

PREFACE TO THE APPLICATION/EIS

HD Mining International Ltd. (HD Mining or Proponent) is proposing to develop the Murray River Coal Project (the Project) located 12.5 km southwest of Tumbler Ridge and within the boundaries of Treaty 8, in northeastern British Columbia. The proposed Project is an underground coal mine which will annually produce an estimated 6 million tonnes of metallurgical coal over 25 years.

The Project is subject to the requirements of the provincial British Columbia *Environmental Assessment Act* (BC EAA)(2002), as well as the federal *Canadian Environmental Assessment Act, 2012* (CEAA, 2012). This document represents both the Application for an Environmental Assessment (EA) Certificate (Application) in accordance with the requirements of the BC EAA, and an Environmental Impact Statement (EIS) in accordance with the requirements of the CEAA, 2012.

The document is collectively referred to as the Application/EIS and is being submitted to the British Columbia Environmental Assessment Office (BC EAO) and the Canadian Environmental Assessment Agency (CEA Agency) respectively, per the requirements of the BC EAA (2002) and the CEAA, 2012. The proposed Project is subject to the standard EA review process under the BC EAA (2002) and the CEAA, 2012. The BC EAO and CEA Agency have committed to coordinate their respective environmental assessment (EA) processes, and where possible to be consistent with the terms of the 2004 Canada-British Columbia Agreement for Environmental Assessment Cooperation (CEA Agency 2004).

After receiving HD Mining's Project Description (May 2012), the BC EAO initiated the provincial EA process by issuing an order under Section 10 of the BC EAA (2002) on June 29, 2012. The Order confirmed that "the proposed Project constitutes a reviewable project under Part 3 of the Reviewable Projects Regulation (BC Reg 370/2002), since the proposed Project would have a production capacity that exceeds 250,000 tonnes of clean coal per year". A Section 11 Order was subsequently issued by the BC EAO on December 14, 2012, which established per Schedule A of the Order the scope, procedures and methods for the EA of the proposed Project.

The proposed Project is a "designated project" under section 16(d) of the *Regulations Designating Physical Activities* (SOR/2012-147) as the coal production capacity will be 3,000 tonnes per day (tpd) or more. The federal EA process was initiated when the CEA Agency posted HD Mining's Project Description (March 2013) to the CEA Agency registry on April 15, 2013 and invited the public to submit written comments on the Project and its potential effects on the environment in order to assist the federal government in deciding whether an EA is required. After the 20-day public comment period, the CEA Agency posted the Notice of EA Determination to the registry on May 30, 2013 that indicated a federal EA is required pursuant to the CEAA, 2012. In making this determination, the CEA Agency considered the following factors as indicated in Section 10 of the CEAA, 2012:

- the description of the project provided by the proponent on April 4, 2013;
- the possibility that the carrying out of the project may cause adverse environmental effects; and
- comments received within the 20 day comment period.

The CEA Agency issued the Notice of Commencement of an EA on May 31, 2013 which indicated a federal EA pursuant to CEAA, 2012 is required.

The Application/EIS has been developed pursuant to the Application Information Requirements (AIR) (BC Environmental Assessment Office 2013) issued by the BC EAO and the Environmental Impact Statement Guidelines (EIS Guidelines) (CEA Agency 2013) issued by the CEA Agency on July 30, 2013. The AIR identifies the provincial information requirements for the Application and the EIS Guidelines identify the federal information requirements that must be included in the EIS. The Application/EIS has also been prepared to comply with relevant instructions provided in the BC EAO's Section 11 Order.

An EA Working Group (EA Working Group) for the Project was established on October 2, 2012 by the BC EAO (acting as the lead agency) and the CEA Agency to oversee the EA. The EA Working Group includes representatives of First Nations and local, provincial and federal government agencies, including:

- McLeod Lake Indian Band;
- Saulteau First Nations;
- West Moberly First Nations;
- Ministry of Aboriginal Affairs and Reconciliation;
- Ministry of Energy and Mines;
- Ministry of Environment;
- Ministry of Forests, Lands and Natural Resource Operations;
- Ministry of Jobs, Tourism and Skills Training;
- Ministry of Transportation and Infrastructure;
- Canadian Wildlife Service;
- Environment Canada;
- Fisheries and Oceans Canada;
- Health Canada;
- Natural Resources Canada;
- Transport Canada;
- Northern Health; and
- District of Tumbler Ridge.

The EA Working Group has been provided with opportunities to review and comment on key EA documents, including the draft AIR and draft EIS Guidelines. The EA Working Group will participate in the screening and formal review of the Application/EIS.

Relevant stakeholders were identified and interviewed and, where possible, were engaged to contribute to the collection of environmental and social baseline information and to the development of the Application/EIS. The public's contribution has been through opportunities to participate during public comment periods and open houses on the Notice of Commencement and AIR documents, and at additional open houses held by the Proponent. Additional consultation and public comment periods will be provided during the review of the Application/EIS.

REFERENCES

Definitions of the acronyms and abbreviations used in this reference list can be found in the Glossary and Abbreviations section.

2002. *Environmental Assessment Act*, SBC 2002. C. 43.

2012. *Canadian Environmental Assessment Act, 2012*, SC. C. 19. s. 52.

Reviewable Projects Regulation, BC Reg 370/2002.

Regulations Designating Physical Activities, SOR/2012-147.

BC Environmental Assessment Office. 2013. *Murray River Coal Project Application Information Requirements*. Government of British Columbia.
http://a100.gov.bc.ca/appsdata/epic/documents/p367/1378251043836_5f50ec19380477c5da22ca76d7db534fcd6b7fe5cd20eeb9ff1c168d06d83378.pdf (accessed May 2014).

CEA Agency. 2004. *Canada-British Columbia Agreement for Environmental Assessment Cooperation (2004)*. <https://www.ceaa-acee.gc.ca/default.asp?lang=En&n=04A20DBC-1> (accessed May 2014).

CEA Agency. 2013. *Environmental Impact Statement Guidelines, Murray River Coal Project, HD Mining International Ltd.* Government of Canada. <http://www.ceaa-acee.gc.ca/050/documents/p80041/94123E.pdf> (accessed May 2014).

Rescan. 2013. *Murray River Coal Project: Project Description*. Prepared for HD Mining International Ltd. by Rescan Environmental Services Ltd.: Vancouver, British Columbia.