Alberta Insurance Act*, in an amount not less than \$2,000,000 inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof. The holder shall provide the Regulatory body with acceptable evidence of all the insured prior to the commencement of the work and shall promptly provide the Regulatory body with a certified true copy of each policy upon request.
10. This authority is granted subject to further amendment by the Regulatory body, in its sole discretion.
11. The holder shall furnish proof, upon request, that the holder has complied with any and all of the provisions of the holder's disposition in a form and time required by the Regulatory body.
12. The holder shall contact and advise the Regulatory body by email:
AERSurfaceActivityApplication@aer.ca of its intentions:
 - prior to entry upon the lands, for a stated purpose,
 - prior to any additional construction during the term of this authority,
 - at the completion of operations, and
 - upon abandonment of this activity.
13. The holder shall implement the best management practices and recommendations laid out in TRACE's Pre-Disturbance Site Assessment (PDSA) submission dated October 18, 2024, attachment to Northback's reply submission for AER Proceeding 444, Exhibit 86.1 Tab 4.

14. The holder must conduct a complete and immediate Wildlife Sweep of the Lands subject to disposition prior to any activity, as per the Government of Alberta's Wildlife Sweep Protocols 2020.¹
15. The holder must adhere to the wildlife setbacks and/or buffers as indicated in the Master Schedule of Standards and Conditions; GOA 2024 (MSSC) as amended.
16. For wildlife management purposes, access control is required on main access to the program during all phases of operations.
17. Construction of new roads or trails is not permitted.
18. Unless otherwise approved in writing by an officer of the Regulatory body, the holder shall ensure that drill sites for coal exploration shall not exceed (20) metres by (20) metres.
19. All water use must be in compliance with the *Water Act*.
20. Unless exempt under the *Water (Ministerial) Regulation*, the holder shall comply with the *Code of Practice for Watercourse Crossings* under the *Water Act*.
21. If applicable, the Federal Department of Fisheries and Oceans' (DFO's) Codes of Practice: Clear Span Bridges and/or Ice Bridges and Snow Fills should be applied according to the conditions and measures to protect fish and fish habitat in each.
22. The holder shall utilize the lands only during frozen or dry ground conditions.
23. Any activity on the land during adverse ground conditions must be suspended if the activity is likely to cause unacceptable damage to vegetation or soil as may be determined by the holder or the officer of the Regulatory body.
24. On sites where mechanical mulching methods are utilized to clear forest cover, the holder shall ensure that fine woody debris (wood chips) is managed as per Directive SD 2009-01 *Management of Wood Chips on Public Land*.
25. All woody debris and leaning trees must be slashed, limbed and bucked flat to the ground unless otherwise approved by an officer of the Regulatory body.

¹ [Government of Alberta's Wildlife Sweep Protocols 2020](#)

26. The holder shall strip and pile the topsoil separately from any fine woody debris (wood chips) and subsoil in such a manner that it can be distributed evenly over the disturbed area when operations have been completed. Where topsoil depth is less than 15 centimetres, conservation shall include the topsoil plus part of the upper subsoil up to a total depth of 15 centimetres (unless considering chemically unsuitable).
27. Soil and surface erosion and sedimentation shall be prevented and controlled on all lands.
28. The holder shall implement a project specific Erosion and Sediment Control (ESC) Plan which is to be shared with the AER prior to the beginning of exploration operations. At a minimum, this plan must include:
 - a) A description of ESC measures to be implemented at each stage of the project (construction, drilling, reclamation).
 - b) An overview of what guidance was followed when developing these measures.
 - c) A description of the parameter thresholds which will indicate ESC measures are not functioning as intended.
 - d) Mitigation measures to be implemented if ESC measures exceed the established thresholds.
 - e) Monitoring to be conducted to validate functioning of ESC measures.
29. The Erosion and Sediment Control Plan is to be submitted to the AER 7 days prior to the start of any exploration activities and at any time when changes to the plan are made. It shall be maintained on site and provided to an officer of the Regulatory body upon request.
30. The holder shall implement the recommendations and procedures outlined in its Integrated Weed Management Plan (exhibit 86.1 Tab 6) as submitted during Proceeding 444 unless otherwise directed by an officer of the Regulatory body.
31. The following conditions are required by the Alberta Forestry and Parks Agrologist for Crown Land Reservations number 090495, 090498, and 940273:
 - a) All equipment must be seed and soil free prior to entry on public land.
 - b) The lands must be reclaimed to their previous status.
 - c) All revegetation plans and mixes must be reviewed by the Alberta Forestry and Parks (FP) Rangeland Agrologist, where applicable.

