



INFORMATION LETTER

MAY 08 1990

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Issue No. 1

MINE DEVELOPMENT REVIEW PROCESS

WINDY CRAGGY

COPPER/COBALT/GOLD/SILVER PROJECT

INTRODUCTION

This Information Letter is the first in a series of background information sheets on the Provincial Government review program for the Windy Craggy mining project. It is being circulated to you or your group if:

- o either you (or your group) responded to advertisements placed in newspapers by the provincial Mine Development Steering Committee or the project proponent, Geddes Resources Limited;
- o or you (or your group) have written to express interest in, support for, or concern over, the project;
- o or the Mine Development Steering Committee has reason to believe that you (or your group) would be interested in the review of this project.

The Windy Craggy project is being reviewed as part of the provincial Mine Development Review Process, which is a staged project review procedure. The process involves government agencies, Native groups, and the interested public in a comprehensive reporting and consultation process. Background material on the Mine Development Review Process is attached for your information.

Since 1976, the Mine Development Review Process has initiated environmental and socio-economic reviews for more than 140 projects, ranging from large coal mines in northeastern and southeastern British Columbia to small, sometimes short-lived gold mines in the Province's northwestern region.

STAGE I SUBMISSION

The main purpose of this first Information Letter is to notify you of where you may locate copies of the proponent's Stage I submission for the Windy Craggy project for review purposes. This five-volume submission of Geddes Resources Limited presents an environmental and socio-economic impact assessment of all of those components of the project which fall within Canada, focussing primarily on the minesite, the access haul road and the workforce settlement implications.

Government agencies and libraries where the Stage I submission will be available to the public for viewing include the following:

UNITED STATES

HAINES

Haines Municipal Building
City of Haines
Junction of Third Avenue/Haines Highway
Haines, Alaska

Haines Borough Public Library
207 Third Avenue South
Haines, Alaska

Haines Municipal Building
Borough of Haines
Junction of Third Avenue/Haines Highway
Haines, Alaska

JUNEAU

Juneau Public Library
292 Marine Way
Juneau, Alaska

Juneau Municipal Building
155 South Seward Street
Juneau, Alaska

SKAGWAY

Skagway City Hall
7th & Spring Street
Skagway, Alaska

Skagway Public Library
8th & State Street
Skagway, Alaska

YAKUTAT

Yakutat City Hall
Yakutat, Alaska

CANADA

ATLIN

Government Agent's Office
Third Street
Atlin, British Columbia

FORT ST. JOHN

Fort St. John Public Library
10349 - 100th Street
Fort St. John, British Columbia

HAINES JUNCTION

Department of Fisheries and Oceans
Haines Junction, Yukon

Village of Haines Junction
Haines Junction, Yukon

KAMLOOPS

Kamloops Public Library
101 - 63 West Victoria Street
Kamloops, British Columbia

PRINCE GEORGE

Prince George Public Library
887 Dominion Street
Prince George, British Columbia

SMITHERS

Smithers Public Library
 Alfred Avenue
 Smithers, British Columbia

Min. of Energy, Mines and Pet. Res.
 Engineering and Inspection Branch
 3793 Alfred Avenue
 Smithers, British Columbia

Ministry of Environment
 Skeena Region
 Waste Management Branch
 3726 Alfred Avenue
 Smithers, British Columbia

TERRACE

Terrace Public Library
 4610 Park Avenue
 Terrace, British Columbia

VANCOUVER

Simon Fraser University
 University Library
 Burnaby Mountain Campus
 Burnaby, British Columbia

University of British Columbia
 Main Library
 (old building in front of clock tower)
 Vancouver, British Columbia
 * Check Main Stack
 Call No. TD195M5W551990

West Vancouver Public Library
 1950 Marine Drive
 West Vancouver, British Columbia
 * Check with reference librarian.

Vancouver Public Library
 750 Burrard Street
 Vancouver, British Columbia
 * Check in Current Items
 Index in the Science and
 Technology Division.

