



## NAK'AZDLI BAND COUNCIL

P.O. Box 1329, Fort St. James, B.C. V0J 1P0  
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February 18, 2013

By Fax

Environmental Assessment Office  
1st Floor, 836 Yates St.  
PO Box 9426 Stn Prov Govt  
Victoria, BC V8W 9V1

Attention: Derek Sturko, Associate Deputy Minister

**Re: Proposed Amendment to the Mount Milligan Gold/Copper Project - Environmental Assessment Certificate #M09-01**

Dear Sir:

As you are aware, in April 2012 Thompson Creek Metals Company Inc. (the "Proponent") sought two amendments to its environmental assessment certificate issued on March 16, 2009. We are aware that as per section 19 of the Environmental Assessment Act, you are the Executive Director and, unless you have elected otherwise, the decision maker for these proposed amendments.

Following an amendment process compelled by the Environmental Assessment Office (the "EAO"), we have been informed that the EAO will now forward its recommendations and report to your attention for a decision. This letter and its enclosures are our separate submission to you.

We enclose the following documents for your attention and review:

1. Letter to the EAO from Nak'azdli dated October 18, 2012, substantively reviewing the Application for Amendments;
2. Letter to the EAO from Dr. Junis Shandro, PhD, dated October 11, 2012, and attached as Appendix C of Nak'azdli's letter of October 18, 2012;
3. First Nations Tracking Table, with Nak'azdli's response to the Proponent's comments; and

4. Letter to the EAO from Nak'azdli dated January 25, 2013, reviewing the Draft First Nations Consultation Report.

These documents set out Nak'azdli's position regarding the proposed amendments, and we confirm that the EAO is in possession of them all. In addition, we would like to bring your attention to some specific concerns, which are set out in this letter.

Nak'azdli does not support the proposed amendments. Contrary to the EAO's conclusions, it is our belief that the proposed amendments will result in significant and adverse impacts to our community, people, and land. However, in light of the position expressed by the EAO in the Draft First Nations Consultation Report and the potential approvals, it is our duty to ensure that we mitigate against the damage from such approvals.

Should the proposed amendments be approved, it is our position that such approval should not be absolute, but contain conditions. In addition to those recommended by the EAO, we have set out further conditions which we believe are necessary to ensure the protection and integrity of our people and land. These are set out at pages 4 to 6 of our letter dated January 25, 2013. We strongly urge you to consider and apply these conditions. Of particular importance to Nak'azdli are the issues of compliance and monitoring.

As set out at pages 13 and 14 of our letter dated October 18, 2012, and page 5 of our letter dated January 25, 2013, we believe that independent environmental monitoring is required. It is our experience that the current monitoring in place is ineffective, and that the current procedures for transparency and reporting are inadequate. Please note that Nak'azdli has raised the issues of environmental monitoring with the Proponent (including through the Community Sustainability Committee [the "Committee"]) and the EAO, both of whose responses have been entirely inadequate. For example, when sewage and diesel spills occurred in 2011, Nak'azdli was not advised of these spills by the Committee, the Proponent or the EAO, nor was it included in the clean-up plan. We understand the difficulty the EAO faces with monitoring after certificates, permits and licences have been approved. We believe that Nak'azdli should be allowed to directly participate in monitoring, either as a liaison or otherwise hired by and reporting to Nak'azdli, and that this monitoring should be funded by the Proponent.

While the EAO has set out conditions for the certificates, we note that there are no express consequences set out in the event that the Proponent fails to comply. For example, under its current Certificate, the Proponent is required to provide environmental reports. To date we have only received one report from 2011, and our requests for further environmental information from the Proponent have often gone ignored. It is our view that strict recourse is required to ensure that the certificates, and conditions therein, are meaningful, upheld and honoured. We are aware of the staffing limitations the EAO faces with regards to enforcement. Again, we believe that Nak'azdli should directly be involved, and that such a liaison or monitoring position should be hired by and report to Nak'azdli, and be funded by the Proponent. This is especially true given recent events.

As you may or may not be aware, the Proponent recently undertook land clearing/site preparation work at the Mount Milligan site, which was not authorized under its current

Certificate #M09-01, and would have been a breach of the draft condition proposed by the EAO requiring at least 30 days' notice prior to the commencement of any such clearing/preparation work. We enclose the letters of Ms. Shelley Murphy dated January 21, 2013 and February 8, 2013 respectively, advising us of the actions of the Proponent, and the subsequent actions of the EAO.

While we appreciate Ms. Murphy's candour and promptness in providing us with information, the events as reported are troubling. As disappointing as it is that the Proponent chose to proceed with work which is to the subject of the proposed amendments of the EA certificate prior to actual approval, the EAO's response, or lack thereof, is even more upsetting. As set out at pages 3 and 4 of Ms. Murphy's letter dated February 8, 2013, the EAO has deemed the actions of the Proponent acceptable as they were in accordance with the EAO's proposed conditions. However this ignores the fact that such actions are not authorized to begin with, and that the proposed amendments have not yet been approved. In our opinion, the EAO has basically chosen to disregard the non-compliance of the Proponent, and decided that its recommendations are in effect the decision that will be made regarding the amendments. As the EAO is not itself the decision maker, this simply cannot be the case. Further, the recourse set out by the EAO in the event of any additional compliance issues is simply to impose additional conditions. This is entirely inadequate and defeats the purpose of the environmental assessment process, which requires a proponent to obtain the appropriate authorization prior to taking any actions. In our view, by not penalizing the Proponent for its action, the EAO is condoning the non-compliance, setting a bad precedent. If this is how the EAO is going to respond to non-compliance or breaches of certificate conditions, then we have little faith in the EAO's ability to protect the interests of all those affected by this Project and its amendments.

Further, at page 4 of Ms. Murphy's letter dated February 8, 2013, she has advised that the EAO is uncertain which regulation applies to the sewage system of the proposed Camp. As set out in our letter of October 18, 2012, the issues of sewage, effluent discharge and waste are of great concern to Nak'azdli. Instead of determining the governing regulation, the EAO is proposing that the Proponent develop a plan "to the satisfaction of the Ministry of Environment". If the Ministry of Environment does not know which regulation applies, how can it be sure that the plan developed by the Proponent is appropriate and satisfactory? How will it know what recourse it will have to enforce the plan? This uncertainty needs to be addressed immediately, and prior to approval of the proposed EA certificate amendments.

These proceedings reinforce our belief that in the event the proposed amendments are approved, strict conditions, including those set out by Nak'azdli, should be included in the certificates, with clear penalties and recourse for any breaches. In addition, funding should be provided to Nak'azdli to allow it to be involved with monitoring and enforcement.

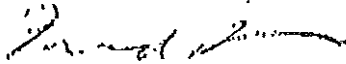
Please note that we will be sending a copy of this letter to the Office of the Auditor General of British Columbia. As you are likely aware, in 2011 their office released a report entitled "An Audit of the Environmental Assessment Office's Oversight of Certified Projects"<sup>1</sup>, which concluded that the EAO was "not providing sufficient oversight, evaluating the effectiveness of mitigation measures, or providing appropriate accountability information to the public".

<sup>1</sup> <http://www.boaudit.com/pubs/2011/report4/audit-bc-environmental-assessment-office-EAO>

Specifically, it found that the EAO was "not ensuring that certificate commitments are measurable and enforceable, monitoring responsibilities are clearly defined, or that compliance and enforcement actions are effective". Recommendations made included "conducting evaluations to determine whether environmental assessments are avoiding or mitigating the potentially significant adverse effects of certified projects" and "providing appropriate accountability information for certified projects". We are aware that the EAO is in the process of implementing all of the Auditor General's recommendations. We believe that the Auditor General's findings apply in this situation.

We hope that this letter and its enclosures will provide you with a better understanding of Nak'azdlf's concerns. Thank you for your time and consideration.

Sincerely,

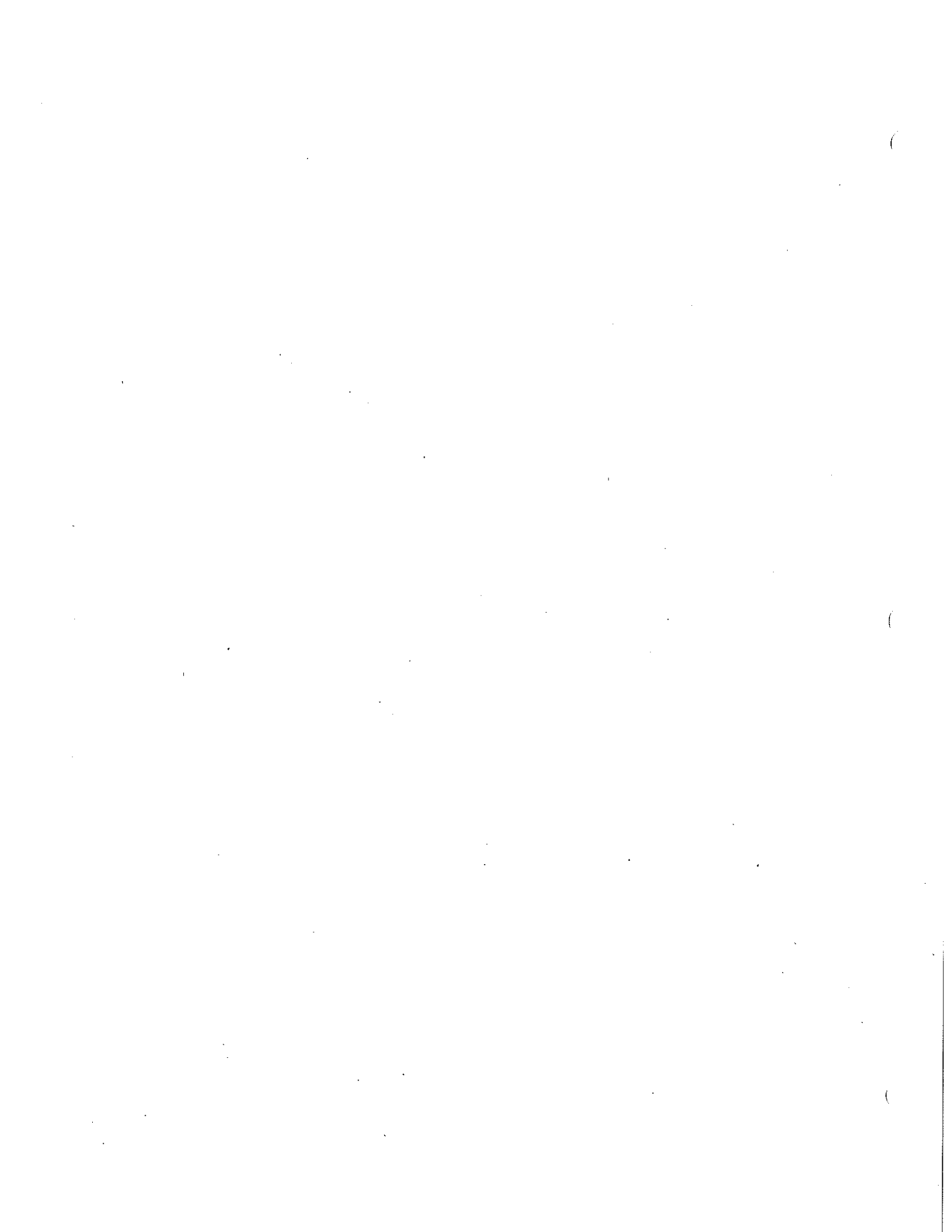


Chief Fred Sam

Enclosures

Cc: Anne Marie Sam

Office of the Auditor General of British Columbia  
Shelley Murphy, Executive Project Director  
Peter Grant & Associates





## NAK'AZDLI BAND COUNCIL

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October 18, 2012

### By Email and Fax

Environmental Assessment Office  
1st Floor, 836 Yates St.  
PO Box 9426  
Stn Prov Govt  
Victoria, BC V8W 9V1

Attention: Shelley Murphy

**Re: Review of Application for Amendments to EA Certificate M09-01 Issued February 26, 2009, Mt Milligan Mine**

Dear Madame:

Further to our letters of September 21, 2012 and October 5, 2012, this letter is our substantive response and comments to the Application for Amendments to EA Certificate M09-01 Issued February 26, 2009, Mt Milligan Mine (the "Application").

Please be advised that we oppose the Application and its amendments, for both the relocation of the load out facility and the establishment of a permanent camp. It has been our position from the beginning that the proponent is not committed to the best interests of our community, and this has been reinforced by the proposal of these amendments and the information provided in the Application. It is our opinion that the data and conclusions presented by the proponent in the Application and its supporting documents are inaccurate and skewed, and should be given little or no weight. Taken together, we believe that the negative impacts associated with the proposed amendments far outweigh any related positive benefits.

As you are aware, the District of Fort St. James is a small community. The proponent's Application asserts that "neither the use of a Mackenzie load-out facility nor the establishment and use of an on-site camp for the operations phase are expected to result in any relevant significant adverse effects"<sup>1</sup>, and that the socio-economic effects are "not significant" (in the

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<sup>1</sup> See Environmental Assessment Amendment prepared by Triton Environmental Consultants, for example page 15.

case of the load-out facility relocation) and may even be “slightly positive” (in the case of the permanent camp)<sup>2</sup>. However, the reality is that in a small community like ours adverse impacts, including economic and social, are felt by everyone and as such will be significant. In our opinion, the proponent has not only ignored important factors that should have been considered and have a profound effect on the analysis of the Application, but it has also failed to apply the appropriate analysis given the demography in this situation.

### **The Application**

Like many northern communities Nak’azdli has been severely affected by the decline in various industries, especially that of the forestry sector. Availability of resources and services, including jobs, housing, and medical and social services, are an ongoing concern. In addition, we have an obligation to protect the ability of our people, both present and future, to exercise our aboriginal rights and title in our traditional territory. The proponent’s proposal of a permanent camp and relocation of the load out facility have a significant, negative impact on these matters.

### **Comments and Concerns Regarding the Permanent Camp**

The fact that that the location of the camp will be within the area already approved for the mining project does not mean that the adverse impacts on our people are reduced. Contrary to what has been represented to the EAO by the proponent<sup>3</sup>, we do have concerns regarding the establishment of a permanent camp.

### *Economy*

When the mine was first proposed it was praised by others as being a boost to our local economy. The proponent promised to be different, to work with the surrounding communities and create benefits that would endure beyond the life of the mine. It said that there would be no camp, and would focus on recruiting local labourers and suppliers. It further represented that the project would provide training and opportunities for unskilled workers, and that it would actively work with local First Nations.

To date Nak’azdli has seen little economic boost to our community. Few of our people have benefitted from additional jobs or training. Although the proponent has “invested” in training, that is, it provides the training course, it fails to discuss or consider the following issues:

- To attend the training course Nak’azdli members must often quit their current jobs. This means that they have no source of income or funds for the cost of living. While Nak’azdli does provide some members with “education training funds”, funds are limited and applications for these funds require 8 months’ notice to allow Nak’azdli to properly plan and budget for such expenditures.

<sup>2</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012, for example page 1.

<sup>3</sup> See for example Mount Milligan EA Amendment Application - Public Engagement Report Draft August 29, 2012, page 4.

- Courses are planned without any input from Nak'azdli, and are usually offered on short notice, with our members getting as little as one week's notice of the start of a course. This results in members rushing to apply for funds on short notice and causing hardship on Nak'azdli. We are seeing the applications for education training funding increase, but we do not have the means to be able to adequately provide for all those in need.
- Our members have reported that the training course is advertised as a means of making lots of money, and being able to get a job at the mine. However, in reality these individuals are actually in competition with other, more experienced, applicants and there is no guarantee that those who complete the course will obtain employment at the mine. This only increases the dis-illusion of the younger members of our community. We had raised this specific issue with the proponent years ago but it has refused to address this serious issue of ensuring employment for our members who are trained.
- The training course also fails to advise attendees of the difficult lifestyle involved in working at a mine, especially one with a camp.

The overall result is that our members are being given unrealistic expectations with regards to jobs and income, and are set up to fail.

As well, despite the proponent's earlier stance, there seems to be a lack of local contracting, which we know has also been seen by the community of Fort St. James. Up until March 2012 it could have been argued that the skills of our community were going to be used later in the process, after mine construction had been completed. We now believe that that is no longer the case.

The proponent itself has confirmed that the establishment of a permanent camp is meant to attract workers from outside our local communities<sup>4</sup>. Specifically, the supporting documents provided by the proponent state that:

- Local construction workers seem better qualified for camp construction.<sup>5</sup>

This, in our interpretation, means that as a result of the proposed amendments the proponent may hire local workers to construct the camp (which the proponent has admitted will only provide short term employment and income), but is less likely to do so for mine operations.

- The camp will "serve to attract more workers from neighbouring communities... that otherwise may not have been willing to relocate to Fort St. James..."<sup>6</sup>. The proponent further reports that as employees will work a 4 day on, 4 day off schedule, it "will be

<sup>4</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012.

<sup>5</sup> Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012. Page 18.

<sup>6</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012. Page 21.



most attractive for residents of the region as (it) does not support long travel times to and from residences elsewhere in the country”<sup>7</sup>.