- d) Seeding must be completed in accordance with the written authorization of the Regulatory body.
 - e) All regulated weeds must be managed to the satisfaction of the Regulatory body.
 - f) On native grasslands, the holder must not crimp straw subject to the following exceptions:
 - i) The straw used for crimping must be sourced from a native species from the same ecological range site as the Lands; and
 - ii) The weed analysis for the straw used for crimping must comply with the Weed Control Act, as amended or replaced from time to time.
 - g) For activities that fall within native grasslands as identified by the Sub-Alpine or Montane Subregion that requires Assisted Natural Recovery, the holder must submit a request for Assisted Natural Recovery in writing to the Regulatory body that contains all of the following:
 - i) Rationale for conducting Assisted Natural Recovery;
 - ii) A description of the proposed site for Assisted Natural Recovery including information with respect to the following:
 - 1. whether the Lands are subject to high erosion;
 - 2. whether the soil on the Lands has been disturbed to an area greater than 50 m²; and
 - 3. whether the Lands are prone to invasion from agronomic or weed species;
 - iii) A proposed seed mix composition for re-vegetation of the Lands: that is consistent with native plant communities that are adjacent to and in the immediate vicinity of the Lands as determined by the Range Plant Community Type and Carrying Capacity for the Montane Subregions of Alberta, as amended or replaced from time to time;
 - iv) Provide a seed certificate in accordance with the *Seed Act* for the seed mix to be used for Assisted Natural Recovery and;
 - v) Any other information requested by the Regulatory body.
32. The holder shall contact the grazing lessees within the Blairmore Gold Forest Reserve Range Allotment (CLR940273) as follows:
- a) 10 days prior to entry and commencement of activities; and
 - b) 10 days prior to completion of activities.
33. In addition to complying with Federal, Provincial, and local laws and regulations respecting the environment, including release of substances, the holder shall, to the

Regulatory body's satisfaction, take necessary precautions to prevent contamination of land, water bodies and the air with particulate and gaseous matter, which, in the opinion of the Regulatory body in its sole discretion, is or may be harmful.

34. The holder shall evaluate, treat, and dispose of drilling fluids and cuttings in compliance with *AER Directive 050: Drilling Waste Management*.
35. The holder shall complete reclamation, including line and site clean-up, soil stabilization and wood debris handling progressively and concurrently with operations:
 - a) Reclamation shall be conducted to the requirements of and within the timeline as prescribed in the *Code of Practice for Exploration Operations made under the Environmental Protection and Enhancement Act*; and
 - b) Reporting on reclamation activities shall be as per clause 36.
36. The holder shall provide to the Regulatory body within 60 days of March 31 each year of this program until a reclamation certificate is issued, an Annual Report (submitted electronically to AERSurfaceActivityApplication@aer.ca) indicating:
 - a) requirements consistent with Section 7.1.5 of the *Code of Practice for Exploration Operations made under the Environmental Protection and Enhancement Act*,
 - b) any sites added to the program including the authorization issued by the Regulator,
 - c) the total area of lands within the program intensively used (disturbed),
 - d) a listing of all core hole sites or accesses converted to disposition under the *Public Lands Act*,
 - e) the total area of lands within the program cleared but not explored to date and intent for completion,
 - f) shapefiles as requested, and
 - g) any other information requested by the AER.
37. Pursuant to Section 31 of the *Historical Resources Act*, should any archaeological, paleontological, historic period resources or Aboriginal traditional use sites of a type described below be discovered during the conduct of activities associated with the program, staff of the Alberta Ministry of Arts, Culture and Status of Women (Telephone: 780 431-2300) are to be contacted immediately. It may then be necessary for the Heritage Division to issue further instructions regarding the documentation of these resources.

38. Pursuant to Section 37(2), of the *Historical Resources Act*, the Heritage Division of Alberta Culture may require a post development impact assessment audit in the spring and/or summer of the following year and annually until the program is closed.
39. The authorization, when issued, will be for a term as indicated below, effective from the date of this authority.

Term: 5 Years

Two years for operations with an expiry on <Date>

Three years for reclamation with an expiry on <Date>

**DEEP DRILLING
Permit No. C 2025-2**

MADE at the City of Calgary, in the
Province of Alberta, on
DATE

ALBERTA ENERGY REGULATOR

IN THE MATTER of coal exploration drilling greater than 150 metres for exploratory purposes by Northback Holdings Corporation (Northback) in the Grassy Mountain Area.