Min. of Energy, Mines and Pet. Res.
 Geological Survey Branch
 Room 159, 800 Hornby Street
 Vancouver, British Columbia

VICTORIA

Greater Victoria Public Library
735 Broughton Street
Victoria, British Columbia

* Ask for assistance at information
desk located on 2nd Floor.

Ministry of Environment
Environmental Assessment Branch
3rd Floor, 777 Broughton Street
Victoria, British Columbia

Min. of Energy, Mines and Pet. Res.
Engineering and Inspection Branch
Room 105, 525 Superior Street
Victoria, British Columbia

Min. of Energy, Mines and Pet. Res.
Library
Room 430, 617 Government Street
Victoria, British Columbia

WHITEHORSE

Whitehorse Public Library
2071 Second Avenue
Whitehorse, Yukon

Whitehorse City Hall
2121 Second Avenue
Whitehorse, Yukon

STAGE I REVIEW COMMENTS

It would be appreciated if you (or your group) would forward any written review comments on the Stage I submission to the Mine Development Steering Committee. The mailing address is as follows:

Norman Ringstad *
Acting Chairman
Mine Development Steering Committee
c/o Engineering and Inspection Branch
Ministry of Energy, Mines and Petroleum Resources
Room 105, 525 Superior Street
Victoria, British Columbia
Canada
V8V 1X4

* Mr. Norman Ringstad has replaced Mr. Raymond L. Crook as Acting Chairman of the Mine Development Steering Committee.

In order to facilitate the review of the Stage I submission, it would be helpful if comments could be received by the Steering Committee by no later than May 31, 1990. However, review comments will be accepted after that date.

FURTHER PROJECT REVIEW

Following the completion of the Steering Committee's review of the Stage I submission, terms of reference for Stage II studies will be provided to Geddes Resources Limited, with additional studies to be focussed on any deficiencies identified during the Stage I review. Public review comments which are received before May 31, 1990, will be taken into account in drafting the Stage II terms of reference.

It should be noted that a decision has been taken to require a Stage II submission for the Windy Craggy project without awaiting completion of the Stage I review. Normally, such a decision is taken at the end of Stage I, based on the Stage I review itself, as explained in the attached background information on the review process. However, the proponent was unable to complete all of the studies required by government agencies in 1989, prior to finalizing the Stage I submission in early 1990, so that certain gaps in the Stage I documentation are recognized. A Cabinet approval-in-principle decision on the Windy Craggy development (covering both mine and road access) is now scheduled for the end of Stage II.

OTHER OPPORTUNITIES FOR PUBLIC INPUT

In addition to responding in writing to the Mine Development Steering Committee on the Stage I submission, the public will have the opportunity to direct specific enquiries to representatives of Geddes Resources Limited during a series of upcoming public meetings. These meetings will be hosted by the project proponents and will take place in a number of communities in British Columbia, the Yukon and Alaska. Geddes Resources Limited will be advertising the specific locations and times of these meetings in local newspapers. A brief project summary, prepared by the proponent, is available by writing to:

Geddes Resources Limited
Guinness Tower
1080 - 1055 West Hastings Street
Vancouver, British Columbia
V6E 2E9
Ph: (604) 682-2392

NEXT INFORMATION LETTER

The next Information Letter will summarize key points and conclusions which emerge from the Stage I review.

April 25, 1990



BRITISH COLUMBIA'S MINE DEVELOPMENT REVIEW PROCESS

THIS DOCUMENT

This document presents a brief outline and explanation of the Mine Development Review Process.

AUTHORIZATION AND APPLICABILITY

The Mine Development Review Process (or MDRP) is the Province's standard review mechanism for mining proposals. The review process was originally established at the direction of the Provincial Cabinet's Environment and Land Use Committee (or ELUC). While the ELUC still functions, its responsibilities for the MDRP have now been assumed by the newly-created Cabinet Committee on Sustainable Development (or CCSD). The Ministers of Regional and Economic Development and Environment serve as Co-Chairmen of the CCSD, and 12 other Cabinet Ministers are also members.