However this no longer seems to be the case given that the proponent has stated that it is considering 7 day on, 7 day off shifts, or longer, for employees.<sup>8</sup> Obviously this longer schedule will support long travel times and be attractive to those living outside of the region and even the province. Regardless, in our opinion, providing a camp will attract those who would not otherwise have applied for employment at the mine. This means more competition, and fewer jobs for our community.

- The permanent camp will increase the number of potential fly-in/fly-out workers.<sup>9</sup>

As mentioned above, we believe that this will result in far more workers from outside our area, region and even the province.

It seems clear that the establishment of a permanent camp will result in jobs going to workers outside of our local communities. This is a major concern as we have seen Nak’azdli members leave their traditional jobs for potential training and employment at the mine. However, they are now finding that they are unable to obtain jobs due to the lack of local hiring. As in many First Nation communities, unemployment is a major issue to Nak’azdli.

In addition, while the proponent may argue that it needs to establish a permanent camp and change the work schedule to attract workers<sup>10</sup> (who we believe will be from outside our communities), there is no evidence provided by the proponent of not being able to attract local workers. There are no statistics of the number of applicants, or shortage thereof, or their lack of credentials. There is also no evidence that it is the work schedule that is keeping people from applying at the mine or hindering the proponent from competing with other employers in the region. Factors such as job stability, pay, project viability, and employer, are all matters that can affect whether or not a person applies for a job. Often people prefer not to apply to a company that does not seem financially secure, and has just cut back on projects and laid off workers, as in the case of the proponent<sup>11</sup>. There is simply no guarantee that a permanent camp will result in easier hiring for the proponent. However, we believe that a permanent camp will undoubtedly result in a negative impact to our people as set out herein.

The proponent has repeatedly assured the public that it would contribute to our long-term social, economic and environmental sustainability.<sup>12</sup> As raised by the District of Fort St. James in its comments to the proposed amendments, back in 2010, the District of Fort St. James was already

<sup>7</sup> See Appendix C of the Application dated April 16, 2012 - email of Jocelyn Fraser to Rob MacDougall dated March 12, 2012.

<sup>8</sup> See for example Memo to Shelley Murphy from David Bailey dated September 4, 2012.

<sup>9</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012. Page 24.

<sup>10</sup> For example, see Appendix C of the Application dated April 16, 2012 - email of Jocelyn Fraser to Rob MacDougall dated March 12, 2012.

<sup>11</sup> See for example article by Reuters Canada

<http://ca.reuters.com/article/businessNews/idCABRE8920TP20121003>.

<sup>12</sup> See for example <http://www.mtmilligan.com/files/community.php>.

in talks with potential developers to build a new housing development. It was made clear to the proponent there was (and still is) a dire need of new housing in Fort St. James. The proponent expressed keen interest and commitment in developing residential housing in Fort St. James, specifically, a 50-60 unit townhouse development. To that end, the District changed its developmental plans and sold the lots to the proponent.<sup>13</sup>

As reported by the District of Fort St. James, two years later there still has been no development and the lots are being used as a parking lot. The proponent has now stated that it will build 28 units, of which only 5 are single family homes. While there are continued promises from the proponent that it will find another party to develop the rest of the land, we have seen no evidence of follow up on this matter to date.

In the meantime, we have seen an influx of people into the Fort St. James region simply on the speculation of work at the mine. This has caused housing prices to skyrocket. Our band members living off-reserve have seen their rent increase substantially, to the point where many are no longer able to afford housing. This is especially true for our vulnerable, and often female, members and single parent families. Many of these members now find themselves unable afford to live and remain in our community and, being unable to find local employment, are being forced to move away to find jobs elsewhere. This causes a further loss of our community members.

In response, the proponent has argued that the establishment of a permanent camp will ameliorate the housing crisis by relieving housing demands. However, this is speculative. The reality is that the speculation of potential work at the mine alone has been a major source of the influx of people<sup>14</sup>, resulting in the rise in housing prices. That is, the potential of work was enough to cause this increase. Unless the proponent is prepared to tell the public that there will be no potential for work from moving to the area, it is likely that this housing problem will continue.

Compounding our concern is the fact that this housing issue has been caused by the proponent, but that it could be avoided, or at least alleviated, if the proponent would simply follow through with its original promise to have no camp and invest in developing housing in Fort St. James to the full extent initially planned. It is a promise which the District of Fort St. James, in which Nak'azdli is situated, relied and acted upon, including selling the residential lots to the proponent. In return, the proponent has changed its original plans and as a result, the community members of both District of Fort St. James, and our community are suffering hardships.

In addition, while the proponent is quick to promote the idea that the construction and establishment of a permanent camp will produce more jobs, it does not discuss the jobs that would have been created from the construction of the originally proposed residential development, which the proponent has already stated the local communities will benefit more from. It has also not taken into consideration the jobs that would result from the need for services to those new residents of those homes, and the increase in tax base to the District, jobs and

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<sup>13</sup> See letter and attachments submitted to the EAO from the District of Fort St. James to Derek Sturko dated September 27, 2012.

<sup>14</sup> See for example letter from Dr. Janis Shandro to the EAO attached hereto as Appendix C.

economic benefits that would potentially continue after the life of the mine, but may not exist if this new proposal is approved.

Although the proponent would like us all to focus on the “minor” or “low” impacts that it, in our opinion, has incorrectly predicted will occur with the establishment of a permanent camp, it fails to recognize the damage that it has already caused. The proponent should be required to mitigate this damage as a pre-condition of any approval of this change. This is particularly the case as the proponent, in its original application for approval of the mine, relied on commitments to the District of Fort St. James to obtain support for the project. Now, after the initial approval, it wants to withdraw a major basis for that support with no consequence to the proponent, but significant consequence to Nak’azdli and the District.

Thus far, our community, and that of Fort St. James, has seen minimal, economic benefits from the project’s construction phase. For example, we are aware that the proponent has pursued suppliers outside of our local communities and region to develop the camp. The proponent’s Application claims that the proposed camp will support local suppliers and businesses.<sup>15</sup> However, we wish to point out that these are the same claims the proponent has made all along with this project, claims we have yet to see actually occur.

### *Community and Resources*

It is admitted in the proponent’s Application that a permanent camp encourages fly in/fly out workers, that is, workers who would not otherwise have taken employment at the project.<sup>16</sup> These are workers who will come to our community, use our resources, and then leave, without contributing to our economy in any way. As they do not permanently reside in the District of Fort St. James, they do not contribute to the local tax base, taxes that are used to maintain district lands and services, which includes a portion of our traditional territory and services to our people. These workers are less likely to spend money in our shops or support our local businesses. In addition, it has been documented that fly in/fly out operations can be destructive to local communities<sup>17</sup>. It is common knowledge that camp operations can cultivate negative social lifestyles such as increased alcohol and drug use. These are the types of workers that the project is more likely to attract if there is a permanent camp.

This is opposed to workers who would relocate and live in the Fort St. James area, often with families. These are workers who will live full time in our community, contribute to our resources including our tax base, support our local shops, and participate in our local events. That is, the more people that live permanently in the District of Fort St. James and spend money at our businesses, the more taxes are payable to the District, the greater the viability of our economy, and the more government funding and services are likely to result. This means more money to pay for social and health services, maintenance of our roads and buildings, and money to build

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<sup>15</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012. Page 18.

<sup>16</sup> See Appendix to Application for Environmental Assessment Amendment, prepared by AMEC on September 4, 2012. Pages 24 and 21.

<sup>17</sup> For example, see Morris, R. (2012) Scoping Study: Impact of Fly-in Fly-out/Drive-in Drive-out Work Practices on Local Government, Australian Centre of Excellence for Local Government, University of Technology, Sydney.

our infrastructure. In addition, these are the type of workers who have a greater potential to raise families and continue living in the District of Fort St. James even after the mine is completed. This is the type of population growth that is more likely to occur without a permanent camp, and could occur with this mine project if no camp is permitted. It is indeed the type of positive growth that many stakeholders in our area anticipated, and were led to believe would occur, when the mine project was first proposed.

While the proponent suggests that families will still live in and contribute to the community, the fact is that with a permanent camp, the proponent makes it far more appealing for workers to continue to reside in their present homes outside of our region and province while working at the mine. In March 2012, the proponent put forward a 300 person camp, while estimating that 100 operations employees would reside in the local communities<sup>18</sup>. This was raised to a 450 person camp in the proponent's Application of April 16, 2012. Logically, that means that there will be virtually no mine employees living in the local communities. In addition, with longer shifts, it is clear that the proponent means to attract people who will fly into Prince George and be bussed to Fort St. James to work.

As we initially discussed in our letter of October 5, 2012, the District of Fort St. James is considered a small community with limited resources to service a disproportionately larger population. Health care and social services are already spread thinly in the Fort St. James area, with many shortages, including only one doctor and a semi-functioning emergency room. When the increase in our population is from temporary workers not residing permanently in the District of Fort St. James, this results in a greater stress on our resources without the benefit of any additional funds or services to mitigate this problem. While we recognize that the camp may have an ability to deal with some medical situations, more serious ones will still have to be dealt with at our hospitals and by our health care professionals, which will place an increased demand on resources already in short supply. This is something that could be alleviated if no permanent camp is allowed. That is, with more funds going to our District, the stresses on our resources could be moderated by an increase in services to our community.

### *Environment*

It is our position that these amendments, if approved, will infringe on Nak'azdli's constitutionally protected aboriginal title and rights. Where a government makes a decision which will infringe on such title and rights there is a legal duty to accommodate. We would like to remind the EAO of the UN Declaration on the Rights of Indigenous Peoples, which Canada has signed, and states:

Article 26 (1) Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired.

(2) Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired

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<sup>18</sup> See Appendix C of the Application dated April 16, 2012 - email of Jocelyn Fraser to Rob MacDougall dated March 12, 2012.

Article 32 (1) Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources

Despite the opinion of the BC EAO, it is the Nak'azdli people who have aboriginal rights and title in the Mt. Milligan area, including hunting and fishing, and will continue to do so long after the mine project has ended. It is part of our traditional territory. The establishment of a permanent camp will require further construction and development of this land, as well as an influx of people on a twenty four hour basis. As stated by the proponent, it will be building a new camp at a different location further from the plant, and not using the current temporary site<sup>19</sup>. That is, it will be further from the area that has already been developed and closer to areas that may not yet be disturbed, resulting in further disruption and interference to the environment that may not have otherwise been affected, especially not to the extent of a permanent camp. For example:

1. Deforestation – Further land will need to be deforested, at least 150m by 150m, for the camp building itself. This does not take into account additional land disturbance that will occur from additional pipes, sewage and other utility and service lines needed to provide amenities to the camp.
2. Wildlife – Greater disturbance will occur to the wildlife that inhabit the area or areas close by, including forced migration, disturbance and destruction of their home and natural habitat, and noise and light pollution. This is particularly worrisome as there is evidence of woodland caribou in the area, which is considered an endangered species by many organizations<sup>20</sup>, and a “threatened” species by Canada<sup>21</sup>. What steps have been taken by the EAO to assess the caribou population and presence? In light of the recent release of the recovery strategy for the woodland caribou by Canada<sup>22</sup>, what steps will be taken to ensure that the project complies with the recommendations set out therein?

In addition, the establishment of a permanent camp will result in higher air emissions, refuse production, effluent discharge and water requirements, as set out below:

3. Air – One of the concerns that Nak'azdli raised during the issuance of the initial air permit (PA104779) was the incineration of waste material, and we requested that burning of plastic should be banned. On page 5 of the Decision Maker's rationale for the air permit, the Environmental Protection Division (the “EPD”) stated that the amount of plastic to be burned was considered minor. However, we are now looking at a 450 person camp over 22 years. That is a significant increase in the amount of waste that will be produced, incinerated and emitted into the air. How this will affect the Air Permit that has already been granted?

<sup>19</sup> See the Mount Milligan EA Amendment Application - Public Engagement Report Draft August 29, 2012.

<sup>20</sup> For example, see the David Suzuki Foundation - <http://www.davidsuzuki.org/issues/wildlife-habitat/science/critical-species/boreal-woodland-caribou/>.

<sup>21</sup> See for example [http://www.sararegistry.gc.ca/document/default\\_e.cfm?documentID=2253](http://www.sararegistry.gc.ca/document/default_e.cfm?documentID=2253).

<sup>22</sup> See [http://www.sararegistry.gc.ca/virtual\\_sara/files/plans/rs\\_caribou\\_boreal\\_caribou\\_0912\\_e1.pdf](http://www.sararegistry.gc.ca/virtual_sara/files/plans/rs_caribou_boreal_caribou_0912_e1.pdf).

4. Refuse – Aside from disposal issues, there is also the matter of the larger potential to attract wildlife, and greater impact on the environment of landfill leachate. Part of the assessment criteria in granting a refuse permit is based on the quantity of refuse and its assessed impact. This has increased considerably with the addition of the camp. What changes will need to be made to the Solid Waste Management Plan and the Refuse Incinerator Management Plan? Has the EAO considered additional impacts on tailing pond quality? How will a permanent camp affect the current Refuse Permit (PR104778)? Will a longer incinerator operation time and/or a larger rate of land fill discharge be required to accommodate the camp?
5. Effluent – Has the EAO considered the additional amount of runoff from the camp into the tailings impoundment area? Has the proponent contemplated the changes needed to its Receiving Water Management Plan (as per the current Effluent Permit PE104777)? Will the camp affect the proponent's commitment to have no direct surface discharge or runoff or tailings or other sources to receiving waters? Has the proponent amended its plan to deal with any potential ARD or metal leaching? Will the camp affect the amount of water storage needed for the tailings storage facility and the water supply pond, or the withdrawal rates from Meadows Creek? Will it have an effect on the water quality? Will this affect the amount of fresh water needed for the mine on an ongoing basis (which the EAO wanted minimized)? What additional steps will the proponent need to take to deal with the increase in sewage that will need to be treated?
6. Water – This will need to be clean, treated water for drinking and daily use as well as water for clean-up and maintenance. How much more water will be needed to service a camp than provided for in the current Water Licence (70001875)? Where will the additional water come from? Nak'azdli has requested many times that a water treatment plant be built at the mine site. Again, we ask that the EAO seriously consider this in light of the proposed amendments which we believe warrant a water treatment plant.

Overall, the proponent has failed to adequately discuss, much less address the increased impacts on the environment, including how it will mitigate these impacts. We want to know, how do the proposed amendments affect the permits and licences already granted?

Though it may be argued that many of these factors will occur even without a camp due to the increase in population from workers moving into the Fort St. James area, such production, discharges, and emissions would occur in an urban area with a developed system to deal with them. As mentioned above, it is more likely that such population growth would be positive and permanent, resulting in a higher tax base and economic growth, with increased funds for the district to be able to pay for any increase in services needed. However, with a camp, a new system would need to be developed, one that would see disposal occur at the mine, resulting in additional waste and pollution in our traditional territory. This means that we will have to wait even longer to be able to access and use the land again, to fish and swim in the streams, and hunt in the forest. Our children will be deprived from developing a connection to the land that is fundamental to our culture and their identity. We have a constitutionally protected right to live off the land as our ancestors did. Increased damage to a larger part of our traditional territory will

render those rights meaningless for the next generation. The EAO should not further support such a consequence by allowing these amendments.

### **Comments and Concerns regarding the Relocation of the Load Out Facility**

Although the new proposed location of the load out facility is not within our traditional territory, there are still many concerns and negative effects that this relocation will cause, impacts that potentially affect our ability to exercise our aboriginal rights and title.

#### *Economy*

In our opinion, there are serious impacts to our community with the relocation of the load out facility, and little or no additional benefits in doing so. For example:

1. The proponent states that by moving the load out facility to Mackenzie, it can take advantage of the rail system for transportation. However, it has not taken into account that there were already plans to increase and improve the rail system in Fort St. James in response to the load out facility. This would have created a huge benefit for the people of Fort St. James, including Nak'azdli, as it would also improve our ability to export our products to other provinces, and provide ongoing support for our community. There is nothing to suggest that not having a load out facility in Mackenzie will decrease its current rail system. In addition, and as reported by the proponent in its Consultation Report, this concern was raised by Nak'azdli to the proponent at the tour site on June 20, 2012, yet it was not included or discussed in the proponent's assessment of socio-economic factors.
2. The proponent also states that having the load out facility in Mackenzie would be more cost efficient as it would be able to use an existing facility. However, we do not believe that the proponent has been able to finalize a lease of that facility yet. In addition, we have been informed that even if the proponent can secure a lease, it will only be short term, and it will have to build a new facility anyway. If cost is the proponent's main concern, then we do not understand why it would not simply build the facility in Fort St. James from the beginning, thereby saving on rent that it would be paying in Mackenzie, as well as avoiding increased building costs in the future due to inflation.
3. Although the proponent estimates that the load out facility will create only 3-6 jobs, it fails to consider that these are 3-6 jobs over the life of the mine, which is 22 years. This amounts to at least 66 years of employment. For a community where unemployment is high and training low, these jobs are critical. The proponent's statement that the economy in Mackenzie is more depressed than that of Fort St. James is unsubstantiated, and we would argue that Fort St. James is struggling more, especially given the failed promises of the proponent as outlined above.

