Cliffs Chromite Project
Canadian Environmental Assessment Agency
55 St. Clair Avenue East, Suite 907
Toronto ON M4T 1M2
Telephone: 416-952-1576
Fax: 416-952-1573

November 8, 2011

Via E-mail: CliffsChromiteProject@ceaa-acee.gc.ca

Re: Draft Environmental Impact Statement (EIS) Guidelines for Cliffs Chromite Project (Registry reference number 11-03-63927)

Dear Mr. Chan,

On September 22, 2011, the Canadian Environmental Assessment Agency (CEAA) commenced with a comprehensive study environmental assessment for Cliffs Chromite Project and subsequently prepared the draft Environmental Impact Statement (EIS) Guidelines that identify potential environmental effects to be addressed and information that needs to be included in the proponent's EIS.

The Wildlife Conservation Society (WCS) Canada respectfully reiterates its previous concerns outlined in a letter to CEAA on November 21, 2011. Specifically, the scale and precedent Cliffs Chromite Project sets for development in northern Ontario demands the establishment of a Joint Review Panel (JRP), coordinated and harmonized with the province of Ontario and with First Nations representation. Given the inadequacy of single project assessments for addressing the myriad regional environmental and social impacts a project of this scope will engender, it is vital that the assessment process include a complete independent review that is not so reliant on voluntary public participation and proactively seeks community engagement and debate. Moreover, there must be a clear mandate to conduct a strategic regional assessment of the projects and major infrastructure requirements. We also reiterate our previous request that adequate participant funding to all affected First Nations be made to ensure meaningful Aboriginal consultation in this process.

We are submitting our comments on the draft EIS in our respective capacities as scientists specializing in fish and wildlife ecology, conservation biology, and landscape ecology in the region on behalf of the WCS Canada (Appendix 1). WCS Canada (www.wcscanada.org) was established in May 2004 as a Canadian non-government organization with a mission to conserve wildlife and wildlands by improving our understanding of and seeking solutions to critical problems that threaten key species and large wild ecosystems throughout Canada. WCS Canada generates knowledge through research and tools for conservation of the northern boreal's wide-ranging fish and wildlife species, ecosystems, and biodiversity. WCS Canada provides this information to Government and First Nations decision-makers to create policies and governance systems that support biodiversity conservation, sustainable use of biological resources and best practices for industrial development. Through our role on the Far North Science Advisory Panel to Ontario's Minister of Natural Resources (OMNR), WCS Canada contributed advice on approaches to regional-scale land-use planning in Ontario's northern boreal forest. Of particular relevance to the Project, was the recommendation by the Far North Science Advisory Panel in its 2010 report[1] on the Ring of Fire. Specifically, the panel recommended that Ontario "immediately designate the Ring of Fire as a Priority Management Area with an interim sub-regional planning process." The rationale for this is rooted in the potential for irreversible impacts on terrestrial, aquatic, and social systems and the current lack of adequate planning tools and social institutions to address infrastructure, development activities, and climate change in the Ring of Fire from a broader regional perspective.

Because a process without a JRP will rely so heavily on the EIS provided by the proponent to meet the CEAA's stated goal of maintaining "environmental functions and integrity, considering system tolerance and resilience, and/or the human health of current or future generations," it is vital that the proponent be required to provide both comprehensive information and evidence of critical analysis of the baseline conditions of the biological and social environment and the potential impacts of the project. Our comments reflect our identification of gaps in the required information as articulated in these draft guidelines.

Given the potential for significant environment impacts we described in our letter dated September 21, 2011, we have the following concerns about the nature, scope and extent of the information that will be required by the proponent in this EIS. Although these potential impacts certainly demand a robust review panel process, our comments remain relevant to a comprehensive study EA. Our comments are presented in the order they appear in this draft document.

<u>Nature</u>

1. **[General]**. Given the stated intention of having a harmonized process for provincial and federal E's, we cannot understand why the development of two separate terms of reference is the desired approach. Certainly there is precedent in Canada for jointly developed guidelines/TOR (e.g, Marathon, ON), as well as demonstrated challenges that have arisen when they have been different (e.g., Taseko, BC). Any differences in approach or definitions should be resolved by deferring to the broader or more precautionary of the two.

