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Pacific and Yukon Region Région du Pacifique et du Yukon bureau 210A Vancouver (C-B) V6C 3M2

July 30, 2020

ELECTRONIC MAIL

Sarah Palmer Yellowstone to Yukon Conservation Initiative 1350 Railway Avenue, Unit 22 Canmore AB T1W 1P6 <Email Address>

Dear Sarah Palmer:

Subject: Designation Request for the Proposed Castle Project

Thank you for your letter of July 15, 2020, on behalf of the Yellowstone to Yukon Conservation Initiative, concerning the Castle Project (the Project) proposed by Teck Coal Limited (the proponent).

On behalf of the Impact Assessment Agency of Canada (the Agency), I am pleased to provide you this interim response to advise you of the next steps in responding to your letter where you requested that the Minister of Environment and Climate Change (the Minister) designate the Project under Canada's Impact Assessment Act (the Act). To support a transparent consideration of your request, your letter has been posted to the publicly available Canadian Impact Assessment Registry internet site (Reference 80702).

On April 3, 2020, the Agency issued a letter to the proponent stating that the Agency is of the view that the Project is not described in the *Physical Activities* Regulations. This letter was issued following a review of a draft Initial Project Description (IPD) that was provided by the proponent on January 16, 2020, and additional information provided by the proponent on February 27, 2020.

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As you are aware, under subsection 9(1) of the Act the Minister may, by order, designate a physical activity that is not described in the *Physical Activities Regulations* under the Act. The Minister can do this, if, in the Minister's opinion, the physical activity may cause adverse effects within federal jurisdiction or adverse direct or incidental effects (resulting from federal decisions), or public concerns related to those effects warrant the designation.

To support the Minister in considering your request and providing a reply, the Agency is reviewing information about the Project; any concerns expressed in this designation request, by Indigenous groups or the public; expert advice from federal authorities; and input from provincial ministries and other key stakeholders. We anticipate that the Minister's determination on whether the Project is to be designated, with reasons, will be provided to you as a formal response to your letter and posted to the Canadian Impact Assessment Registry by August 19, 2020.

If designated, to proceed with the Project the proponent would be required to formally submit an IPD to the Agency, thereby commencing the planning phase of the Act. In that case, the planning phase would include the Agency determining whether a federal impact assessment is required.

Additional information regarding the process for designation requests is available on the Agency's website at www.canada.ca/en/impact-assessment-agency/services/policy-guidance/designating-project-impact-assessment-act.html.

Important Note: All records produced, collected or received in relation to the designation request process – unless prohibited under Canada's *Access to Information Act* or *Privacy Act* – are considered public and may be released. If you have provided any comments or documents that contain confidential or sensitive information that you believe should be protected from release to the public, please contact the Agency as soon as possible. The Agency does not accept information marked as confidential without prior contact.

If you have any questions regarding the Project and the contents of this letter, or if you would like to provide additional comments, please contact Fraser Ross, Project Manager with the Agency at personal information removed>
IAAC.Castle.AEIC@canada.ca.

Sincerely,

<original signed by>

Lisa Poier on behalf of

Regina Wright Regional Director Pacific and Yukon

c.c.: David Baines, Teck Coal Limited, (david.baines@teck.com)
Robin Sidsworth, Teck Coal Limited, (robin.sidsworth@teck.com)
Felicia Minotti, Global Affairs Canada, (felicia.minotti@international.gc.ca)