## *Environment*

While the proponent looks at the length of the haul routes, it has failed to consider factors related to the location of the proposed haul routes. As mentioned in our letter dated October 5, 2012, a large portion of the main roads which comprise the proposed Mackenzie haul routes, and will be used to and from the proposed load out facility, run parallel to and on either side of Rainbow Creek. (That is, the Rainbow Creek Forest Service Road (the "Rainbow FSR"), the Phillips Lake Forest Service Road, and the Mackenzie Connector Road.) This affects Rainbow Creek and Phillips Lake, as well as the Arctic watershed, as water flows both north and south, directly flowing into and affecting our traditional territory and reserves. The proponent's statement that "(t)he Mackenzie route occurs entirely within the Arctic watershed and as such there are no streams with anadromous fish presence"<sup>23</sup> lacks the knowledge acquired from the traditional land users. The Phillips Lake is on the boundary of the Arctic watershed and from traditional knowledge we know that water from Phillips Lake enters the upper streams of the Fraser River Basin, a major salmon habitat river. It is also a great concern that the proponent's Application asserts that the Mackenzie route will have no significant adverse effect as Rainbow Creek is a spawning ground for the endangered arctic grayling, and dolly varden, both of which are important food sources for the Nak'azdli people. Thus far there has been no discussion about the arctic grayling. Rather, all the habitat compensation plans have been focused on rainbow trout. How will all the additional dust sediment impact these spawning grounds? How will the relocation and intrusion of the rainbow trout into or closer to the arctic grayling spawning grounds impact the population of the arctic grayling, which are just starting to return in stronger numbers?

Rainbow Creek itself is an essential water source in this area, and flows into many of the waterways on which the Nak'azdli people rely. It provides drinking water, important fish and wildlife habitats, and harvesting sites. Along these roads are also springs used as clean water sources to Nak'azdli members, which we have accessed for countless generations for drinking water and to make traditional medicines. In our opinion there is a serious concern of spills occurring, which would be devastating to Rainbow Creek and all connected waterways.

With the increase in traffic on these roads there is also a concern of larger levels of dust and sediment ending up in Rainbow Creek. The dust created from the current level of industrial travel is already significant. As well, there is the concern of an increase in ML/ARD (metal leaching/acid rock drainage) occurring and running into Rainbow Creek. (There has already been a ML/ARD site reported by the Ministry of Forests, Lands and Natural Resource Operations on the Phillips Lake Forest Service Road, also referred to as the Mackenzie connector road, and the Rainbow FSR.) Either eventuality will have the potential of seriously polluting Rainbow Creek and, at the very least, negatively affecting the quality of water and marine animal habitats therein. We are already seeing this occur in other areas of our Territory where there is a higher volume of industrial traffic. Attached are photos of the damage that we have seen occur along the Rainbow FSR:

1. Attached and marked as Appendix A, the photograph shows a culvert along the Rainbow FSR at approximately the 19 km mark. It was taken on May 16, 2011. It shows free

<sup>23</sup> See Environmental Assessment Amendment prepared by Triton Environmental Consultants, Page 6.



flowing, very muddy water, exiting the culvert that crosses Rainbow FSR, and being dumped into the wetlands adjacent to Rainbow FSR. The top right corner of the photograph shows the dust coming up from Rainbow FSR despite there being a fugitive dust management plan and permits in place.

2. Attached and marked as Appendix B, the photograph shows a truck driving along the Rainbow FSR, and the large amount of resulting dust. This picture was taken in June 2010.

Given the amount of damage and dust that is already occurring on Rainbow FSR, all under current EAO permits and licences, how much more damage and dust will result if the proposed amendments are approved? This is especially worrisome given that the roads along Rainbow Creek are for recreational use, and we do not believe that they have been upgraded for high industrial travel. Please advise if any upgrades or improvements are being planned for these roads.

Please note that this is a matter of great importance to Nak'azdli, and an issue which we would like to discuss further with the EAO and the proponent. However, without an adequate map identifying the waterways in that area it is very difficult to assess the potential impacts. As such, we would request that a proper survey and map be done of the Mackenzie route and surrounding areas, which should also identify all the creeks. Only then will we be able to appropriately identify the waterways at issue. We would also request a tour of the Mackenzie haul route with the EAO and the proponent.

As well, we would like to know how the proponent plans to mitigate the potential damage, as well as the effects that the amendments will have on the permits and licences already approved. For example:

1. Air – How will the proponent deal with the increase in dust and sediment produced? Specifically, how will it control and maintain dust from roads?
2. Water – What is the proponent's plan to prevent spills and leaks from occurring from the load out facility and during transport? If a spill was to occur, what does the proponent plan to do to remediate? How much more water will be needed for dust suppression? What will the source of this water be?
3. Wildlife – Has the proponent developed a Wildlife Management Plan for the Mackenzie route? Is there a monitoring program for the amount of wildlife that is killed on the road by increased traffic? (This is especially important given that the Ministry of Forests, Lands and Natural Resource Operations has reported a major decline in the moose population in the Omineca Region.<sup>24</sup>)

Given all these factors, it is our opinion that the negative effects of relocating the load out facility far outweigh any possible benefits, and as such, the load out facility should remain in Fort St.

<sup>24</sup> See for example [http://www.env.gov.bc.ca/fw/wildlife/management-issues/docs/factsheet\\_provincial\\_moose\\_population\\_may2012.pdf](http://www.env.gov.bc.ca/fw/wildlife/management-issues/docs/factsheet_provincial_moose_population_may2012.pdf)

James. Lastly, we would ask the EAO to consider that if the Mackenzie haul route is better than the current Fort St. James route, why is all the transportation of construction material still being hauled through Nak'azdli?

### **Additional Comments and Concerns**

In the event that the EAO decides to approve the Application and proposed amendments, or either of them, the proponent should be required to pay a greater bond given the increased risks and potential damage that may occur. As has been discussed by various experts, adequate financial assurance for closure and cleanup must be dealt with properly to avoid the disasters that we have seen in the past<sup>25</sup>. Too often the damage caused by the mine project is underestimated, and the taxpayers are left to deal with the cost of remediation. This is especially a concern where proponents may not be as financially secure as they should be and/or face financial problems. As Nak'azdli will be the ones continuing to use and care for the land after everyone else has left, this is a grave concern for us. A failure to properly repair and remediate the land, which requires sufficient financial support, will be detrimental to our ability to exercise our aboriginal rights and title to the land.

In addition, we would request that an appropriate body for independent monitoring, especially under the environmental certificates and permits, be established. We are concerned with the inadequate monitoring thus far, and do not believe that it meets the standards and requirements set out in the issued permits and licences. As the EAO is aware, these standards are present to protect the environment (such as failure to provide substantive reports to the Community Sustainability Committee (the "Committee") on a regular basis). We are aware that the EAO does not have enough staff to monitor once the certificates, permits or licences have been issued, and delegates this duty to the proponent itself. Currently, environmental monitoring is being done by Environmental Dynamics Inc. (EDI), a company which has been hired and is paid by the proponent. This would seem to defeat the purpose of having a monitor, and raise doubts as to the air of objectivity.

While the EAO and the proponent may contend that the Committee was established to deal with this issue, it is our experience that this is simply not so. That is, we have found the Committee has failed to produce the transparency, disclosure and flow of information that it was created for. Specifically:

- Attempts to discuss matters of significance to Nak'azdli, including recognition and respect of Nak'azdli title and rights in the mine site areas, have been rejected;
- Requests for information and disclosure, including environmental reports from EDI, have been ignored; and
- Requests to participate in and be apprised of the proponent's procedural plans, such as closure, and its environmental program have also been ignored.

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<sup>25</sup> For example, see Kuyek, J. (2011) *The Theory and Practice of Perpetual Care of Contaminated Sites*.

It has been the experience of our representative that her attempts to question or address pertinent issues have often either received no response, or she has been told that they were not issues for this Committee. She has been provided with no follow up or alternative option to have our concerns heard or dealt with. While updates on the project are provided, they are general and vague. Our representative states that her attempts to ask questions and specifics regarding these updates are usually disregarded. As well, when a proposal was put forward to the Committee to conduct a study on social-health impacts related to the project, the proponent failed to have representatives attend those Committee meetings.

There is also a lack of flow of information. For example, when a sewage spill occurred in the winter of 2011 and a diesel spill in the summer of 2011, Nak'azdli was not advised of it by the Committee, the proponent or BC, and we were not included in the clean-up plan. Rather, we found out about the spills on our own. There seems to be no plan to include Nak'azdli in the environmental monitoring, notwithstanding earlier promises by the proponent to do so. This needs to be addressed.

In our opinion, the Committee is an inadequate vessel for monitoring, and an independent body should be established. It should include representatives from all the local communities, including Nak'azdli, and should have the mandate and power to review all reports from EDI, as well as participate in actual monitoring on site. This is a matter that should be discussed with the proponent.

Should a permanent camp be approved, additional monitoring should also be established for the community and its safety. As well, the proponent should provide social services to mitigate the risks associated with a permanent camp lifestyle, and additional health and medical services to its employees. Alternatively, the proponent should be required to pay for additional resources, such as another ambulance, and more doctors and nurses, to service our local communities.

We note the proponent's comments regarding the proposed benefit agreement with Nak'azdli<sup>26</sup>. It is Nak'azdli's continued belief that the tabled agreement falls far short of industry standards for similar agreements with First Nations in Canada, and until there is meaningful negotiation of a fair agreement, we have little interest in agreeing to such an impoverished proposal. The proponent is well aware that Nak'azdli is prepared to further discuss the proposed benefit agreement, when it is ready to deal with our nation in a fair and respectful manner. To date, the proponent has not contacted us regarding this matter.

Lastly, while we understand that this review is on the Application itself, we ask that the EAO take into consideration the cumulative effects caused by the proposed amendments. Despite the proponent's attempts to have us believe otherwise, these amendments have serious, negative impacts on our Nation, impacts that are even more significant in the grand scheme of the project as a whole. This should be taken into account.

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<sup>26</sup> See Application dated April 16, 2012, page 7.

## Review of Supporting Documents

In support of its Application, the proponent included an Environmental Assessment on Socio-Economic Effects of the Amendments (the "Assessment"). In addition, it has provided a Public Engagement Report (the "Report"). As mentioned above, it is our opinion that both these documents provide inadequate and/or misrepresented information and analysis, and should not be relied upon to make any decisions.

### *Environmental Assessment on Socio-Economic Effects of the Amendments*

We enclose a letter from Dr. Janis Shandro, PhD (Mining Engineering, UBC)<sup>27</sup> attached as Appendix C. It outlines many of the issues and defects of this Assessment. While we have already discussed many of these inadequacies above, we wish to expressly point out the following:

1. The Assessment only discusses the "difficulties" that may arise from the 4 day on, 4 day off work schedule, specifically, the potential 16 hour days that a worker may be subject to if there was no permanent camp. It does not consider alternate work schedules that would allow workers to return home to their families in local communities, such as longer work weeks and shorter days. For the Nak'azdli people, this would be very beneficial as it would allow our members to continue to participate in our traditional activities.
2. The Assessment overestimates travel time, and fails to consider many other communities where a two hour commute is fairly normal (for example, in the Lower Mainland where it is common for people to travel from communities such as Abbotsford for their jobs in Vancouver).
3. The Assessment, without any evidence, states that having a permanent camp will relieve stress on workers with their home life, such as "reducing the pressure to get home". However, it does not consider the benefits of actually being able to return home every night to see one's family, as opposed to, living with strangers in a camp and returning to an empty room.
4. The Assessment states that "those left at home may also find that their ability to participate in community affairs is reduced because of a lack of support resources such as child care". However, it does not consider the benefit to those left at home of knowing that their spouse is close by should he or she be needed, or an accident occur. This would also apply to workers who would have the comfort of knowing that despite the long hours of work, should an accident occur, they would be able to be with their loved ones in less than a couple of hours, rather than half a day or not at all if planes are grounded.
5. The Assessment relies on outdated data for its conclusions despite the fact that there are recent relevant studies that are readily accessible. It does not even seem that something as

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<sup>27</sup> Dr. Shandro is a Post-Doctoral Fellow and Researcher at the University of British Columbia.

simple as going out into the community to observe and assess the factors discussed was done.

6. The Assessment overstates the "positive" effects of a full time camp on aboriginal workers.<sup>28</sup> For example, the Assessment states that moving, and the finances involved with moving, would cause a serious strain on a worker. However, it fails to consider the fact that Nak'azdli members who currently live on reserve would not have to move, and exaggerates the possible financial "difficulties".

In addition, it should be noted that this report was prepared based on non-aboriginal values and has not taken into account many of our aboriginal and traditional values, such as our unique connection to the land.

Many of these inadequacies, especially the proponent's lack of information and data, were actually pointed out by the EAO staff upon review of the initial draft submitted by AMEC on June 13, 2012. Comments were given by EAO to the proponent on this matter, and further data requested. However, in our view, the proponent has failed to add anything substantive to the Assessment since the June 13, 2012 draft. It has included more words, but very little to actually explain and support the conclusions that it has reached. Where the proponent does include additional data, most is obsolete.

Lastly, we note that this Assessment was prepared by AMEC, an international engineering and project management company. Coincidentally, AMEC is also the partner in a 50:50 joint venture with Fluor known as British Columbia Mining Joint Venture, which was chosen by the proponent to provide engineering, procurement, and construction management services for this very project. Needless to say, AMEC has a vested interest in ensuring that the mine project is approved. If nothing else, this raises an appearance of conflict.

In our opinion, which is echoed by Dr. Shandro, the Assessment should not be relied upon. It provides a seriously flawed and skewed review of the relevant issues at hand. As the socio-economic impacts of the amendments are crucial to this review, we would request that the proponent be required to provide a new Assessment which takes into account alternative scenarios, and is conducted by an independent company. Only in this way can we ensure that the appropriate concerns and issues related to the amendments are addressed and negative impacts minimized.

#### *Public Engagement Report*

Please be advised that in our opinion, Nak'azdli has not been properly consulted or engaged by the proponent, despite what the proponent has stated in the Report. The Report seems to misrepresent the actual interactions between Nak'azdli and the proponent, although perhaps not intentionally. Specifically:

1. In July 2011, Nak'azdli requested at a meeting with BC government representatives, and an inspection of the construction site to occur as soon as possible, with Nak'azdli present.

<sup>28</sup> See page 27, paragraph 2 of the Appendix to Application for Environmental Assessment Certificate Amendment.

This inspection was put off until October 2011, and was cancelled the morning of the scheduled date. On June 4, 2012, during a meeting with Chris Parks of the EAO we were informed that an inspection had actually happened on March 26, 2012, with the proponent and BC government representative, but that Nak'azdli had not been invited or informed.

2. Since June 2011, we have been allowed to attend the mine site only once, despite our requests otherwise. We were specifically told that we were not allowed anywhere near the premises without the proponent's prior consent. The tour on June 20, 2012 was initiated by Ms. Anne Marie Sam, not the proponent.
3. As the proponent is well aware, the Nak'azdli member appointed to deal with the proponent on this project is Ms. Anne Marie Sam. Ms. Sam, on behalf Nak'azdli, has not expressed support for the camp, and has maintained major concerns and opposition due to the lack of information.
4. At the tour of the site on June 20, 2012, we attempted to obtain clarification and further information on the proposed amendments. However, we were informed by the proponent that they could not discuss the amendments. That is why most of the questions posed were related to jobs and contracts. At no time did we ever say that our opposition was due to not benefiting economically.
5. In addition, when we were able to pose questions to the proponent regarding the amendments on the June 20 tour, we were expressly told by the Environmental Manager that they had not considered the amendments yet, that they would not do so until they were approved, and that he was unable to answer our questions. He did say that he would bring our questions to the attention of the upper executives and that the proponent would provide us with a letter in the near future. Thereafter we heard nothing further on this matter, until the questions appeared in the Report. We asked the proponent these questions in June, and received the answers in September.
6. The Report fails to note that only Ms. Anne Marie Sam, Mr. Dwayne Martin and I were in attendance on behalf of the Nak'azdli Council. Mr. Allan Andrews is a community member that was interested in attending the tour. Pastor Frank Salmon is a local priest who is not a Nak'azdli member, and was introduced accordingly. He too asked questions, which were not on behalf of Nak'azdli. However, the Report fails to say who posed which questions. There are also questions that we posed which have remained unanswered.
7. As we were expressly told that the tour was not related to the amendments, and as the proponent was unable or unwilling to discuss issues regarding the amendments with us, it should not be included in the Report.
8. Had we known that that was the actual venue through which the proponent was going to discuss the amendments with us, we would have asked more questions, as clearly we have them.

Overall, Nak'azdli has had little contact with the proponent. What contact we have had seems to have been misconstrued. To be clear, Nak'azdli is opposed to a permanent camp and the relocation of the load out facility.

### Conclusion

We hope that this response has provided you with a clearer picture of the concerns of and impacts to the Nak'azdli people. Please be advised that contrary to the proponent's statements, economic benefits are not our primary concern. However, if despite our comments the EAO decides to allow the amendments -- which we know is a possibility -- we have a responsibility to our people to ensure that they benefit as much as possible. That is, if we cannot protect our land, the least we can do is to mitigate this loss financially for our community. This includes trying to secure employment for them, and this is why economic factors are discussed above.