The Provincial Government intends shortly to introduce a new **Mine Development Review Act**. The proposed Act will strengthen the MDRP, partly by enhancing opportunities for public participation. For the present, however, all coal and hardrock mineral mines are potentially subject to the MDRP as a matter of ELUC (and now CCSD) working policy, rather than as a legislated requirement. Subject mining projects include not only new full-scale production ventures, but also major expansions or modifications of existing mining operations. The MDRP is also applied to some pilot production ventures. Project review is comprehensive, and embraces not only the mining operations themselves, but also any off-site infrastructure which is to be dedicated to a particular mine (such as an access road, rail spur, transmission line or local hydro-electric scheme, port facility and/or any special settlement/community servicing requirements).

For some classes of mining activity, less elaborate inter-agency referral mechanisms are implemented for review purposes. Thus, the MDRP is not applied to some small pilot production projects, or to placer operations, sand and gravel operations, stone quarries or exploration activities.

HISTORICAL BACKGROUND

Coordinated mine reviews date from March of 1976, when the ELUC published the **Guidelines for Coal Development**, and instituted the Coal Guidelines Review Process for coal developments. In April of 1979, the Ministry of Energy, Mines and Petroleum

Resources published the **Procedures for Obtaining Approval of Metal Mine Development**, thereby instituting the parallel Metal Mines Guidelines Review Process for mineral mining operations. In 1984, the ELUC combined the two review procedures, superseding them with the MDRP.

As of December 31, 1989, 144 projects (47 coal and 97 mineral) had entered the MDRP and its antecedent coal and metal mine review processes. Of these, 80 had reached Stage III, and of this number, 56 had actually commenced construction. Many of the latter projects are now full producing mines, while mining has been completed at a few, which are now closed. A project list is available from the Mine Development Steering Committee on request.

GOAL

The overall goal of the MDRP is dual-purpose:

- o On the one hand, the process strives to ensure that projects are technically sound and publicly acceptable, and that environmental, socio-economic and community issues have been adequately addressed.
- o On the other hand, it attempts to expedite reviews and facilitate decisionmaking in order to minimize project delays which may hinder the realization of social and economic benefits locally, regionally and provincially.

ADMINISTRATION

At the working level, the MDRP is administered and coordinated by the Mine Development Steering Committee (or MDSC). The committee currently consists of senior government representatives from six provincial Ministries:

- o The Ministry of Energy, Mines and Petroleum Resources (Chairman).
- o The Ministry of Environment.
- o The Ministry of Municipal Affairs, Recreation and Culture.
- o The Ministry of Transportation and Highways.
- o The Ministry of Regional and Economic Development.
- o The Ministry of Native Affairs.

Recently, the MDSC has begun to delegate the reviews of relatively small or simple projects to a new system of six multi-agency regional committees (the Regional Mine Development Review Committees or RMDRCs) for local handling by regional permitting staff. These committees are based in Smithers, Prince George, Kamloops, Fernie/Nelson, Vancouver and Nanaimo.

APPROACH

The MDSC attempts to achieve the dual goals of the review process by pursuing the following more specific objectives:

- o To function as an effective "one window" point of contact for mining companies and other participants in the MDRP.
- o To sponsor a comprehensive, credible and widely understood review process.
- o To organize expedient and efficient coordination of government agency review activities.
- o To arrange circulation of project information outside provincial and federal agencies, and to ensure adequate consultation with the public and with specific local governmental, Native and non-governmental groups and interests.
- o To ensure that government technical requirements are realistically staged to correspond to company progress with project planning.
- o To promote early identification of potential environmental, socio-economic/community and financial impacts, and to focus particular attention during subsequent review on developing impact management measures which will eliminate impacts, where possible, or which will, at minimum, reduce them to acceptable levels.
- o To foster the consistent application of government requirements across the Province.
- o To seek resolution of major policy and technical issues by Cabinet or other appropriately senior management levels in government.

TECHNICAL FOCUS

In general terms, the intent of the MDRP is:

- o To generate an accurate and detailed project description.