WHEREAS Northback, by Application No. 1948547 registered on September 6, 2023 applied to the Alberta Energy Regulator (AER) for a coal deep drilling program for exploratory purposes;

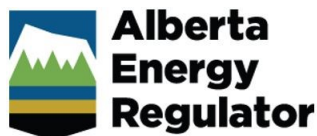
THEREFORE, the AER, pursuant to the *Coal Conservation Act*, RSA 2000, c C-17, grants to Northback (Permittee) a permit to drill holes to depths greater than 150 metres for exploration purposes in the Grassy Mountain Area, subject to the *Coal Conservation Act* and *Coal Conservation Rules*, Alta Reg 270/1981 and the terms and conditions contained herein.

- 1) The Permittee shall conduct all drilling operations in accordance with current specifications, standards, commitments, and other information referred to in Application No. 1948547 and its submissions unless the AER directs otherwise.
- 2) The holes proposed to be subject to the permit shall:
 - a) be drilled within 50 metres of the locations as listed in Exhibit 123.1 “Updated Drilling Program” (AER Proceeding 444) attached to this permit, and
 - b) not penetrate beyond 550 metres.
- 3) The Permittee shall notify the AER the holes intended to intersect the Fernie Group prior to the start of drilling. The drillholes not intended to intersect the Fernie Group shall not penetrate deeper than the top 20 m of the Morrissey Formation.
- 4) The Permittee shall immediately contact the AER should gas be encountered during drilling operations.
- 5) The Permittee shall advise the AER of any technical modifications to the drilling operations and obtain its approval prior to effecting such modifications.
- 6) Upon completion of the drilling operations, the drillholes shall be abandoned in a manner satisfactory to the AER.
- 7) This permit will expire two years from the date of issuance.
- 8) The AER may
 - a) Cancel or suspend this permit, in whole or in part, for failure of the Permittee to comply with any provision of the Act, the rules, or the terms and conditions set out here in or
 - b) Amend this permit or make such other orders as it thinks appropriate under the circumstances.

Exhibit 123.1 Updated Drilling Program

Proposed Pad ID	Proposed Drillhole ID	Easting	Northing	Elevation (m)	Crown or Private
23PDP001	23PDH001	685223	5506012	1638	Crown
23PDP002	23PDH002	685503	5506403	1782	Private
23PDP003	23PDH003	686169	5506365	1951	Private
	23LDH001	686169	5506365	1951	Private
23PDP005	23PDH005	685381	5506816	1742	Private
23PDP006	23PDH006	686181	5506801	2007	Crown
	23LDH002	686181	5506801	2007	Crown
23PDP008	23PDH008	685425	5507200	1771	Private
	23LDH003	685425	5507200	1771	Private
23PDP009	23PDH009	686311	5507201	2001	Crown
23PDP010	23PDH010	686365	5507200	1980	Crown
23PDP011	23PDH011	685000	5507600	1643	Crown
23PDP012	23PDH012	685350	5507600	1761	Private
	23LDH004	685350	5507600	1761	Private
23PDP013	23PDH013	685800	5507600	1906	Private
	23LDH005	685800	5507600	1906	Private
23PDP014	23PDH014	686375	5507600	2030	Crown
	23PDH015	686375	5507600	2030	Crown
23PDP016	23PDH017	685399	5508042	1764	Private
	23LDH006	685399	5508042	1764	Private
23PDP017	23PDH018	685800	5508000	1843	Private
	23LDH007	685800	5508000	1843	Private
23PDP019	23PDH021	686566	5508028	2000	Private
	23LDH009	686566	5508028	2000	Private
23PDP021	23PDH023	685800	5508400	1932	Crown
23PDP024	23PDH026	685943	5508800	1934	Crown
23PDP026	23PDH028	687032	5508902	1751	Crown
	23LDH012	687033	5508901	1751	Crown
23PDP027	23PDH029	686244	5509131	2020	Crown
20GMOH006	23PDH031	685543	5504200	1584	Private
20GMOH014	23PDH032	685550	5504600	1574	Private
20GMOH034	23PDH033	685423	5505600	1619	Private
20GMOH038	23PDH034	685346	5505825	1625	Crown

NOTE: Coordinates provided were obtained using handheld Garmin GPS receivers, which are accurate to within 15 m 95% of the time.