While we appreciate that industrial development is necessary to BC's economy, we believe that this should occur only in an appropriate and responsible manner. This includes requiring any proponent to provide accurate and reliable information to all stakeholders, and to properly consult with those affected. We believe that neither has been done here. As the EAO is aware, the recommendations made by the Auditor General in his report titled "An Audit of the Environmental Assessment Office's Oversight of Certified Projects" include:

1. Conducting evaluations to determine whether environmental assessments are avoiding or mitigating the potentially significant adverse effects of certified projects; and
2. Providing appropriate accountability information for certified projects.

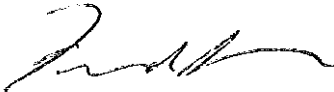
Given the lack of information, and improper analysis presented by the proponent in the Application, it would, in our opinion, go against the Auditor General's recommendations to approve the amendments without a proper assessment done, including one on socio-economic factors. (For example, how can one properly evaluate whether environmental assessments are avoiding or mitigating potentially significant adverse effects if the alternative scenarios are not contemplated?) As already mentioned above, it is our belief that the proponent should be required to provide a new assessment, done by an independent third party.

It is still our opinion that this review process should not be arbitrarily rushed, especially given the fact that there is little or no prejudice to the proponent (that is, it has stated that it has not yet ascertained the location of the camp and will not do so until the snow has cleared; and if its intention is to simply lease the current facility in Mackenzie, then there is no rush to begin construction). Given the Auditor General's recent review, we are sure that the EAO is committed to ensuring that an appropriate and thorough review is completed prior to any further approvals of the project. For example, we note that at the open house in Fort St. James, which was attended by Nak'azdli members, the EAO staff in attendance were unable to answer most questions and asked the public to mail or email in their comments instead. This would seem to preclude certain classes of people from participating in the public review process, such as the elderly or those of low income or education, which we know was not the EAO's intention.

Lastly, please contact Nak'azdli, through Ms. Anne Marie Sam, to set up a meeting between Nak'azdli and the EAO. We would request that this meeting occur as soon as possible, and before the report is sent to the decision maker.

Thank you for your time and attention to this matter. We look forward to receiving the First Nations Tracking Table, or its equivalent, as well as the First Nation Consultation Report and the Draft Report to the Decision Maker.

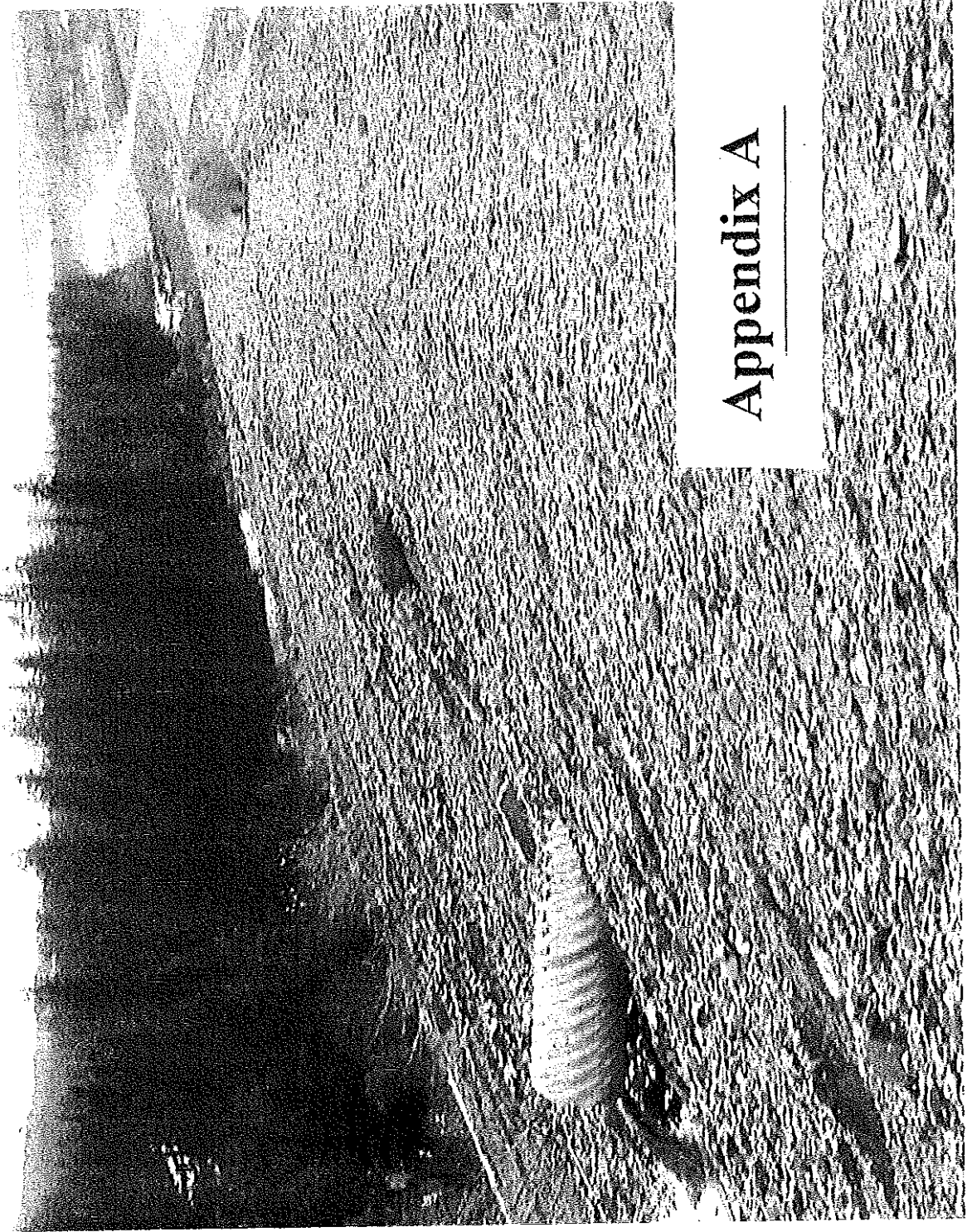
Sincerely,

A handwritten signature in black ink, appearing to read 'Fred Sam', written in a cursive style.

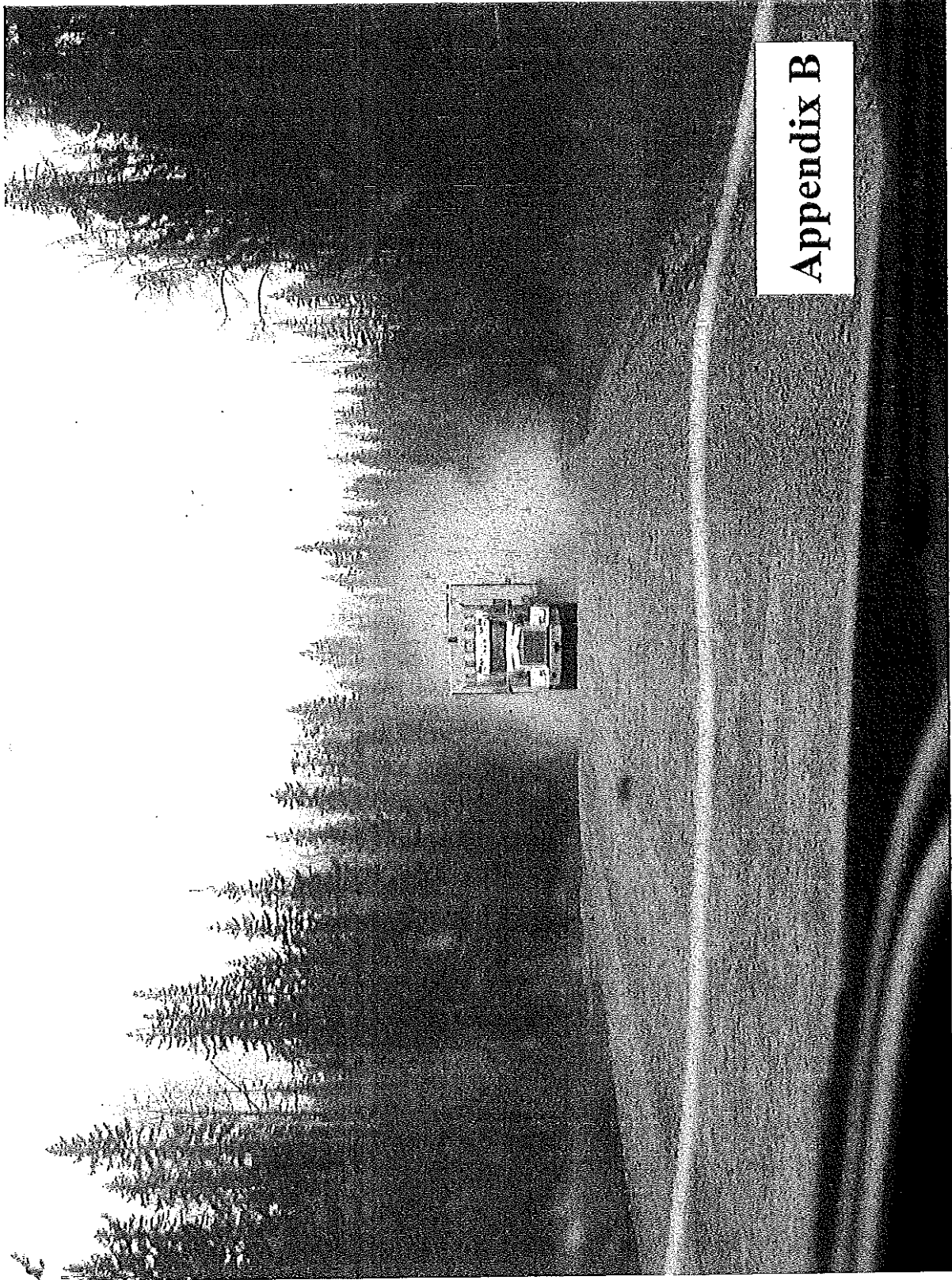
Chief Fred Sam  
Enclosure(s)

Cc: Anne Marie Sam  
Peter Grant & Associates





Appendix A



Appendix B

**Appendix C:**  
**Letter from Dr. Janis Shandro**

October 11, 2012

Environmental Assessment Office  
1st Floor, 836 Yates St.  
PO Box 9426  
Stn Prov Govt  
Victoria, BC V8W 9V1

Attention: Shelley Murphy

**Re: Review of Appendix to Application Environment Assessment Amendment – Socio-Economic Report**

Dear Madame:

Since 2010 I have been working academically with the communities of Fort St. James and Nak'azdli in relation to mitigating potential health impacts stemming from local mining development (primarily the Mt. Milligan Mine). As a result of this work, I have an in-depth understanding of the social and health fabric of this region. Professionally, I provide an independent engineer's assessment of Social and Health Impact Assessments for global large-scale mining projects for conformance to the International Finance Corporations Performance Standards with specific focus on impacts to Indigenous Peoples. In response to a request from Nak'azdli for a review of the Application for Environmental Assessment Amendment for the Mt. Milligan project, as conducted by AMEC, I would like to provide the following comments and questions for consideration.

**1. Methodology**

AMEC has provided 10 Valued Socio-economic Components (VSEC) in Table 1-1. Key indicators associated with these components required to allow for such an assessment of impacts on each component area have not been clearly identified. The report also identified the VSEC's are key issues of mining projects. Minimum standards for social impact assessment will engage and define key issues with the participation of associated communities to ensure they hold value for those potentially impacted. It is not clear whether these VSEC's that are associated with the amendment application have been selected and developed with community input.

Given this project is located and is associated with First Nations, I am concerned that the VSEC's lack cultural components that are important to local First Nations and associated with their health and well-being. Cultural continuity, for instance, is especially important for First Nation healing from residential school traumas and has been identified as a leading determinant of Aboriginal Health in Canada. How the proposed projects as defined in the amendment application can impact or benefit cultural indicators important to local First Nations would be an important issue to consider.

**1.2 Assessment Methodology**

On page 3, the assessment relied on quantitative analysis, interviews with community or public sector officials and professional judgment. In order to evaluate the strength of the assessment, it would be helpful if the report identified who was interviewed and when/where these interviews have taken place. Given this

is an amendment proposal, it would be important to gather information and opinions from community members about how they feel the amendments would impact them. It is not clear that these activities were carried out. A table listing interviews, dates, and key messages/topics covered in the interview would help to clarify this.

### 1.3 Temporal and Spatial Boundaries

The Socio-economic assessment identifies focus on the Primary Local Study Area (consisting of Fort St. James and Nak'azdli) and the Secondary Local Study Area (consisting of Mackenzie and McLeod Lake). I would strongly recommend the inclusion of Tl'azt'en First Nation in the Primary Local Study area as many of their members reside in Fort St. James, and the Tl'azt'en communities are highly dependent on services in Fort St. James. Impacts and benefits to Fort St. James will have direct implications for this First Nation.

### 3. Baseline Overview

Baseline information associated with the study areas is altogether insufficient, especially as it relates to being able to assess impacts to the VSEC's.

- It is noted that there is a lack of population data for the two First Nation reserves. This data is readily available; why was it not included?
- While Census data can provide an overall picture of conditions within communities, there are a number of data sources that can supplement and provide a more updated more holistic picture of community or area conditions. Key data sources that would relate to the projects area of influence could include Local Health Area statistics from BC stats, key annual community produced documents, and specific publically available research reports associated with each community/the province of BC.
- For example, the primary study area has had a baseline study into community health issues, health services and impacts from the construction phase conducted by the University of British Columbia (UBC)/University of Victoria (2012)<sup>29</sup>, a youth sexual health study conducted in the area by UBC (2009)<sup>30</sup>, and an assessment of Forest impacts by the University of Alberta (2009).<sup>31</sup> While the UBC baseline study report was not finalized until August 2012, the results have been available since May 2012 and could have easily been forwarded on to AMEC for follow up. As an example, a consultant from New Gold contacted our research team in June, 2012 to garner access to this data

<sup>29</sup>Shandro, J.A., Ostry, A. and Scoble, M. 2012. Opportunities to meeting the health needs of the Stuart Lake/Nak'al Bun Area: A Baseline Study of Community Health, Community Health and Social Services and Reported Impacts from Local Mining Developments. Vancouver, Self-published.

<sup>30</sup> Soon, J. A., Shoveller, J. A., Johnson, J. L., Kelm, M. E., & Hanlon, N. (2009). Youth's Perspectives on Birth Control in Fort St. James, BC: Community Report for Service Providers. Vancouver: Self-published.

<sup>31</sup> Smith, M. 2009. Fort St. James Community Report: A media analysis of recent events associated with forest industry mill closures. Edmonton: Self-published.

upon referral from the municipality of Fort St. James. Key issues were communicated in person and the follow up report was forwarded to them for reference.

- It should also be noted that Statistics Canada collects data in some cases on a yearly and in some cases monthly basis for specific census subdivisions (e.g. Labour Force Survey Data that provides industry specific income and employment). While this data needs to be custom ordered, it can provide a more up to date representation of local conditions.
- In most cases, communities have a plethora of local data that is reflective of current social conditions and if this data is not public it is usually available upon request. Examples of publically available reports that contain local level data for the Fort St. James/Nak'azdli area include the 2011 Economic Development in Fort St. James<sup>32</sup>, and the 2011 Northern Healthy Communities for the Fort St. James area<sup>33</sup>. It is not clear whether or not AMEC attempted to access local data.

Overall, the data provided within the AMEC report is insufficient to comment on or provide professional judgment on potential socio-economic impacts or benefits further reported on. There are also statements made within the assessment that are in my professional opinion are not credible:

- On page 5, the first paragraph stating that "*socio-economic effects are considered to be reversible once an activity ceases*" is problematic. It is well known that mining projects around the globe have brought about socio-economic changes that are long-lasting, past post-closure and in many cases are permanent in nature. This is especially the case with respect to impacts on Indigenous Peoples and culture. Multiple projects in Indonesia and Papua New Guinea have clearly demonstrated this. More within the project's area of influence, the Pinchi Lake Mercury mine is a perfect example of social impacts resultant from mineral development that will persist for generations (the inability of area First Nations to access and harvest fish from Pinchi Lake).
- On page 10, the assumption that population influxes in the Fort St. James region would correspond with a decrease in unemployment rate is unfounded and there is no evidence to back this claim upon. It has been observed from health and social service providers in the region that an influx of population has occurred during this period from two main sources: 1) Persons and families speculating potential work with the Mt. Milligan project, and; 2) Persons leaving more remote First Nations communities for potential income/training opportunities.
- Furthermore, the substantiation that Fort St. James is an economically healthy community as compared to Mackenzie in section 4.12 on page 17 is also unfounded, and problematic. Both communities have undoubtedly undergone immense struggles associated with forest sector declines. Unfortunately, the 2012 Census release related to data that would definitively indicate the

<sup>32</sup> Available online at: <https://fortstjames.civicweb.net/Documents/DocumentList.aspx?ID=12368>

<sup>33</sup> Available online at:

<http://chip.northernhealth.ca/Portals/2/Document%20Repository/2011%20Updates/Community%20Profiles%202011/LHA%20056%20-%20Ft%20St%20James%20DM%20V3.pdf>

extent to how the decline has impacted each community is slated to be released on October, 24, 2012. Key data associated with the 2006 Census release illuminate that males (generally the stronger economic contributor to families in resource-based economies) and families were struggling to a greater extent in Fort St. James than in Mackenzie. As examples (based on last census records), male unemployment (15+) in Fort St. James was recorded to be 13.9<sup>34</sup> and in Mackenzie it was 9.8<sup>35</sup>. Average male income (15+ with employment) was also lower in Fort St. James with average total income being \$51,817 and Mackenzie being \$61,350. Families were also economically better off in Mackenzie: Economic median family income in Mackenzie was \$89,751 where as it was \$80,591 for Fort St. James. The prevalence of low-income families (before-tax) was 4.4% in Mackenzie and 5.0% in Fort St. James. While these data suggest that the construction and operation of the load out facility in Fort St. James would bring much needed economic benefits to families residing in the primary study area, I would like highlight that justifying this need has the potential to drive tension amongst project communities (something that in my personal observations has already manifested to some degree). A mineral development project should seek to bring communities together, and benefits and mine/management plans should be carefully considered and developed to reduce and mitigate tensions. I would recommend keeping with the original proposal of having a load out facility in Fort St. James.