[1] Ontario Far North Science Advisory Panel. 2010. *Science for a Changing Far North*. http://www.mnr.gov.on.ca/en/Business/FarNorth/2ColumnSubPage/266512.html

2. **[General]**. It is unclear how the proponent will address climate change and the dynamic nature of boreal ecosystems. There is repeated reference to the document *Incorporating Climate Change Considerations in Environmental Assessment: General Guidance for Practitioners* (CEAA 2003), which is outdated relative to climate change science.
3. **[General]**. Statements such as "where practical" and "as appropriate" are repeated throughout this document, with no guidance provided as to what or who will determine what is practical or appropriate. We advise against leaving this judgment up to the proponent, particularly without a rigorous review process in place for the EIS.
4. **[General].** The proponent must address sustainable development scenarios where the markets associated with the product decline and costs of marketing the mineral are no longer viable.
5. **Existing Environment [9]**. The proponent must be explicitly directed to undertake a comprehensive review of existing information in all components of this section, including wildlife, vegetation, geological, geological, etc. surveys that have been conducted by First Nations, government agencies (e.g., under the auspices of the Ontario Far North Initiative and the Species at Risk Act) and private interests. This is important so that the evaluation of existing information is not reliant on the proponent's own "baseline studies," which are typically conducted in a limited fashion by hired consultants within the timeframe of the preparation of the EIS and generally provide an incomplete picture of the baseline conditions. This review should comprise both published and unpublished information, as well as be reflective of consultation with individuals and organizations with experience in the region.
6. **Existing Environment [9].** This section must also include clear statements about the uncertainties regarding the collective knowledge of the baseline environment where this proposed project will be undertaken. Acknowledgement of such uncertainty is central to evaluating risk of potential impact scenarios.
7. **Physical and Biological Environment [9.1].** More guidance on what is meant by an "ecosystem approach" must be provided.
8. **Fish and Fish Habitat [9.1.4.2].** Portt et al. (2008) is a protocol that was developed for Great Lakes environments, and therefore cannot simply be applied to northern boreal environments. Moreover, Portt et al. (2008) is missing some important components such as quantitative guidance on effort, which is central to the survey of rare species. This section of the guidance document should explicitly refer to lake sturgeon and ciscoes, the primary freshwater species of conservation concern in the region, and the limitations of Portt et al. (2008) should be made clear, such that the proponents will be required to seek additional guidance.
9. **Species at Risk [9.1.8]**. The proponent should be required to consult recovery or management plans and recovery team members and other experts on particular species at risk.
10. **Physical and Cultural Heritage Resources [9.4]**. Anthropological and sacred sites where communities have identified that development cannot occur must be explicitly identified.
11. **Environmental Effects Assessment [10]**. The proponent must be required to review and analyze environment impact statements and results from monitoring programs and/or after-project impact assessments from mining projects undertaken in similar environments.

This will enhance the proponent's understanding and awareness of likely impacts and means of addressing them.

12. **Hydrology and Hydrogeology [10.2.2.1]**. The proponent must specifically address changes in water flow due to infrastructure to mine site and not just the mine site changes.
13. **Hydrology and Hydrogeology [10.2.2.1]**. Water balance scenarios must include climate change scenarios explicitly based on predictions in the Ontario Far North Science Advisory Panel (2010).
14. **Terrain and Soil [10.2.4]**. This section must explicitly include identification of peatlands, given global significance and relevance for climate change regulation and other ecosystem services.