- o To identify potential environmental, socio-economic/community and financial impacts and implications at an early stage.
- o To manage these potential impacts to reduce them to acceptable levels.

The **socio-economic focus** of the MDRP is essentially:

- o To calculate the overall local and regional population impact of a proposed mine, based on reasonable estimates of both direct and indirect/induced job creation.
- o To use these calculations to determine the adequacy of local community services (such as sewage disposal, water supply, etc.) to meet any projected net population influx arising from a project.
- o To assess the implications of upgraded service requirements for local government finances.

From a **technical and environmental perspective**, the intent is:

- o To assess and effectively manage potential impacts on the land base, air, water, fish and wildlife resources, recreational and aesthetic values, and heritage resources, and on the users of these resources.
- o To guide mine proponents towards eventual acquisition of specific construction and operating approvals, as prescribed by statute.

Detailed **economic evaluations** of project viability may form part of the MDRP in certain situations, such as:

- o Where the proponent is requesting public sector funding assistance (e.g. for development of off-site infrastructure).
- o Where potential impacts could be major unless effectively managed, and where there is therefore a need to determine the affordability of the proposed impact management strategies (these may be costly).

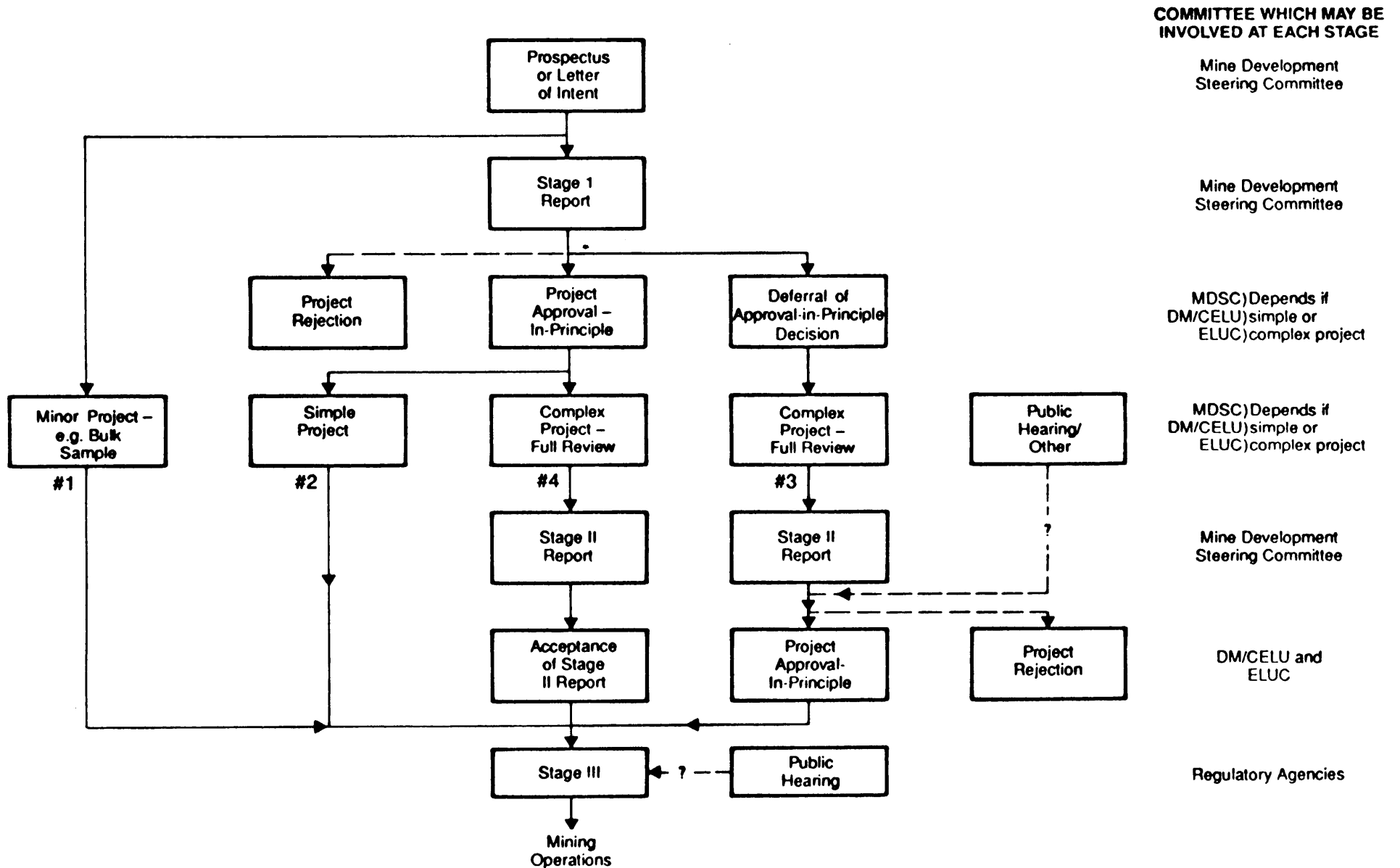
Detailed economic evaluations of this type are normally conducted on a confidential basis.