##### **5. Socio-economic effects assessment: Operations camp.**

Page 18 identifies that the proponent will "*utilize a variety of shift rotations of various durations to encourage residency in neighbouring communities*". It has recently been suggested that a seven day on, seven day off rotation is currently receiving preferential attention from Mt. Milligan. A seven day rotational schedule will enhance the likelihood of Mt. Milligan becoming a fly-in fly-out (FIFO) operation. A recent report released by the Australian government on the topic of FIFO highlighted that from an economic standpoint FIFO can bring benefits to larger urban centres. On the other hand, FIFOs can be destructive to local communities. FIFOs have also been described as erosive to local communities when a shift from a permanent resident workforce to a largely FIFO workforce occurs, especially if it reduces the economic viability of local services and businesses. Additional impacts associated with FIFO relate to community sustainability and many argue FIFO strips benefits away from rural, northern and remote communities much in need of economic boosts. Australian governmental officials report that for longer term operations a largely resident workforce should be encouraged as much as possible to facilitate community sustainability.<sup>36</sup> A camp operation will also likely impact the ability for the project to recruit local women for child-care issues. This impact should receive some consideration given the large income gap between men and women in the study area.

<sup>34</sup> BC Stats, 2010. 2006 census profile. Fort St. James, DM. Available online at: <http://www.bcstats.gov.bc.ca/StatisticsBySubject/Census/2006Census/ProfilesA/Alphabetical.aspx>

<sup>35</sup> BC Stats, 2010. 2006 Census profile, Mackenzie, DM. Available online at: <http://www.bcstats.gov.bc.ca/StatisticsBySubject/Census/2006Census/ProfilesA/Alphabetical.aspx>

<sup>36</sup> Morris, R. (2012) Scoping Study: Impact of Fly-In Fly-out/Drive-in Drive-out Work Practices on Local Government, Australian Centre of Excellence for Local Government, University of Technology, Sydney.

## 5.6 Family and Community Well-being

As previously mentioned it is not clear what indicators are being used to assess baseline conditions or impacts to family and community well-being. As highlighted in the appendix, the LHAs in the study region are struggling on indicators of well-being (still undefined or cited to ensure accuracy of reporting). This requires additional consideration of the baseline conducted by researchers at the University of British Columbia that has highlighted key drivers of health issues faced by local area residents and families in part stem from exposure to residential schools. In particular, the safety and health of women and children in the local area is of concern and one could argue a camp scenario would bring a source of stress to a portion of the male Aboriginal workforce as they would be concerned for the safety of their family while away. In addition, a camp scenario may act as a barrier to Aboriginal employment. It has been reported treatment programs for addictions have been largely unsuccessful in the region as those in seek of help have been unable to remain away from their families for periods of time. Family is a very important factor for all residents in the Stuart Lake and Fort St. James areas, and it would be helpful if impacts and benefits to family were considered in a more balanced manner.

### Final Suggestions

The mine site itself is located in a unique geographical area central to two different regions in Northern BC. The Mt. Milligan mine is also set to open during a period of time where much attention is focused on sustainable development as it relates to the mining sector, and on the sustainability and health of rural, northern and resource based communities in British Columbia. There is also heightened attention as to how British Columbia manages the delicate balance between extractive industry developments and impacts to communities, especially after the 2010 Harvard Report Bearing the Burden: The effects of mining on First Nations in British Columbia<sup>37</sup>; and the 2011 Auditor General's audit of the BCEAO.<sup>38</sup> It is also now considered amongst the impact assessment community that at minimum, impact assessments should provide an alternative analysis of scenarios, and an assessment of cumulative impacts. For alternative analysis, what would be very helpful is demonstration that the camp scenario would or would not differ substantially from an approach that is designed to reduce family stress and keep economic benefits within the local communities. Has a scenario whereby 3-8 hour shifts (with partial or full compensation for the commute as an incentive) been fully explored? What is the cost breakdown for these scenarios? Given the proximity to two regions that have been devastated by the forest sector declines, it would be optimal to see BC's newest mine with a projected 22 year life span bring maximum benefits for local communities. For an assessment of cumulative impacts, there is no mention of current exploration projects or other development activities within the projects area of influence. These projects have influence on the current social fabric in the study communities. It is my recommendation that the impacts/benefits of Mt. Milligan in relation to these projects be acknowledged and explored.

Finally, I have a mining engineering background, and am conscious of the financial and human resource challenges facing the global mining sector. I understand and am sympathetic to the pressure Thompson Creek is likely facing with respect to getting the Mt. Milligan project up and running as quickly as possible.

<sup>37</sup> Available online at: <http://harvardhumanrights.files.wordpress.com/2011/08/rightburden.pdf>

<sup>38</sup> Available online at:

[http://www.google.ca/url?sa=l&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCAQFJAA&url=http%3A%2F%2Fwww.bcauditor.com%2Ffiles%2Fpublications%2F2011%2Freport\\_4%2Freport%2FOAGBC-Environmental-Assessment-Office.pdf&ei=xjI3UM\\_FJozVigLit4E4&usg=AFQjCNE9oftuy7E2zKhjWi4hbhBvRSDeSg](http://www.google.ca/url?sa=l&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCAQFJAA&url=http%3A%2F%2Fwww.bcauditor.com%2Ffiles%2Fpublications%2F2011%2Freport_4%2Freport%2FOAGBC-Environmental-Assessment-Office.pdf&ei=xjI3UM_FJozVigLit4E4&usg=AFQjCNE9oftuy7E2zKhjWi4hbhBvRSDeSg)



On the other hand, I also recognize the industry as a whole is also in transition and the BC and Canadian mining sectors have made strong commitments to working closely with communities to ensure mining brings sustainable social and economic benefits. Consideration of the above comments within this letter would contribute to ensuring mine development meets these commitments and perhaps more importantly, translates into the improvement of the social and economic well-being of First Nations and demonstrates respect for cultural values, a BC mineral exploration and mining strategy commitment.<sup>39</sup>

Sincerely,



PhD Mining Engineering  
Post-Doctoral Fellow, Norman B. Keevil Institute of Mining Engineering  
University of British Columbia

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<sup>39</sup> BC Ministry of Energy and Mines, 2012. British Columbia's Mineral Exploration and Mining Strategy: Seizing Global Demand. Available online at: <http://www.empr.gov.bc.ca/Mining/Documents/MiningStrategy2012.pdf>



## NAK'AZDLI BAND COUNCIL

P.O. Box 1329, Fort St. James, B.C. V0J 1P0

Telephone (250) 996 – 7171

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January 25, 2013

### **By Email and Fax**

Environmental Assessment Office  
1st Floor, 836 Yates St.  
PO Box 9426  
Stn Prov Govt  
Victoria, BC V8W 9V1

Attention: Shelley Murphy

**Re: Review of the Draft First Nations Consultation Report for Application to Amend the Environmental Assessment Certificate #M09-01 for the Mount Milligan Gold/Copper Project**

Dear Madame:

Thank you for your letter dated January 11, 2013. This letter is our substantive response and comments to the Draft First Nations Consultation Report including Appendix A (the "Report"), and the report prepared by Ecofor dated December 31, 2012 (the "Ecofor Report"), as attached to the EAO's email of January 11, 2013.

Enclosed with this letter are our comments on the First Nations Issue Tracking Table. Please note that these responses are confined to the comments made by the proponent as originally provided to us on November 22, 2012.

### **The Report**

The following are our comments regarding the Report:

- In addition to those concerns set out by the EAO on page 6 of the Report, Nak'azdli has also expressed concern regarding the inadequacy of the information provided by the Holder, particularly the social and economic effects assessment (the "SE Assessment") drafted by AMEC Environment & Infrastructure Limited and the potential of a conflict of interest as a result of its other economic relationships with the Holder. These concerns

were set out on pages 15 and 16 of our letter dated October 18, 2012 (the "Letter"), as well as the letter of Dr. Janis Shandro, PhD, attached to the same.

- In response to the comments made by the EAO on page 6 of the Report regarding Nak'azdli's concerns on the time limitation provided, please note that while we appreciate the additional time that the EAO has taken to review this amendment application and our comments, much of the delay was unrelated to Nak'azdli. Our concern was regarding the deadlines that the EAO continued to unilaterally impose on us, which in our opinion did not provide enough time for response. For example, although First Nations have had information on the proposed amendment and environmental, health and heritage effects assessment (the "EHH Assessment"), since May 4, 2012, we did not receive the proposed amendment process from the EAO until July 27, 2012. As already set out in our previous correspondence to the EAO, we had been trying to engage with the EAO on this process since May 2012. In addition, the Holder's complete amendment Application was not received until September 10, 2012 for review, which we had advised the EAO back in August 2012 was a very busy time for us due to our traditional practices. Further, we would note that many of these deadlines became irrelevant and were not followed due to the actions of others.
- As noted by the EAO on page 7 of the Report, Nak'azdli was provided with \$5,000.00 in capacity funding. However, we would note that this amendment process has now been ongoing for over eight months. As noted above, much of this delay was a result of the actions of others. We do not take issue with the delay per se, as we firmly believe that this process should take as long as needed to ensure the protection of our rights, our community and the environment. However, please note that many resources were unnecessarily expended negotiating with the EAO on its imposed deadlines. Much time and energy could have been saved if the EAO had just agreed from the beginning to our initial request for longer review periods as has been the result anyway. As a result, the capacity funding has been inadequate and this process has resulted in a burden to Nak'azdli, financially and otherwise.
- In response to the EAO's comments regarding its reliance on the strength of claim assessment set out on page 7 of the Report, we continue to state that we do not agree with the EAO's assessment, nor do we believe that it is the appropriate forum for such an assessment to occur.
- In response to the EAO's comments on page 8 of the Report regarding the potential effects on Aboriginal Interests arising from the proposed load-out and haul route, we maintain that there are concerns regarding dust, sediment, spills and impacts on wildlife as set out at pages 11 to 13 of our Letter. We respectfully disagree with FLNR's report that there are no wildlife crossings or wildlife features. Again, as far as we know, both the EAO and FLNR have failed to consult with or take into account the knowledge of our traditional land users. Among other concerns, we do not believe that the EAO has considered the fact that Philips Lake enters the upper streams of the Fraser River Basin, which is a major salmon habitat river, nor that Rainbow Creek is a spawning ground for

the endangered artic grayling and dolly varden, both of which are food sources for our people.

- With regards to the EAO's comments on Nak'azdli's concerns on the environmental effects of the proposed permanent camp construction set out on pages 8 and 9 of the Report, it is our opinion that the Holder's studies are flawed. The original study was completed in 2008 by AMEC which, as already stated, we do not believe to be an objective third party given its other beneficial economic relationships with Terrane Metals Corp. in the Mount Milligan Gold/Copper project. Our comments regarding the Ecofor Report are set out below.
- With regards to the EAO's comments on our concerns of the environmental effects of camp operations on page 9 of the Report, and the Holder's confirmation that the use of potable water and generation of waste, refuse and effluent will not have any effect on the permits and licences already granted, we would respond as follows:
  - Logically, a permanent camp servicing 450 people for over 20 years should result in a great amount of water use and a greater generation of waste, refuse and effluent, than not having a permanent camp at all;
  - The fact that the Holder's current licences and permits are able to encompass such a large change causes us to question if it was always the Holder's plan to have a permanent camp. Is the granting of such broad approvals industry standard?
- In response to the EAO's comment on page 9 that Nak'azdli's concerns regarding economic benefits and social effects of a permanent camp go beyond addressing impacts to our aboriginal interests, we would disagree with this comment as it is our opinion that the economic and social issues we have identified go directly towards our ability to exercise our rights and protect our interests. As set out at pages 6 and 7 of our Letter, issues such as displacement of our band members, unemployment and greater stress on our already strained medical and social resources are concerns which we believe will be created and/or further exacerbated by the establishment of a permanent camp.
- Further to your comment that "During the review of the Amendment Application the Nak'azdli indicated that they are not opposed to the project..." (found at the bottom of page 9 of the Report), please be advised that this is incorrect. Regardless, Nak'azdli's support or opposition to the project itself is not the issue. What is important is that, in light of the past and potential future approvals, we have a responsibility to try and mitigate the damage to our nation and ensure that Nak'azdli benefits as much as possible. This has been expressed time and time again, most recently in our letter of October 18, 2012. Such misrepresentation by the Holder in its documentation to the EAO has repeatedly been corrected by Nak'azdli. It is very troubling that this continues to be an issue.
- We note the section on Mitigation Measures for Potential Effects on pages 12 and 13 of the Report. Our response to such measures is set below in our comments on Appendix A.

Please be advised that we disagree with the EAO's conclusion that the proposed amendments to the Application will have minimal impacts.

**Appendix A – Draft Certificate Changes, Amendment Description and Proposed Conditions, should the proposed Amendment be approved**

As stated, Nak'azdli is opposed to the proposed amendments to the project. However, should they be approved, we would strongly advocate that conditions be imposed on the Holder. There should not be an absolute approval, and we appreciate the time that the EAO has taken to draft such conditions.

In addition to the conditions already set out by the EAO, we would inquire about and request the following:

- Further to the reporting requirements on page 17 of the Report, we would request that all management and monitoring plans and related updates, as provided by the Holder to the EAO or any other provincial agencies identified by the EAO, be forwarded to Nak'azdli. We would also request that Nak'azdli be provided with the status reports from the Holder. We believe that transparency is crucial given the length of time that this project will be impacting our community and traditional territory. Alternatively, this information could flow through the Community Sustainability Committee or the proposed Social Effects Advisory Committee (as discussed on page 18 of the Report). However, we would maintain that members, including our representatives be provided with the same documents as those given to the EAO by the Holder.
- We note that at page 18 of the Report, the EAO has required the Holder to provide a draft Social Effect Monitoring and Adaptive Management Plan (the "SE Plan"). Again, we believe that the SE Assessment completed by AMEC is seriously flawed and is an inadequate analysis of the social and economic effects of the proposed amendments. Given the potential conflict of interest in AMEC's relationship with the Holder, and the fact that the SE Assessment relies on little or no field research, nor does it take into account the most current studies, we believe any conclusions stated therein are skewed and unreliable. Without a proper assessment of the social and economic effects, how can the Holder provide an appropriate and effective SE Plan? Without an objective and comprehensive study, how can the Holder include provisions for establishing baseline information and indicators as required by the EAO (see subparagraph e) at page 18 of the Report)? We would request that the Holder provide a new social and economic effects assessment, conducted by an independent company.
- With regard to the SE Plan, we would also ask the EAO to consider requiring that the Holder provide a satisfactory plan prior to any approvals and issuance of certificates. While we recognize the Holder's interest in moving this matter forward, we would note that much of the delay has been caused by the Holder itself. In addition, we are concerned with the recourse that the EAO will have to guarantee that the Holder will satisfactorily meet the conditions as prescribed if approval has already been granted.

- We are pleased to see that the EAO has included conditions for consultation with Nak'azdli, particularly at subparagraphs b) and c) on page 18 of the Report. As we have shown through our participation in this process thus far, Nak'azdli takes the project and the proposed amendments very seriously, and we will continue to be involved as needed to ensure the protection of our people and our land. However, as we are sure the EAO can appreciate, the time and effort required to do so has been extensive and, despite the EAO's contribution, a financial burden. Nak'azdli has already absorbed considerable costs as a result of this process. We have no doubt that our continued commitment will result in further financial burden to our community. While we firmly believe that it is imperative to Nak'azdli that we continue to participate in this project and its process, we do not believe that it should be at the expense of our nation. We are left in the difficult position of either not consulting with the Holder and not having our rights and interests represented or protected, or consulting with the Holder to the financial detriment of our community. As such, we would ask the EAO to consider conditions for financial compensation to allow us to remain involved, and to help ensure that adequate consultation continues.
- As set out at pages 13 and 14 of our Letter, we are concerned with the environmental monitoring of the Project. This concern has increased with the addition of a permanent camp. We have also raised issue with the lack of communication and information that the current environmental monitors and the Holder have disclosed. We are aware that the Holder has retained members of the McLeod Lake Indian band as environmental monitors for the project, and that these monitors are reporting to their Chief and Council. At a meeting between Nak'azdli and the Holder on July 25, 2012, we asked the Holder to set and fund a liaison position for a Nak'azdli band member to help build trust between the Holder and our nation. We have not yet received a response. We would ask that the EAO consider requiring that Nak'azdli be part of the environmental monitoring, either as a liaison or otherwise, and that this position be funded by the Holder. Alternatively, we ask the EAO to expressly require the current environmental monitors to report directly to the Community Sustainability Committee (the "CSC"), and respond to any inquiries put forward by the individual representatives of that committee.
- As stated above and at page 11 of our Letter, based on the knowledge of our traditional land users, we believe there to be great risks related to the new proposed haul routes. We do not believe that any assessment done thus far has taken such knowledge into account. We respectfully request that the EAO include the requirement of an environmental monitoring program for the Phillips Lake area as well, as we believe it will be directly impacted by the new haul route. Such monitors should also report and respond directly to the CSC.
- At page 19 of the Report, the EAO has set out that residence and occupancy of the Camp must be restricted to Workers only. Does this include subcontractors as well, or only direct employees of the Holder? If it does not include subcontractors and their employees, what monitoring will be set up for these additional camps and what changes will be required of the issued licences and certificates? As we have raised with the EAO, we

have been informed of subcontractors being required to set up their own camps or lodgings off site. This is of concern due to the lack of monitoring and rules, as has been reported to us, at these accommodations.