**LICENCE TO TEMPORARILY DIVERT WATER
PROVINCE OF ALBERTA
WATER ACT, R.S.A. 2000, c.W-3 as amended**

DRAFT

LICENCE NO.: 00497386

EFFECTIVE DATE: TBD

EXPIRY DATE: TBD

SOURCE OF WATER: Unnamed Lake - Unclassified (Lake, wetland or slough (does not include reservoirs))

POINT OF DIVERSION: NW 24-8-4-W5

LICENSEE: Northback Holdings Corporation

RESTRICTION: See attached schedule(s)

Pursuant to the Water Act, R.S.A. 2000, c.W-3, as amended, a licence for temporary diversion of water is issued to the Licensee to:

divert up to 1500 cubic metres of water at a maximum rate of diversion of 0.01 cubic metres per second from the source of water for the purpose of other use (specified by the Director), related to oil & gas activity,

subject to the attached terms and conditions, numbered 1 to 28, inclusive.

TBD

Dated

DEFINITIONS

1. All definitions from the Act and the Regulations apply except where expressly defined in this licence.
2. In all parts of this licence:
 - (a) "Act" means the Water Act, RSA 2000, c. W-3, as amended;
 - (b) "Director" means an authorized employee of the Alberta Energy Regulator;
 - (c) "Point of diversion" means the location where water is diverted from the source of water;
 - (d) "Point of use" means the location in which the diverted water is used by the Licensee for the licenced purpose;
 - (e) "Regulations" means the regulations, as amended, enacted under the authority of the Act; and
 - (f) "Water Use Reporting System" (WURS) means the secure internet website provided by Alberta Environment and Parks at <https://www.alberta.ca/water-use-reporting-system.aspx> for submitting measuring and monitoring results electronically to the Director.

GENERAL

3. The Licensee shall immediately report to the Director by telephone any contravention of the terms and conditions of this licence at 780-422-4505.
4. The terms and conditions of this licence are severable. If any term or condition of this licence is held invalid, the application of such term or condition to other circumstances and the remainder of this licence shall not be affected thereby.
5. The Licensee shall not deposit or cause to be deposited any substance in, on or around the source of water that has or may have the potential to adversely affect the source of water.
6. The Licensee shall clean and maintain all fish screens in accordance with the 'Interim Code of Practice: End-of-pipe fish protection screens for small water intakes in freshwater' as amended from time to time (Department of Fisheries and Oceans Canada, <http://www.dfo-mpo.gc.ca/pnw-ppe/codes/screen-ecran-eng.html>).
7. The Licensee shall decontaminate diversion equipment in accordance with Appendix D: Decontamination Instructions for Industrial and Construction Operations in accordance with the 'Decontamination protocol for work in or near water' (Government of Alberta) as amended.

DIVERSION OF WATER

8. This licence is appurtenant to the following land:

(a) the point(s) of diversion of the source(s) of water at the legal land location(s) described on page 1 of this licence; and

(b) the point(s) of use at the legal land location(s) described on the plan titled "Proposed Exploration Drill Holes - Grassy Mountain Coal Exploration Program - Figure 3.0 (Exhibit #123.0)"

Note: Exhibits for Proceeding 444 can be found at this link:
<https://apps.public.aer.ca/hearing/proceeding/444?tab=6>

9. The Licensee shall divert and use water only for the purpose of other use, specified by the Director as: to support drilling activities associated with the Coal Exploration Program activities.
10. The Licensee shall divert water only from the source of water described as End Pit Lake 2 (Unnamed Lake) in NW-24-8-4-W5.
11. The Licensee shall divert water only from the point of diversion described on page 1 of this licence.
12. The Licensee shall not divert or use more than the total number of cubic metres of water described on page 1 of this licence.
13. The Licensee shall not divert water at a rate of diversion greater than that described on page 1 of this licence.
14. The Licensee shall divert water only to the point of use described on the plan titled "Proposed Exploration Drill Holes - Grassy Mountain Coal Exploration Program - Figure 3.0 (Exhibit #123.0)"
15. The Licensee shall cause any water entering a pump at the source to first pass through a fish screen.
16. The Licensee shall ensure that all pumps are equipped with a fish screen that meets the design and installation criteria in the 'Interim Code of Practice: End-of-pipe fish protection screens for small water intakes in freshwater' as amended from time to time.
(Department of Fisheries and Oceans Canada, <http://www.dfo-mpo.gc.ca/pnw-ppe/codes/screen-ecran-eng.html>).
17. The Licensee must ensure that a copy of the plan titled "Proposed Exploration Drill Holes - Grassy Mountain Coal Exploration Program - Figure 3.0 (Exhibit #123.0)" is:
 - (a) available at the point of diversion while diverting water; and
 - (b) if the water is transported by a vehicle, kept in the vehicle while the water is transported.
18. The Licensee shall not divert water when the water level of the water body drops more than 10 centimetres below the baseline water level.