Scope

1. **[General]**. The guidelines are unclear about what will apply to what aspects of the project. It is vital to clarify that all components of the guidelines are to be applied to each of the four project components. We are concerned that the numerous references to the "project site" in the document will be interpreted by the proponent to be limited to the mine and ore processing facility. The other two components (transportation of ore by new infrastructure and existing railway to the ferrochrome production facility and the construction and operation of this facility), likewise carry important risks with them that must be appropriately considered.
2. **[General].** The proponent should be required to develop a series of scenarios for environmental and social impacts based on economic forecasts for chromite within the current project limits of 6-12,000 tonnes/day for 30 years.
3. **Presentation and Organization of the EIS [3.3]**. Rather than considering a stand-alone section on cumulative effects assessment, this must be a requirement, if the goals of the exercise as articulated by CEAA are to be achieved.
4. **Project Information [4.3]**. This list of project components should be required rather than considered as options ("may include"). An analysis of "the environmental significance and value of the geographical setting in which the project will take place and the surrounding area" must head this list. This information should also be included in section 5.2 (Project Setting).
5. **Regulatory Framework and the Role of Government [4.5]**. The Proponent should reference provincially-legislated processes that have implications for land use in the current location including but not limited to the *Far North Act* (2010) and *Green Energy Act* (2009).
6. **Project Setting [5.2]**. Aboriginal traditional territories as defined by communities, existing land uses, areas where mineral exploration is taking place, and proposed road networks must all be explicitly included.
7. **Factors to be Considered [6.2]**. The mine is a remote site and will require infrastructure that is not explicitly considered in the scope of the EA. Details regarding power options e.g., diesel, transmission requirements, must be provided and analyzed within the scope of activities for the project.
8. **Spatial Boundaries [6.3.2]**. The spatial boundaries of the EA must be large enough to allow appropriate consideration of downstream impacts.
9. **Temporal Boundaries [6.3.3]**. The temporal scope of 30 years for this project is unrealistic, given ample evidence that environmental risks and liabilities at mine sites can last long after

the decommissioning period. As such, the environmental assessment for this project must extend its scope to a time horizon beyond the closure period.

10. **Existing Socio-economic Environment [9.2].** The requirements regarding which socio-economic factors must be included that appropriately measure baseline conditions are inadequate and must be directly related to measures of sustainability.
11. **Assessment of Socio-Economic Environment [10.3].** Following the comment above, socio-economic factors that are measured to assess impact must be directly related to measures of sustainability.

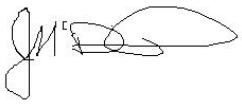
Extent

1. **[General]**. All reports prepared by independent consultants to Cliffs Natural Resources Ltd., must be made publically available for independent review of models, data, and research conducted to support the proposed project.
2. **The Proponent [4.1]**. The Proponent must be required to include relevant corporate policies that support Corporate Social Responsibility (CSR) towards environment and human rights policies that it maintains as an industry.

In closing, we observe that in order to meet the ambitious goals articulated in this guidelines document with respect to this new project, the CEAA must both demand a complete set of information from the proponent, and have an adequate review process in place. This will require a process that allows for both expert review and consultation with communities. Only a considered process will help both to make sure the claims being made by the proponent have a solid basis and to add new information that the proponents themselves were unable to bring in, for various reasons.

Sincerely yours,

Cheryl Chetkiewicz, PhD



Jenni McDermid, PhD

Justina Ray, PhD

cc: Matawa communities, Mr. Raymond Ferris
cc: Mushkegowuk communities, Grand Chief Stan Louttit
cc: Grand Chief Stan Beardy, Nishnawbe-Aski Nation
cc: Honourable Peter Kent (via email Minister@ec.gc.ca)

Appendix 1.

Dr. Cheryl Chetkiewicz is an Associate Conservation Scientist with WCS Canada hired to support broad-scale and community-based conservation planning in the Far North, specifically wildlife research and monitoring and developing cumulative effects landscape models for northern Ontario.

Dr. Jenni McDermid is a Fish Conservation Research Associate with WCS Canada and a fisheries biologist conducting field research to address impacts on lake trout and lake sturgeon from increased road access, mining activities, hydro development, and climate change.

Dr. Justina Ray is both the Director and Senior Scientist for WCS Canada. Dr. Ray has been engaged in field research in northern Ontario and is one of the few biologists to spend significant time in this remote region over the last decade, with a focus on wolverine and caribou. Dr. Ray serves on MNR's Provincial Caribou Technical Committee and the Ontario Wolverine Recovery team and was a member of the MNR's Far North Science Advisory Panel.