- At the bottom of page 19 of the Report, the EAO has put forward a prohibition on a Worker's ability to hunt, fish or gather while residing at the camp. While we appreciate this restriction and agree that it is needed, please advise if exceptions will be allowed. For example, and hypothetically speaking, if a Nak'azdli band member residing at the proposed permanent camp was unable to participate in a traditional hunting ceremony due to having to be at work, would he or she be able to exercise that traditional right on his or her own? Or if that member were to return home to the Reserve for a few hours, would he or she be able to engage in hunting, fishing or gathering while there?
- Please confirm that the Holder's proposed permanent camp will be a dry (that is, alcohol free) camp, and that such prohibitions will be strictly enforced.
- In the development of a Road Use Monitoring and Emergency Response Plan, as set out at page 20 of the Report, we are pleased to see that the EAO has required consultation with First Nations. However, as mentioned above, consultation does involve the expenditure of resources which should not be borne by our nation. We would respectfully request the EAO to consider further financial compensation to Nak'azdli to foster meaningful and adequate consultation.

As raised above, in the event that approval is issued as set out in the Report, we are concerned with how the EAO will hold the Holder accountable to these obligations, including ensuring meaningful consultation, and sufficient implementation of services and assistance to the surrounding communities. Should the Holder breach any of these conditions, what recourse does the EAO have? For example, what steps can the EAO take if the consultation conducted by the Holder is not in good faith?

Lastly, given the EAO's finding that conditions are required, our firm belief in the need for further conditions, and our concerns regarding their enforceability, we would again assert that a greater financial bond from the Holder is necessary.

While we do not agree with the proposed amendments, we commend the EAO on the work that it has done thus far, and hope that it will seriously consider our submissions for additional conditions which we believe are imperative to protecting not only our people, but all the communities affected and impacted by the project.

### **The Ecofor Report**

We appreciate the Holder's attempt to provide those involved with further information on the environmental and archaeological impacts. However, it should be noted that the Ecofor Report is unfortunately based on information from AMEC which, as set out above, we do not believe to be an objective or reliable source. As such, we are wary of the conclusions reached by Ecofor.

Specifically, we would raise the following:

- The methodology employed is set out on page 8 of the Ecofor Report. We would note that other than the Committee on the Status of Endangered Wildlife in Canada website, there is no mention of any other Federal reports or databases accessed and/or reviewed. If it is the case where Federal sources are incorporated into the listed provincial ones, please advise.
- As far as we can see, this Ecofor Report has not taken into account traditional knowledge from any First Nations land users. Please advise if that is the case. If so, we would assert that such knowledge is required for the execution of an accurate environmental and archaeological assessment.
- At page 9 of the Ecofor Report, the writer states that the key wildlife values of interest encompassed species of concern to the public, including First Nations. As far as we are aware, our representative was not contacted on this matter. Did the researchers of Ecofor contact any members of Nak'azdli? What were the sources of the information relied upon?
- As set out on page 10 of the Ecofor Report, the analysis of the mammal species in the area is based on the 2006 and 2008 baseline surveys of the Mt. Milligan Project, completed by AMEC. In addition to our expressed concerns regarding reports conducted by AMEC, we would note that Ecofor has relied upon outdated information here. We are aware that in the following paragraph Ecofor states that a 2012 ground survey was completed for wildlife species at risk. Would this ground survey then have included collecting all the information required for a new base line survey? If not, why wasn't a new 2012 baseline survey done?
- In reaching its conclusions regarding wildlife species at risk, as found at page 10 of the Ecofor Report, Ecofor states that a 2012 ground survey was conducted. However, based on the date of the Ecofor Report, that is, December 31, 2012, it would seem that such ground survey would have been completed in the late fall or winter months. During these seasons, much of the wildlife is not active, and most migratory animals would have already left for warmer areas or gone into hibernation. We would respectfully request that a further study, or at least a follow up survey, be completed prior to the proposed camp construction and in the spring/summer month to ensure that the findings of Ecofor are accurate for all seasons. For example, our members have traditionally hunted moose during the summer months. The Ministry of Forests, Lands and Natural Resource Operations has reported that moose are in decline. This should be a condition to the proposed certificate amendments.
- At page 11 of the Ecofor Report, we note that Ecofor states, "The timing of the surveys was too late in the season for rare or flowering plants". While the plant habitat suitability was assessed, we believe that a follow up survey should be completed during the spring/summer months, and prior to construction, to confirm Ecofor's assumptions.



- At page 13 of the Ecofor Report, Ecofor has recommended that if construction occurs during the spring breeding window for amphibians, a pre-construction survey and relocation should be completed. We would agree with this proposal but would add that it is our opinion a pre-construction survey should be conducted regardless for reasons as set out above.
- We would note that the Avian and Amphibian Species Result Maps, the Mammal Species Result Maps, and the Ecosystem/Vegetation Results Maps relied upon by Ecofor were those prepared by AMEC in 2008.

Again, we would request that a further environmental impact study, or at the very least a follow up study, be conducted. It should be based on current information, with surveys done during the months where wildlife and vegetation are most active. Given how quickly environmental landscapes can change, we believe that the utilization of up to date information is crucial for any environmental study to be accurate or reliable.

### Conclusion

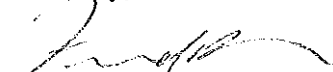
To be clear, we are opposed to the proposed amendments. However, based on the Report, it seems clear that the EAO will be recommending that they be approved. If so, we would strongly request that our additional conditions be included in the amended certificate as well.

Further, we are in receipt of your letter dated January 21, 2013, advising that the proponent may not be able to meet one of the draft conditions proposed by the EAO "given some site preparation activities the Certificate Holder has recently undertaken at the site". We understand that at this time the EAO, including its compliance and enforcement staff, is looking into the situation. We kindly request that Nak'azdli be kept up to date and provided with any new information on this matter.

While we have not been advised of the exact actions of the Holder, the fact that the Holder is already unable to meet the EAO's proposed conditions before approval is even granted is of concern to us. We believe this is all the more reason why the additional conditions that we have put forward above should be included, and that the EAO have express recourse against the Holder should the conditions not be met.

Lastly, please note that we will be making a separate submission to the Executive Director. Thank you again for your time and consideration of the above.

Sincerely,



Chief Fred Sam

Enclosure(s)

Cc: Anne Marie Sam

Peter Grant & Associates

**PROPOSERS RESPONSE TO COMMENTS SUBMITTED BY  
THE FIRST NATIONS**

November 2012

	Nak'azdli First Nation ("NFN"), October 18, 2012	Response/Change/Action (Proponent)	Nak'azdli response
Introduction (pp. 1-2)	NFN opposition to the amendment.	<p><i>Proponent has attempted to establish a business relationship with the NFN on a basis similar to its Socioeconomic Agreement with the McLeod Lake Indian Band (i.e., its Impact Benefits Agreement). The proposed agreement has been consistently declined by the NFN. Notwithstanding, mine-related contracts in excess of \$11 million have been awarded to a business owned and operated by a Nak'azdli band member (Taba Enterprises, Ltd.). More recently, this same contractor was awarded a contract worth approximately \$1.1 million to construct the parking lot in Fort St. James. Proponent remains willing to discuss opportunities for the NFN and band members to participate in project-related work for which it or they are qualified.</i></p> <p><i>EAO determined in 2009 that the Mt. Milligan Project does not result in a significant adverse effect. Proponent believes that expressly took into account in the Assessment Report claims and concerns identified by the NFN at that time.</i></p> <p><i>Finally, Proponent notes that the NFN's Economic Development Officer represented to Proponent at a community information session in June 2012, that the NFN had no concerns about the operations camp and that their concern about the loadout relocation was that they wanted to operate the loadout in Fort St. James. The NFN have represented in their October 18<sup>th</sup> comment letter that its EDO was not speaking for the Band Council at this time.</i></p>	<p>As mentioned at page 14 (5<sup>th</sup> paragraph) of our letter dated October 18, 2012 (the "Letter"), the proponent has tabled one agreement with Nak'azdli which fell far short of industry standards. The proponent clearly expressed a "take it or leave it approach", which was not acceptable to Nak'azdli, nor, in our opinion, in good faith. We have advised the proponent in the past that we would be happy to further discuss a business relationship with it when it is prepared to enter into meaningful negotiations of a fair agreement. Aside from the initial tabled agreement, there has been nothing presented for Nak'azdli to decline. While the proponent continues raise this matter with the EAO, it failed to communicate any willingness to negotiate with Nak'azdli until recently. A meeting has now been set for January 21, 2013 between Nak'azdli and the proponent. We hope that the proponent will come to the table actually prepared to engage in productive and good faith negotiations.</p> <p>It should be noted that while Taba Enterprises happens to be owned by a band member, it is not a band entity, nor does it benefit Nak'azdli directly. We are not aware of any terms that ensure contracts to Taba Enterprises benefit Nak'azdli and its members, such as terms requiring the training and employment of band members or participation and contribution to our community. While the proponent has put forward that it has many economic opportunities, again, it has failed to present any of those opportunities to Nak'azdli. If the proponent was so keen on the participation of Nak'azdli, why did it not approach us regarding these opportunities or reopen negotiations sooner?</p> <p>Nak'azdli has advised EAO and the proponent numerous times that these "comments" are not accurate. We have further made it clear that we do have concerns regarding both the operations camp and the load out relocation which go beyond any economic issues.</p> <p>We have mentioned repeatedly that Ms. Anne Marie Sam is the authorized representative for NFN. In addition, NFN was advised by the proponent that the community information session in June 2012 was not a forum to critique the amendments, but only to obtain information. NFN was adhering to the procedure of the proponent unfortunately, it now seems, to its detriment. Lastly, we would note that the main concern of an Economic Development Officer is economic</p>

			development, regardless of other pertinent matters. As it was made clear long ago to the proponent that only Ms. Anne Marie Sam was authorized to speak on behalf of NFN on this matter, the comments herein referred to by the proponent were taken out of context.
	<b>OPERATIONS CAMP</b>		
Economy (pp. 2-5)	In this section, the NFN assert numerous "economic" claims and issues, only some of which are relevant to the proposed operations camp and the loadout in Mackenzie. In particular, the NFN describe various concerns about the training and education courses sponsored and paid for by Proponent at the College on New Caledonia; contracts received by local businesses; the residence of Proponent's permanent workforce; the subdivision development in Fort St. James; and the cost of housing in Fort St. James. The NFN also offer their opinion that Proponent's socioeconomic analysis is incorrect.	<p><i>While Proponent believes that the training and educational courses offered by it at the CNC demonstrate its commitment to and development of a locally based workforce, these courses are not part of the proposed amendment, nor are they any sort of mitigation measure. Proponent notes that it works closely with the CNC and its aboriginal liaison to develop the content and scheduling of the courses, and that it believes that the CNC is sensitive to the interests of the entire local community including the NFN.</i></p> <p><i>Proponent also disagrees with the NFN's characterization of mine-related contracts with local businesses; since February 2012, Fort St. James businesses have received more than \$15 million in payments for goods or services (including, as noted above, \$11 million to a business owned by a NFN band member). Again, however, the award of mine-related business is neither part of the proposed amendments nor any sort of mitigation measure.</i></p> <p><i>With respect to Proponent's efforts to retain a permanent workforce, the NFN correctly state that Proponent has been unable to fill certain positions requiring technical experience or special qualifications from Fort St. James or Mackenzie. In the highly competitive market in which it exists, Proponent cannot compel applicants for these positions and new employees to move themselves and their families to Fort St. James or Mackenzie, especially when they own homes elsewhere, have children settled in a school system or have other similar connections to their current communities. Notwithstanding, Proponent believes that its hiring practices are consistent with the 2009 Assessment Report, upon which EAO determined that the Mt. Milligan project did not result in a significant adverse effect.</i></p> <p><i>Proponent notes that the Environmental Assessment Certificate requires that Proponent "[m]aximize employee recruitment from</i></p>	<p>Comments made by Nak'azdli regarding training/educational courses and local contracting were included as an example of the failure of the proponent to live up to the promised economic benefits which were made in its initial application, and highlight our belief that the alleged benefits of the amendments are unfounded. Again, the proponent's so called "contribution" to Nak'azdli has been to award contracts to ONE company which happens to be privately owned by a Nak'azdli band member. This private company receives the contracts for itself, not for Nak'azdli. Taba Enterprises does not share profits with the Nak'azdli Band. Our nation as a whole does not benefit from, nor are we aware of any contractual terms ensuring the training and employment of band members in, these contracts.</p> <p>While the proponent asserts that it has been unable to retain a permanent workforce, it has provided no evidence of the steps that it has taken to try to attract employees, nor that it is the lack of a camp that is the main reason for any alleged difficulty. Again, it could be that prospective employees prefer to work for companies who have a more financially sound image. The creation of a permanent camp would not change this. Given the proponent's own concerns and comments regarding reducing costs and conserving cash<sup>1</sup>, and wanting to "devote additional resources to the capital costs of constructing the Mt. Milligan project"<sup>2</sup>, it seems that these funds could be better spent elsewhere in the project, instead of the permanent camp.</p> <p>The issue raised by Nak'azdli was not whether or not the proponent has hired from our local communities, but its commitment to do so. As mentioned in our Letter, it has been stated by various sources that permanent camps serve to attract workers from outside local communities. The proponent states that 120 of its 170 permanent workers are from the SRSA. This is only a small portion of the actual number of workers at the mine. We would like to know the actual number of workers to date who are from our local communities. (In</p>

<sup>1</sup> See for example Thompson Creek News Release of October 3, 2012 - [http://www.thompsoncreekmetals.com/s/News\\_Releases.asp?ReportID=551002](http://www.thompsoncreekmetals.com/s/News_Releases.asp?ReportID=551002)

<sup>2</sup> See proponent's comments in this table under heading "Relocation of Loadout Facility"

		<p>Northern BC, particularly from the communities with the Regional Study Area.” Certificate, Table of Proponent Commitments (Appendix B), Employment. The socio-economic RSA, as defined by the Assessment Report, includes the following communities:</p> <p>The Socio-economic Regional Study Area (SRSA) for the socio-economic assessment of the proposed Project consists of those urban and rural communities that are most likely to provide the workers, goods, and services needed to construct and operate the proposed mine and/or that would be directly or indirectly affected by mine construction or operation. The SRSA consists of:</p> <ul style="list-style-type: none"> <li>• six regional district electoral areas (Bulkley – Nechako C, Bulkley – Nechako D (which includes Fort Fraser), Bulkley – Nechako F, Fraser – Ft. George A, Fraser – Ft. George C, and Fraser – Ft. George G)</li> <li>• five major communities (the District Municipality of Fort St. James, Village of Fraser Lake, the District Municipality of Mackenzie, the City of Prince George and the District Municipality of Vanderhoof); and]</li> <li>• people living on 15 Reserves belonging to seven First Nations[.]</li> </ul> <p>Assessment Report at 74. Proponent believes that it has complied with this requirement and that the proposed operations camp fully complies with this requirement. Approximately 75% of the approximately 160 permanent employees hired to date are located in the SRSA.</p> <p>Proponent also notes that it continues to dedicate a portion of its website to promoting working for the mine and living in Fort St. James and Mackenzie, including links to both the Districts’ websites. <a href="http://www.mtmilligan.com/files/work-with-us_living-and-working.php">http://www.mtmilligan.com/files/work-with-us_living-and-working.php</a>.</p> <p>With respect to the subdivision, Proponent agrees that the development of a subdivision has been reevaluated due mostly to</p>	<p>April 2012 the proponent reported that the “Mount Milligan team” was at 718 workers on site<sup>3</sup>. This had risen to 880 workers per week by November 2012<sup>4</sup>.)</p> <p>The statement made by Nak’azdli was “As reported by the District of Fort St. James, two years later there still has been no development and the lots are being used as a parking lot”<sup>5</sup>, which is an accurate description of how the lots are being used as confirmed by the proponent.</p> <p>We suggest that the proponent may need to reread our letter. It is because there is less mine-related housing than anticipated that housing prices have increased as a result of the influx of people from the speculation of work. This, in our opinion, is due in large part to the loss of housing from the proponent’s failure to follow through with the subdivision plan originally proposed.</p> <p>We would again state that the assertion of the proponent that a permanent camp will ameliorate the housing crisis is speculative. The influx that has currently caused the rise in housing prices is a result of people who have moved to the region without the establishment of a permanent camp, which indicates that they want to live in town and may not choose to move to the camp. That is, a camp may not alleviate this problem, whereas establishing new housing in town would.</p> <p>Again, the proponent really should reread our Letter. The statement made was, “The proponent should be required to mitigate this damage as a pre-condition of any approval of this change. This is particularly the case as the proponent, in its original application for approval of the mine, relied on commitments to the District of Fort St. James to obtain support for the project. Now, after the initial approval, it wants to withdraw a major basis for that support with no consequence to the proponent, but significant consequence to Nak’azdli and the District.” Nowhere do we state that Nak’azdli sees a benefit. The support of the District of Fort St. James, which was partially due to the proponent’s commitments to “do whatever it takes” in regards to the housing development<sup>6</sup>, is a matter of public record. A benefit can only be found in a situation where if taken away, a party is left in its original position. Here, taking away the housing development has damaged our communities and has left them worse off. The proponent should be</p>
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<sup>3</sup> <http://www.mtmilligan.com/files/documents/ENewsApril.pdf>