19. The Licensee shall notify the AER at least 48 hours prior to, but not more than 96 hours prior to, commencing the water diversion operation for this Licence by email at: AER.WaterLicense@aer.ca and include the following information in the email:
- a) TDL Number;
 - b) diversion start date;
 - c) diversion end date;
 - d) source of water;
 - e) point of diversion LLD; and
 - f) applicable AER Field Operational Area.

Note: The AER Field Operational Areas can be found here:

https://static.aer.ca/prd/documents/about-us/Admin_Boundaries_Map.pdf

MONITORING REQUIREMENTS

20. The Licensee shall measure the total volume of water diverted on each occasion that water is diverted using:
- (a) a meter or other measuring device; or
 - (b) an estimate of the total volume of water diverted on each occasion that water is diverted using the volume multiplied by number of loads or the pumping rate multiplied by hours pumped.
21. The Licensee shall install a water level measurement system at the point of diversion.
22. The Licensee shall monitor the water level of the water body:
- (a) prior to diverting water to establish a baseline water level; and
 - (b) a minimum of once every 2 weeks while diverting water under this temporary diversion licence.

RECORDING AND REPORTING

23. The Licensee shall record and retain all of the following information for a minimum of one (1) year after the expiry date of this licence:
- (a) the place, date and time of all monitoring, measuring and estimating;
 - (b) the results obtained pursuant to the MONITORING REQUIREMENTS of this licence; and
 - (c) the name of the individual who conducted the monitoring, measuring and estimating stipulated in (a) and (b).

24. The Licensee shall report the total volume of water (data) diverted during each calendar month using WURS, including reporting '0' (zero) if no water is used during the time the Temporary Diversion Licence is in effect.
25. The Licensee shall submit the report (data) required before the end of the month following the month in which the water was diverted.
26. The Licensee shall prepare a Water Use Report that includes, at a minimum, the following information collected during the term of this licence:
 - (a) the total number of cubic metres of water diverted from the source of water;
 - (b) the results obtained pursuant to the MONITORING REQUIREMENTS of this licence; and
 - (c) any other information required in writing by the Director.
27. The Licensee shall retain the Water Use Report (document) for a minimum of 5 years.
28. When requested in writing by the Director, the Licensee shall submit the Water Use Report (document) to the Director, within the time period specified in writing by the Director.

Draft

Information on providing a copy of the Licence

The Licensee must comply with Section 65 of the *Water Act* that states:

A licensee for the temporary diversion of water must ensure that a copy of the licence is:

- (a) kept at the point of diversion,*
 - (b) posted or otherwise made available as required by the Director,*
 - (c) produced in accordance with Part 10, and*
 - (d) if the water is transported by a vehicle, kept in the vehicle while the water is transported.*
-

Information for the Water User Reporting System (WURS)

WURS is a secure internet website that is provided by Alberta Environment and Parks, for submitting measuring and monitoring results electronically.

<https://www.alberta.ca/water-use-reporting-system.aspx>

For more information on **enrolment** and for **instructions** for using WURS, please refer to the Guides and Manuals on the above [website](#).

To be setup with user access to WURS or to request that this TDL be setup in WURS,
you may submit an email request to WaterAct.Reports@aer.ca

Monthly Reporting (data)

Monthly reporting the data for water volume diverted is required for the entire TDL period (from Effective Date to Expiry or Cancellation Date). This includes:

- reporting “zero” during periods where no diversion of water occurs,
- reporting for cancelled TDLs,
- reporting for replaced TDLs, and
- reporting for suspended TDLs, until the TDL is expired.

Water Use Report (document)

In addition to monthly data reporting, the TDL *may* require the Water Use Report to be submitted within 30 days after the expiry or cancellation of the TDL. When required, the Water Use Report must be uploaded to WURS using the “[Add/View Ad-hoc Report](#)” link.

TDL cancellation requests will not be processed unless the TDL is setup for WURS reporting. This will apply even if there was no water used.