STAGING OF PROJECT REVIEW (see chart of review tracks)

Initially, where a project is potentially subject to the MDRP, the mine proponent files a brief introductory **prospectus**, which:

- o Introduces the project to government agencies and non-governmental interests.

MINE DEVELOPMENT REVIEW PROCESS ALTERNATIVE REVIEW TRACKS



- o Allows the MDSC to make a decision about whether the MDRP should be applied, based on perceived impact potential.
- o Triggers the preparation of Stage I study terms of reference by the MDSC in cases where the MDRP is to be applied.

At **Stage I**, the proponent is expected to file a report which:

- o Describes the project in detail.
- o Presents a detailed impact assessment, tailored to the issues identified in the Stage I study terms of reference.
- o Proposes adequate impact management strategies.
- o Sets the stage for an approval-in-principle decision at the end of the Stage I review.

Under the MDRP (that is, since 1984), where a **Stage II** report is required, this normally indicates that the Stage I report was considered deficient in certain respects. Thus Stage II of the process is optional, and where required, the proponent is then expected to file a report which:

- o Focusses on identified deficiencies (as outlined in Stage II study terms of reference prepared by the MDSC).
- o Completes outstanding impact assessment requirements.
- o Upgrades or finalizes proposed impact management strategies.
- o Sets the stage for an approval-in-principle decision at the end of Stage II, that decision having been deferred at the end of Stage I.

All projects, including those waived through Stages I and/or II, must pass through **Stage III** (the licencing stage). At this stage, project designs are finalized, and detailed permit applications are filed by the proponent and processed by regulatory agencies. Permitting should be relatively routine, even for complex projects, providing that earlier stages of review have been comprehensive. At Stage III, on a project-specific basis, there may be outstanding issues of a non-permitting nature which also require resolution (e.g. connected with wildlife impact management or community servicing requirements).

APPROVAL-IN-PRINCIPLE DECISION

Approval-in-principle may be granted following the filing of a prospectus (for projects which raise only minor or routine issues), or at the end of either Stage I or Stage II, depending on the degree of complexity of the issues raised during project reviews. Approval-in-principle is granted when all major policy issues have been resolved, and when all technical issues are known to be resolvable by affordable means.

The level of design necessary for approval-in-principle varies from project to project, but may be very detailed for complex or difficult projects. Nonetheless, final project designs, such as are necessary to support applications for specific permits, are not generated until Stage III (the licencing stage), which follows approval-in-principle. By working policy, until approval-in-principle is granted, no statutory construction or operating approvals will be issued by any government agency, although permit applications are often filed in advance of approval-in-principle to facilitate project review.

The approval-in-principle decision is normally taken by the CCSD (by the ELUC until recently) for complex or difficult projects, and by the MDSC or the RMDRCs for straightforward projects. When issued, approval-in-principle is subject to a time limit of five years, after which, if the project has not proceeded, the decision may be subject to review.