<sup>4</sup> <http://www.mtmilligan.com/files/documents/ExternalENewsNovember12.pdf>

<sup>5</sup> See page 5 (at 2<sup>nd</sup> paragraph) of the Letter

<sup>6</sup> For example, see table attached to letter of Rob MacDougall to Mr. Derek Sturko dated September 27, 2012, under the heading “Housing”

		<p><i>the construction of an operations camp and the desire of workers to have on-site, close-in living accommodations. At the time of the communications described in the NFN's comments, Proponent anticipated that its operations workforce would elect to reside in the local communities. Proponent remains open to working with a bona fide developer who wishes to acquire and/or develop a housing subdivision utilizing all or a portion of the lots for market sale (contrary to the NFN letter, Proponent has never "promised" to find a developer; Proponent will work with qualified developers genuinely interested in development of the property). Proponent notes that it owns thirteen residences that are part of 4-plex units and one single family home in Fort St. James, which it is making available to its permanent employees.</i></p> <p><i>Proponent assumes the interest by developers to build-out the subdivision may increase over time if there is more demand by Proponent's permanent employees to live in Fort St. James. Proponent acknowledges and agrees that the time to build-out a subdivision will undoubtedly be longer than it originally believed would be the case.</i></p> <p><i>Proponent notes that the NFN letter implies that the parking lot in Woodgrove is a recent, unplanned conversion from a residential purpose. This is incorrect; the parking lot has always been in the plans for this property, and Proponent coordinated with the Fort St. James City Council on the location of the parking lot.</i></p> <p><i>The NFN assert that, notwithstanding that there is less mine-related housing than anticipated, housing prices have increased based on "the speculation of work at the mine." Logically, and as supported by Proponent's socioeconomic report, the operations camp will ameliorate any such effect; however, the NFN dismiss Proponent's report as "speculative."</i></p> <p><i>The NFN conclude this portion of its comments by stating that: "Now, after the initial approval, [Proponent] wants to withdraw a major basis for support [by the District of Fort. St. James] with no consequence to the proponent, but significant consequence to Nak'azdli and the District." Proponent is pleased to note that the NFN see benefits from the mining project. As discussed in these responses, Proponent believes that the project has benefitted, and will continue to benefit, the District of Fort St. James.</i></p>	<p>required to mitigate this damage.</p> <p>In this section of the Letter, the proponent has not responded to the following:</p> <ul style="list-style-type: none"> <li>• Evidence that not having a permanent camp for 450 people is the reason that it cannot meet its labour needs;</li> <li>• Why a comparison of the jobs that would have been created from the construction of the originally proposed residential development in Fort St. James and services to new residents was not taken into consideration.</li> <li>• Steps that the proponent will take to mitigate the damage that has already occurred due to a lack of housing.</li> </ul>
Community and Resources (pp. 6-7)	In this section, the NFN assert that the operations camp will support a fly in/fly out	<i>Proponent believes that the operations camp will result in a regional workforce, as contemplated by EAO's 2009 Assessment Report, which has, thus far, been borne out. As noted, approximately 75%</i>	As mentioned above, we would like to see the actual statistics of all the workers currently employed at the mine site. We do hope that the proponent can show at least some commitment to our communities by

	<p>workforce, that mine workers will not contribute to the local tax base and economy, including provision of health and medical services, and that the operations camp will result in adverse socio-economic impacts.</p>	<p><i>of the permanent workforce retained to date lives in the SRSA. Moreover, approximately 50% of this workforce resides in either Fort St. James or Mackenzie, so NFN's argument that mine workers are not contributing to the local tax base and economy is false.</i></p> <p><i>Proponent is uncertain that negative socioeconomic issues will arise from the operations camp and the use of shift rotations of various lengths. Nevertheless, Proponent will work with communities in the SRSA (including the NFN) to address any specific issues identified by them that may arise as a result of implementation of the amendments. Proponent will also meet with any community (including the NFN) in the SRSA that believes that it has been adversely impacted, in any manner, by the certificate amendments requested by Proponent and, in conjunction with such community, takes such other, reasonable steps, in good faith, as may be required to substantively address the adverse impact.</i></p> <p><i>Finally, the NFN's letter concedes that "[h]ealth care and social services are already spread thinly in the Fort St. James area." The operations camp should reduce the stress on these health care services. Whether mining related, on-site "medical situations" place an increased demand on Fort St. James' ability to provide medical services would be an issue for the prospective socioeconomic impact analysis discussed above. Finally, Proponent understands that Fort St. James now has five doctors committed to the District.</i></p>	<p>adhering to this 75% statistic for all its hiring. However, under the current numbers put forward by the proponent, 50% of the permanent workforce would amount to 60 employees. This is only 6.8% of the workforce at Mt. Milligan (that is, 60 out of 880). It is safe to say that when the proponent stated Mt. Milligan was expected to have "significant long-term economic benefits for the region"<sup>7</sup>, those in support (not Nak'azdli) interpreted that to mean a greater percentage than 6.8% of employees contributing to the local tax base.</p> <p>While we appreciate the proponent's offer to work with communities to address identified issues that may result from the proposed amendments, the proponent has failed to actually address the issues that have already been put forward. For example, what programs would the proponent provide for its employees and the community to address well known negative effects of permanent camp situations such as rise in drug problems, decrease in sexual health, and rise in stress on employees? Instead the proponent seems to suggest that it wishes to ignore these concerns now and pass off any potential future responsibility to a "social effects advisory committee".<sup>8</sup> In our opinion, the establishment of a permanent camp is a significant change from the proponent's initial application, and brings with it significant negative impacts, which we believe should be considered and addressed.</p> <p>It should also be noted that Nak'azdli started a Community Health and Sustainability Research Advisory Committee to monitor the impacts of the project to community services and to community members. This has been in place since the construction of the project began. Although we have invited the proponent to participate, it has not been attending meetings. The past actions of the proponent make it difficult for us to trust that it will actually make best efforts to work with us in the future.</p> <p>We are unclear how stating the dire medical needs of our community, caused in part by the proponent, is a concession, but we are glad to see that the proponent agrees with this problem, and happy that the proponent acknowledges that the proposed camp would have an effect on our community resources (even if we disagree on the type of effect).</p> <p>The proponent has stated that the proposed permanent camp will alleviate this issue. However, the proponent has once again failed to put forward any actual evidence of what it would do to ensure that this occurs. How many medical personnel and what level of training would it/they have? Specifically, would there be doctors and surgeons? (Having those trained in first aid only would not alleviate our lack of</p>
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<sup>7</sup> For example see [http://www.thompsoncreekmetals.com/s/News\\_Releases.asp?ReportID=409315](http://www.thompsoncreekmetals.com/s/News_Releases.asp?ReportID=409315)

<sup>8</sup> For example, see proponent's comments below under the heading "Dr. Shandro Report (pp. 15-16)"

			<p>medical services. There need to be professionals.) Would medical care be available 24/7? What would the ratio be between doctors and employees at the proposed camp?</p> <p>We have been advised that at this time, there are only 2 doctors on staff. Over the holidays we continued to have limited access to doctors and emergency room services. While it is expected that this will increase in March 2013 to five doctors, there is no guarantee that these 5 doctors will stay. Again, we would ask that the proponent provide us with concrete plans of how it is going to ensure that proper medical services will be in place so that it will not be a burden to our community.</p> <p>Again, we would note that instead of dealing with these issues, the proponent proposes that the amendments should be approved and this existing problem dealt with prospectively, this time in a socioeconomic impact analysis. In our opinion, as the proponent recognizes that the proposed amendments require a further socioeconomic impact analysis, this should be done as part of the review process, not after.</p> <p>Lastly, the proponent has not addressed the fact that the permanent camp will promote a fly in/fly out project, and the steps that the proponent will take to live up to its commitments to our communities.</p>
<p>Environment (pp. 7-10)</p>	<p>The NFN asserts that the amendment will infringe on its aboriginal rights; that the operations camp will cause deforestation and impacts to wildlife; and that the operations camp may impact air quality, refuse, effluent and water quality.</p>	<p><i>In the 2009 Assessment Report, EAO evaluates the NFN's strength of claim to aboriginal rights. Assessment Report at 126-130.</i></p> <p><i>Even assuming the operations camp-related site disturbance is four hectares, the total disturbance area of the proposed mine and associated infrastructure, including off-site facilities, will be approximately 1820 hectares. Assessment Report at iv. Whether the total surface disturbance is 1820 hectares or 1824 hectares is not a basis upon which an adverse effect could be determined.</i></p> <p><i>Similarly, the difference of four hectares within the permitted mine area cannot reasonably be the basis of a significant adverse effect to wildlife. All of the sixteen specific commitments set forth in the Environmental Certificate that require "Protection of Ecological Values," including the obligation to "[i]mplement the wildlife management plan in Volume 6 of the Application to minimize any direct or indirect adverse effects on wildlife," will apply with equal force to the proposed amendment.</i></p> <p><i>By the proposed amendments, Proponent is not requesting modification or expansion of any of its environmental permits. The proposed amendments will not have any effect on the permits and</i></p>	<p>The plans of the proposed permanent camp would result in the additional disturbance of 40,000 square metres of land. As stated in the Letter, that does not take into account any additional lands needed to accommodate hook ups and pipes for utilities. It also does not take into account the additional noise and human disruption that the presence of a permanent camp would have.</p> <p>With regards to the refuse permit, it was Nak'azdli's understanding that this was for the construction camp only, which was to be time limited. The proposed permanent camp, although smaller in size, will operate for far longer, that is, at least 20 years longer, which is substantially more refuse than was contemplated at the time the initial refuse permit was applied for and granted. This is a significant change that should be taken into account.</p> <p>In addition, as far as we have been told, the proponent's current policy is that only direct employees can stay at the on-site camp. Currently subcontractors are required to provide their own accommodations and stay off-site. We have recently become aware that the location at which subcontractors and their employees are staying in Mackenzie allows alcohol to be brought in and consumed. This is a safety concern. We do not believe that these additional camps are included under the Refuse</p>

	<p><i>licenses already granted.</i></p> <p><i>Proponent does not anticipate that the operations camp will result in any increase in its emissions; however, Proponent will install a particulate matter monitoring device at the operations camp just as it has at the construction camp.</i></p> <p><i>Proponent's refuse permit was designed for the construction camp, which is two to three times larger than the proposed operations camp. No violation of the refuse permit is expected.</i></p> <p><i>The estimated amount of wastewater associated with the operations camp is conservatively 40,000 l/day, which will be subject to wastewater treatment pursuant to Proponent's Effluent Permit (including monitoring for biological oxygen demand, total suspended solids and fecal coliform). Treated effluent will be discharged to the TSF. Treated wastewater from the operations camp is a very small portion process water diverted from the TSF to the mill. As noted, Treated effluent is expected to be on the order of 40,000 l/day. The process plant will use about 123,240,000 l/day from the TSF. Proponent is required to monitor fecal coliform monitoring in both the treated effluent stream and the TSF. Applicant will also comply with the Industrial Hygiene Commitments established previously in the Environmental Assessment Certificate.</i></p> <p><i>The fresh water demand for process purposes is 16.8 m<sup>3</sup>/hr or 403.2 m<sup>3</sup>/day or 403,200 LPD. Proponent estimates typical fresh water demand for the operations camp at 40,000 LPD. The camp operations will be 80-90% of Proponent's potable use of water, so Proponent has assumed an additional 10,000 LPD of potable demand for the admin building, etc. Therefore, the total fresh water demand for process purposes and potable demand is:</i></p> <p style="text-align: center;"> <i>403,200 LPD</i>  <i>+ 50,000 LPD</i>  <i>453,200 LPD</i> </p> <p><i>The combined sustained pumping rate of Proponent's wells 10-01 and 10-02 is 7.6 L/s or 656,640 LPD. Proponent also has drilled wells 12-03 and 12-04 approximately 50 m away from the first two wells. Only well 12-04 was pump tested, which had a sustained pumping rate of 5.5 L/s or 475,200 LPD. Therefore, Proponent has twice as much fresh water supply as it has fresh water demand. The potable demand is only about 11% of Proponent's total fresh water demand. Most importantly, the potable demand is only 4.4% of Proponent's total available fresh water supply from the wells.</i></p>	<p>permit or Effluent permit. With the proposed amendment, will subcontractors also be staying at the on-site camp? If not, who will monitor these off-site camps?</p> <p>The proponent has not addressed the need to protect wildlife in the area and comply with recommendations of the Province, particularly the recovery strategy and recommendations regarding the woodland caribou.</p>
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	RELOCATION OF LOADOUT FACILITY		
Economy (p. 10)	<p>The NFN asserts that relocation of the loadout thwarted a plan for increased rail service to Fort St. James, that the loadout in Mackenzie is not more cost efficient for Proponent and that the 3-6 jobs associated with the loadout would be important to Fort St. James.</p>	<p><i>In the first instance, any plan to develop additional rail service to Fort St. James was never shared with or even made known to Proponent until long after the amendment application was filed. The NFN may pursue this plan even in the absence of Proponent's relatively small railway requirements.</i></p> <p><i>Proponent's business reasons for proposing relocation of the loadout are not part of EAO's determination of whether the amendment results in an adverse effect. Nevertheless, leasing the Kemess loadout allows the Proponent to devote additional resources to the capital costs of constructing the Mt. Milligan project. Also, the Forest Service roads to Mackenzie do not have weight restrictions in the spring, which results in very significant transportation cost savings to Proponent notwithstanding the increased maintenance expense associated with these roads.</i></p> <p><i>Proponent's socioeconomic report clearly establishes, using well-accepted methodologies, that the employment-related impact of the loadout is neither a substantial benefit to Mackenzie nor a meaningful detriment to Fort St. James.</i></p>	<p>The proponent's application was made on April 16, 2012. This matter was raised with the proponent on June 20, 2012, less than two months later and 3 months before we received the proponent's full amendment application package. In addition, as mentioned in our letter, when we did try to discuss matters of the amendment further with the proponent, including asking questions, the proponent's representatives were unable to answer any of our questions.</p> <p>The proponent has not addressed whether its lease of the Kemess load out will be short or long term, and the probability that it will have to build a new facility anyway. We are aware that there are ongoing negotiations with the current owners of the Kemess facilities and a third party. Has the proponent provided any further information on if it has secured the lease and for how long?</p> <p>If cost is an issue to the proponent, then we do not understand why this was not part of its analysis. If cost is not a concern, then any alleged cost savings from using Forest Service roads to Mackenzie are not relevant. Is the proponent offering to pay for all the increased maintenance expenses associated with these roads if the amendment to relocate the loadout facility is approved? Will it also pay for monitoring of the use of this proposed haul route given the recent upgrades? As the proponent's proposed amendments would involve using new gravel roads, should there not be weight restrictions on them?</p> <p>It is our opinion, which is further discussed below, that the proponent's socioeconomic report does not apply the appropriate standards when it purports to use "well accepted methodologies", and is not accurate or reliable.</p>
Environment (pp. 11-13)	<p>The section covers the NFN's concerns about the potential environmental impact of the haul route to Mackenzie and, in particular, impacts to Rainbow Creek resulting from traffic on the Forest Service Road. The NFN emphasize the need for dust control on the roads, and request information about proposed upgrades and improvements to the Forest Service roads. The NFN request a "tour" of the haul</p>	<p><i>Proponent's haul trucks will depart the site from 30 Gate and, once they are off the mine lease will travel 2.6 KM to KM 66 on the Phillips Connector. Therefore, although the Rainbow Road portion of the haul route was extensively studied as part of the 2008 EA, it will not be used as part of the haul route to Mackenzie thereby significantly reducing the impact of the haul route on the Rainbow Creek drainage.</i></p> <p><i>Proponent has stated that haul trucks will leave the site through 30 Gate, meaning that they will not use the Rainbow Road or the portion of the Phillips Connector from 80 KM to 66 KM.</i></p> <p><i>In response to the NFN's comments about potential haul truck spills, water crossings and potential impacts to the watershed, Proponent</i></p>	<p>Based on our reading of the current roads, if the proponent is leaving from 30 Gate, the haul route will still be crossing Rainbow Creek, Phillips Creek and many other creeks that flow towards the Nation River. If this amendment is approved, we would ask that a monitoring plan be set up in cooperation with Nak'azdli. We would also request that a responsible monitoring program for the Phillips Lake area be implemented, as we believe that it will be directly impacted by the new haul route.</p> <p>As the proponent has already stated that it will not use Rainbow Road or that portion of the Phillips Connector from 80km and 66km, we would ask that if approved, the amendment should specifically prohibit the proponent from using these routes. Given the proponent's comments, we do not believe that this should be a problem.</p>