PARTICIPANTS

As noted above, the **Cabinet Committee on Sustainable Development** now sponsors the review process, and reserves for itself final decisionmaking authority. It may issue direction on major policy and technical issues, as well as making the approval-in-principle decision for complex or difficult projects. All business items which the MDSC wishes to refer to the CCSD are first reviewed by a committee of Deputy Ministers, the **Deputy Ministers' Committee on Sustainable Development and Environment and Land Use**.

The **Mine Development Steering Committee** has the working-level responsibility for the administration and coordination of the MDRP, is the primary contact point for all participants, and either makes the approval-in-principle decision or makes recommendations in this regard to CCSD. As noted above, the MDSC may delegate the review of some straightforward projects to one of six new **Regional Mine Development Review Committees**.

The lead agency for the MDRP, the **Ministry of Energy, Mines and Petroleum Resources**, chairs the MDSC and all RMDRCs, and provides administrative and technical support to these committees.

The **mine proponent** is a key actor, being responsible for producing detailed project plans, conducting impact assessments in accordance with government terms of reference, developing acceptable impact management strategies, and handling much of the public consultation required by the process.

The **provincial Ministries** are extensively involved in the process, with up to sixteen of the current total of twenty-three Ministries being consulted during a particular review. It is their task to ensure, through their participation, that mining activities proceed in a manner which is consistent with the Province's policies and programs. Provincial agencies tend to focus on natural resources issues (except those related to anadromous fish), the issuance of statutory approvals, and social service delivery.

Similarly, as many as six **federal Departments** may be involved in project reviews, in order to ensure that federal concerns are adequately addressed. Federal agencies tend to focus on anadromous fisheries and fish habitat issues, Native issues, potential impacts on the National Parks system, and transprovincial or international issues (such as those covered by the **Boundary Waters Treaty** or the **International River Improvements Act**).

All submissions are circulated to interested or potentially affected **local governments** for their review and comment. Individual **municipal councils** and **regional district boards** are identified for the MDSC by the Ministry of Municipal Affairs, Recreation and Culture. Local governments forward their feedback to the MDSC, either directly or through that Ministry.

Similarly, all submissions are circulated to interested or potentially affected **Native groups**, with individual **Tribal Councils** and **Band Councils** being identified for the MDSC by the Ministry of Native Affairs and Indian and Northern Affairs Canada.

PUBLIC INVOLVEMENT

Formal mining company submissions to the MDSC automatically become public documents, when filed, and are circulated to public libraries in the local region of development, as well as to any identified local interest groups (as soon as proponents or the MDSC become aware of them). Government review comments on a particular submission are also available on request from the MDSC.

In addition, organized public consultation may be arranged. By long-standing provincial policy, mine proponents are considered primarily responsible for arranging and engaging in public consultation. Proponents are expected to set up meetings, or attend those set up by others, to discuss their projects. If major public concerns emerge, government staff may become involved in the public consultation process by attending meetings. The CCSD may convene non-judicial public forums or quasi-judicial hearings where this step is considered necessary to ensure a full airing and investigation of public concerns. The Province may

also set up joint hearings with the Federal Government (with the latter operating under the federal Environmental Assessment and Review Process) in cases where key areas of federal jurisdiction are involved.

FOR FURTHER INFORMATION

For further explanation or information on the MDRP, write to:

Chairman
Mine Development Steering Committee
c/o Engineering and Inspection Branch
Mineral Resources Division
Ministry of Energy, Mines and Petroleum Resources
Parliament Buildings
Victoria, British Columbia
V8V 1X4

ABBREVIATIONS

For convenience, the following is a comprehensive listing of all abbreviations used in this document:

- o CCSD - the Cabinet Committee on Sustainable Development.
- o ELUC - the Environment and Land Use Committee of Cabinet.
- o MDRP - the Mine Development Review Process.
- o MDSC - the Mine Development Steering Committee.
- o RMDRCs - the Regional Mine Development Review Committees.

1990-04-25