	<p>route with EAO and Proponent, and also identify air, water and wildlife concerns on the haul route.</p>	<p><i>notes that all of these issues are already addressed by the Environmental Management Commitments set forth in Schedule B to the 2009 Certificate. These Commitments expressly include Environmental Management Plans and Standard Operating Procedures to implement the EMPs. Further, Proponent is required to incorporate and finalize the EMPs identified in Volume 6 of the 2008 EA. These EMPs generally include:</i></p> <ul style="list-style-type: none"> <li>• <i>Risk assessment and management which includes accidents and malfunctions (Section 6.2)</i></li> <li>• <i>Construction and operational environmental management plans (EMPs) that have been developed to manage project components and identified effects (Section 6.3)</i></li> <li>• <i>Follow-up programs and monitoring to be carried out during construction, operations and closure and what adaptive management strategies will be adopted (Section 6.4)</i></li> </ul> <p><i>Specifically, these EMPs relevant to this part of the NFN's comments include:</i></p> <ul style="list-style-type: none"> <li>• <i>Air Quality Management Plan</i></li> <li>• <i>Archaeology and Cultural Heritage Resources Management Plan</i></li> <li>• <i>Emergency Preparedness Plan</i></li> <li>• <i>Fisheries Management Plan</i></li> <li>• <i>Hazardous Materials Management Plan</i></li> <li>• <i>Landscape, Soils and Vegetation Management Plan</i></li> <li>• <i>Transportation and Access Management Plan</i></li> <li>• <i>Water Management Plan</i></li> <li>• <i>Wildlife Management Plan</i></li> </ul> <p><i>The Emergency Preparedness Plan includes a Spill Contingency Plan. Road accidents involving concentrate are specifically identified as a "Potential Impacts from Possible Accidents and Malfunctions" (Table 6.2-6). Specifically:</i></p> <p><i>The mine access road will be constructed to accommodate the safe passage of trucks hauling potentially hazardous commodities to and from the mine including petroleum products, reagents, and concentrates. Speed limits will be established and enforced to prevent accidents. The road will be maintained to ensure that trucks travel on a safe road surface throughout the year.</i></p>	<p>As set out in our letter, Nak'azdli's concern is with the use of the Forest Service Road, that is, the Rainbow Creek Forest Service Road, the Phillips Lake Forest Service Road and the Mackenzie Connector Road, which comprise the Phillips Connector. Increased use of 80 KM to 66KM of the Phillips Connector will affect Rainbow Creek and Phillips Lake, as well as the Arctic watershed.</p> <p>We thank the proponent for reiterating the contents of Schedule B of the 2009 Certificate, but would still like to know how this proposed change in haul route will affect the permits and licenses already approved? In addition, we still believe that a proper survey and map of the area, which includes all the creeks, should be commissioned and reviewed prior to any further steps being taken in this amendment process.</p> <p>We are glad to see that the proponent is open to the suggestion of a tour, although it is our view that this should be done prior to the release of the decision maker's determination of this matter. It should be noted that on November 21, 2012, Nak'azdli already put in a request to the EAO for a tour of the haul route when the snow starts to melt.</p> <p>We would note that Nak'azdli has asked for a tour of the haul route and the mine site on many occasions. However, as already stated in our letter, the proponent has refused our requests. The one tour that Nak'azdli has had was through the EAO and not the proponent. In addition, any "invitation" by the proponent to Nak'azdli has always been on very short notice, which makes it very difficult for our leadership to attend. For example, on January 8, 2013, Jocelyn Fraser sent an email to Chief Fred Sam "inviting" him to the project site on Saturday, January 12, 2012. That is only three days' notice which is unreasonable.</p> <p>Lastly, we would again inquire, if the proponent believes the Mackenzie haul route to be a better option, why is all the transportation of constructions material still being hauled through Nak'azdli?</p>
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	<b>ADDITIONAL COMMENTS AND CONCERNS</b>		
General Concerns	The NFN assert in this section that the mines financial assurance should be increased as a result of the amendment.	<p><i>Proponent disagrees with this comment. The haul route to Mackenzie is essentially similar in distance and potential environmental effect to the proposed haul route to Fort St. James and, therefore, there is no basis for increased financial assurance. The operations camp is approximately 0.22% of the total surface disturbance (4 hectares ÷ 1820 hectares), which is an insignificant and immaterial difference for purposes of financial assurance.</i></p>	<p>This section of the Letter contains our comments and concerns should the EAO decide to approve the application and either of the proposed amendments.</p> <p>It remains our position that financial assurance/bond provided by the proponent should be increased. It is our opinion that the proposed amendments do pose a negative and significant impact to our communities. In addition, it has been raised by various experts that adequate financial assurance for closure and cleanup must be dealt with properly and the concerns surrounding future disasters and remediation costs are increased where proponents may be facing its own financial problems. This is for the protection of everyone involved, and for the future generations.</p>
Community Sustainability Committee (pp. 13-15)	The NFN identifies several concerns about the operation of the CSC.	<p><i>The CSC is a commitment of Proponent's current Environmental Certificate under a component identified as "Consultation." The amendment application does not propose any revisions to the CSC, and the CSC is not proposed to be a forum for issues arising from the amendment proposals. The NFN should raise any concern about operation of the CSC within the CSC itself, which conducts facilitated meetings four times a year or with EAO pursuant to Proponent's current EA Certificate. Proponent anticipates that a social effects advisory committee will be required as a condition of the amendment certificate to address socioeconomic issues. The amendment process, however, is not a referendum on the Mt.</i></p>	<p>Nak'azdli's first point in this portion of the Letter is regarding the inadequate monitoring which we have observed thus far with the project. Monitoring should be done by an independent and impartial party, not one hired and employed by the proponent. Alternatives include having the proponent fund the monitoring, but requiring the monitoring group to be hired by and report to the EAO or each member of the CSC respectively. If the CSC is to be effective, we believe that individual members should be able to make direct requests to the monitors, and so long as reasonable, get the required information and participate in monitoring.</p>

		<p><i>Milligan project as a whole.</i></p> <p><i>Notwithstanding the foregoing, Proponent notes that it invited and agreed to cover the expenses for Dr. Shandro (see discussion below) to attend the September 2012 meeting of the CSC and present her findings. Proponent strongly disagrees with any suggestion by the NFN that the CSC has failed to address the NFN or other community issues related to the mining operation.</i></p>	<p>Please note that Nak'azdli, through our CSC representatives, have raised these issues with CSC itself, only to have them ignored or brushed aside. We have received the same response when requesting information, including from the current environmental monitors. As the CSC is a commitment of the proponent, we believe that it should take steps to ensure that there is adequate accountability and transparency. In addition, on July 25, 2012, Nak'azdli informed the proponent (through Ms. Jocelyn Fraser) that we were aware that members of McLeod Lake Indian Band had been hired as environmental monitors for the project and reporting back to the Chief and Council of McLeod Lake. We requested that the proponent set up and fund a Liaison position for a Nak'azdli member to help build trust between the proponent and our nation. To date we have been provided with no response.</p> <p>Lastly, the proponent has not responded to our comments regarding social services that it will provide to mitigate risks associated with a permanent camp lifestyle and additional health and medical services to its employees. Although the proponent repeatedly states that it will work with communities to deal with issues raised, it has failed to discuss the issues that we have raised in our Letter. Instead, it continues to state that these issues are things that should either be dealt with prospectively or by another committee. To deal with a problem after the damage has occurred seems irresponsible given they have already been identified and have a large probability of occurring. In our opinion, deterrence is the better option.</p>
<p>Dr. Shandro Report (pp. 15-16)</p>	<p>The NFN attach to their comments a report prepared by Dr. Janis Shandro. The report is primarily addressed to socioeconomic issues (including reference to several third party studies) and also suggests that Proponent consider an 8/8/8 hour shift rotations instead of the operations camp.</p>	<p><i>Proponent believes that the issues identified by Dr. Shandro and in the studies cited by her are prospective in nature. Given the NFN's opposition to the amendment, its consultant's criticism of Proponent's socioeconomic report is expected, and Proponent disagrees with Dr. Shandro's conclusions about Proponent's socioeconomic report. Proponent believes that the best way to respond to these issues is through mitigation measures designed to address specific socioeconomic issues if and when they arise.</i></p> <p><i>Proponent is uncertain that negative socioeconomic issues will arise from the operations camp and the use of shift rotations of various lengths. Nevertheless, Proponent will work with communities in the SRSA (including the NFN) to address any specific issues identified by them that may arise as a result of implementation of the amendments. Proponent will also meet with any community (including the NFN) in the SRSA that believes that it has been adversely impacted, in any manner, by the certificate amendments requested by Proponent and, in conjunction with such community, takes such other, reasonable steps, in good faith, as may be required</i></p>	<p>As the proponent stated, it was the one that invited and paid for Dr. Shandro to present to the CSC, including our representatives in September 2012. We take offense at the proponent's comments regarding Dr. Shandro given that she is a respected expert in her field. To imply that her conclusions are somehow biased is unfair and unwarranted. As set out by Dr. Shandro, the best way to deal with these issues to have a proper socioeconomic analysis conducted, which takes into account the significant factors and uses up to date information. Only then can an appropriate review of the proponent's amendment application be completed.</p> <p>In addition, if the proponent is critical of Dr. Shandro's conclusions because she was consulted by Nak'azdli, how much more so should we all be critical of AMEC and the proponent's socioeconomic report given AMEC's personal, vested interest in the project? This is all the more reason why the proponent should be required to commission a new, independent socioeconomic analysis and report for review, prior to this amendment review process moving any further forward.</p>

		<p><i>to substantively address the adverse impact.</i></p> <p><i>Proponent anticipates that a social effects advisory committee, consisting of the Proponent, the Districts of Mackenzie and Fort St. James, the McLeod Lake Indian Band and the NFN, will be required as a condition of the amendment certificate to address socioeconomic issues. Proponent believes that this committee is the proper forum in which to discuss the issues identified by Dr. Shandra.</i></p> <p><i>Proponent notes that there are still jobs available for which NFN members may be qualified and that any interested individual should review the job postings on-line or in Proponent's offices in Fort St. James.</i></p> <p><i>The eight hour shift proposal is not a mitigation measure for the amendment proposed by Proponent, but is instead a fundamentally different and totally unrelated approach. Proponent has never considered an eight hour shift rotation for the Mt. Milligan Project and, therefore, cannot evaluate the merits of it. Proponent agrees that it must address potential significant adverse effects of the amendment it has proposed (i.e., the operations camp), but believes that it is not required to speculate on the pros and cons of a completely different proposal that it has not made or even considered.</i></p>	<p>Given the deficiencies of the proponent's current socioeconomic report, it would, in our opinion, seem negligent to simply brush aside all the concerns raised by the various parties of this review. The proponent's suggestion that the issues should simply be dealt with prospectively by another committee is inadequate. At this time the proponent has not executed its due diligence and we do not have an accurate picture of what the actual socioeconomic aspects of this amendment are.</p> <p>We would agree that the proponent should not be required to speculate on every possible proposal. However, given the proponent had no problem contemplating a 4 day on/off shift, and then a 7 day on/off shift, we do not see how a 3 day on /off shift is fundamentally different or unrelated. This is especially true when one considers the merits of such a shift schedule. One would think that the proponent would be open to such suggestions given its expressed concern for the health and safety of its employees, one of its main reasons for wanting to establish a permanent camp.</p>
<p>Public Engagement Report (pp. 16-18)</p>	<p>The NFN assert that they have not been properly engaged in this matter.</p>	<p><i>A portion of the NFN's comments are directed at EAO, and Proponent has no response to these comments.</i></p> <p><i>Proponent will revise the consultation report as requested by the NFN in paragraph No. 6.</i></p> <p><i>Proponent notes that Chief and Council were invited to attend a tour of site in July. On the morning of the tour, no one from NFN arrived. Proponent contacted Chief Sam and was advised that no one on Council had an interest in attending. Proponent then invited Leonard Thomas, the NFN's Economic Development Officer, who, despite the very short notice, joined the tour.</i></p> <p><i>Proponent's Environmental Manager for the Mt. Milligan project is primarily responsible for day-to-day compliance with environmental requirements on-site and is not tasked with managing the amendment process. Responsibility for the amendment process resides with the Sr. Director, Environment, for Thompson Creek, Dave Bailey. Mr. Bailey spoke with Mr. Thomas about the amendment at a community information meeting in Fort St. James</i></p>	<p>Please note that our Chief and Council work very hard for our community. In addition to the responsibilities that they hold as our elected leadership, they also hold jobs and have families. "Invitations" from the proponent usually occur on very short notice. It is unfair for the proponent to expect us to drop everything to attend at their bidding, especially given their lack of response to our requests. For example, the proponent provided Ms. Anne Marie Sam notice of its June 26 community information meeting only on June 4, 2012. As well, we would again note that we were advised that this meeting was to provide information only, and was not actually part of the amendment process.</p> <p>The proponent was provided with questions by Nak'azdli on June 20, 2012, and was aware that we wanted to discuss the proposed amendments. In fact, at that June 20, 2012 meeting, the proponent advised that we would be sent a letter responding to all of our questions. We do not understand why this information was not provided to Nak'azdli through the appropriate person, that is, Ms. Anne Marie Sam, who posed the questions in the first place, especially as the proponent is representing that it had answers by June 26, 2012. Again,</p>

		<p><i>on June 26, 2012. Proponent had both graphic and narrative information, including several large posters, available at this meeting, which occurred after the June 20<sup>th</sup> tour at which the NFN's comment letter asserts little substantive information about the amendment was provided.</i></p> <p><i>Mr. Bailey also contacted Mr. Thomas by email dated September 20, 2012 and offered to meet with him or anyone else working on the NFN's comments to the amendment application prior to the open house held in Fort St. James on September 27, 2012. No one acting on behalf of the NFN responded to this email or contacted Mr. Bailey.</i></p> <p><i>The NFN's comments state that Anne Marie Sam is "the Nak'azdli member appointed to deal with the proponent on this project." Ms. Sam did not attend the June 26<sup>th</sup> community information session in Fort St. James. She did attend the amendment-specific open house in Fort St. James on September 27, 2012; however, she directed her attention to EAO's representatives at the meeting, not to Proponent's representatives. Mr. Bailey was present at that meeting and spoke briefly with Rosemary Sam, one of the NFN's representatives on the CSC.</i></p>	<p>our understanding of the open house on June 26, 2012 was to simply introduce the proposed amendments to the public and that the answers to our questions were going to be sent to us. Given this understanding, there was no need at that time to pose these questions again to the proponent.</p> <p>As for the open house held in September 2012, please note that Ms. Anne Marie Sam did speak to Jocelyn Fraser who is a representative of the proponent. We were not aware that we were expected to speak to all the proponent's representatives. Ms. Sam was never introduced to Mr. Bailey at that meeting, who we would note is the proponent's third Environmental Director in 2012 alone, while Ms. Sam has been the same representative for Nak'azdli since 2006. Given the proponent's own problems remembering who it should communicate with at Nak'azdli, it would seem unfair to expect Ms. Sam to know that she was supposed to speak to Mr. Bailey. In addition, as noted in our Letter, we were advised at the open house to mail or email comments regarding the proposed amendments. The proponent did not clarify that it was willing to answer questions. If it was prepared to do so, why did its representatives not advise the attending public of this?</p>
<p>Conclusion (pp. 18-19)</p>	<p>The section summarizes the NFN's opposition to the amendment, discusses the Auditor General's report on EAO's oversight of approved projects and is critical of EAO's conduct of the open houses.</p>	<p><i>Proponent believes that the open houses were fairly conducted, and Proponent had knowledgeable representatives at the open houses that were available to respond to any questions about the amendment proposals.</i></p> <p><i>Many of the Table of Commitments will apply to the amendment and Proponent believes that EAO will include measurable and observable conditions specific to the amendment in any certificate issued by it.</i></p> <p><i>Finally, in response to the NFN's concern that the amendment process not be "arbitrarily rushed," Proponent states that it believes the process has already taken longer than it should have and that completion of the project is important to timely construction of the operations camp and initiation of operations at the Mt. Milligan Project.</i></p>	<p>Again, if the proponent's representatives were prepared to answer questions, why did they not advise of this when the EAO representatives informed the public that comments and questions needed to be emailed or mailed in? Of the questions that were asked, why were so many left answered?</p> <p>It was the proponent's decision to amend the application. The proper procedures and steps should be taken and respected, regardless of the time needed.</p>

