SCREENING REPORT

1006335 Alberta Inc.
Proposed Abraham Glacier Wellness Resort

Abraham Lake in Clearwater County, Alberta

Issued by: Alberta Environment

Date: June 20, 2003

SCREENING REPORT 1006335 ALBERTA INC. PROPOSED ABRAHAM GLACIER WELLNESS RESORT

1006335 Alberta Inc. (Alberta Inc.) proposes to construct a full service, self-contained resort and health spa consisting of a main lodge with 90 rooms and 130 self-contained cabins of various sizes. The lodge area will also provide food and beverage facilities, banquet facilities, and recreational, administrative and support functions. The resort will be run by a staff of 200. The proponent anticipates the spa and resort will attract 155,000 to 212,000 visitors per year. The proposed site is located on lands in the Whitegoat Lakes Development Node. The Development Node is located along the David Thompson Highway Corridor, 35 km west of the Hamlet of Nordegg.

The proposal was referred to the Environmental Manager (Manager) of the Central Region, Alberta Environment to determine whether Alberta Inc. should be required to prepare an Environmental Impact Assessment (EIA) report. The Environmental Manager decided that further assessment would be required to make such a determination through the preparation of a Screening Report. Alberta Inc. was directed to disclose the Project to the public and invite the public to provide advice to the Environmental Manager.

The Screening Report is a summary of information available on the proposal from Alberta Inc., Statements of Concern filed by the public, and advice from government agencies. The Screening Report assists the Environmental Manager with additional information on environmental issues in order to determine whether Alberta Inc. will be required to prepare an EIA report.

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1.0 INTRODUCTION

1006335 Alberta Inc. (Alberta Inc.) proposes to construct a full service, self-contained resort and health spa to be known as the Abraham Glacier Wellness Resort (the Resort). It would consist of a main lodge with 90 rooms and 130 self-contained cabins of various sizes. The lodge area will also provide food and beverage facilities, banquet facilities, and recreational, administrative and support functions. The resort will be run by a staff of 200. The proponent anticipates the Resort will attract 155,000 to 212,000 visitors per year. The proposed site is located on lands SW 26-37-18 W5M, SW 23-37-18 W5M, NW 23-37-18 W5M, NE 22-37-18 W5M, SE 22-37-18 W5M, NW 14-37-18 W5M, NE 15-37-18 W5M, and SE 15-37-18 W5M in the White Goat Lakes Development Node, 35 km west of the Hamlet of Nordegg (see Figure 1). The Whitegoat Lakes Development Node, which is on Crown Land, covers 1,680 acres with approximately 213 acres of the node considered as developable.

The Environmental Manager for the Central Region, Alberta Environment (AENV) is a Designated Director with respect to matters under Part 2, Division 1 of the *Environmental Protection and Enhancement Act* (EPEA). In March 2003, the Environmental Manager decided that the Resort was a proposed activity that required further assessment under 44(1)(b)(i) of the EPEA to determine if an Environmental Impact Assessment (EIA) report would be required. Alberta Inc. was notified on March 27, 2003, of the decision that further assessment would be required. The proponent was directed to publish a Notice that the Environmental Manager was assessing the need for Alberta Inc. to prepare an EIA report and to invite public input into the matter.

1.1 Purpose of Screening Report

A Screening Report assists the Environmental Manager in determining whether an EIA report is needed to provide information to make the regulatory decisions that will prevent, minimize or mitigate adverse effects from a proposed activity or project.

Under Section 44(1)(b) of the EPEA, the Environmental Manager has determined that further assessment is required to determine if an EIA report is required for this proposed activity. This Screening Report has been prepared to gather information related to the proposed Resort to assist the Environmental Manager in determining if there is a need for Alberta Inc. to prepare an EIA report.

Information is needed to understand the nature of an activity or project, its setting, its potential environmental effects, and the proposed mitigation of the impacts. Some types of information are best obtained and assessed through the preparation of an EIA report. Typically this includes information about large, complex activities occurring in sensitive environments that may have a broad range of environmental, health, socio-economic and infrastructure effects requiring management or mitigation. An EIA report is also valuable for decision-makers when there is a substantial lack of technical and/or environmental information associated with a proposed project. For less complex activities with well-understood effects, information can be obtained and reviewed in an approval application under the EPEA.

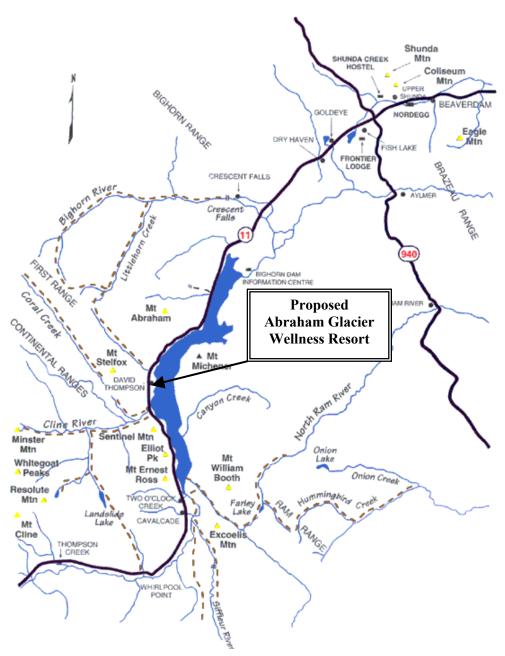


Figure 1: Site Location Map

1.2 Information Sources

The following information sources were considered in the preparation of this Screening Report:

- Disclosure Document entitled Abraham Glacier Wellness Resort submitted by 1006335 Alberta Inc.;
- Public comments and Statements of Concern (Appendix "A");
- Referral comments from government agencies;
- Advice from Alberta Environment staff; and
- Relevant Alberta legislation, policies, guidelines and other published documents referenced for this report including the following:
 - David Thompson Corridor Local Integrated Resource Plan;
 - ➤ The Alberta Tourism Recreational Leasing Process Document; and
 - David Thompson Corridor, Development Nodes, Whitegoat Lakes Development Node.

2.0 BACKGROUND INFORMATION

Existing Developments in the Whitegoat Lakes Development Node

There are several developments existing in this Node. The David Thompson Resort includes a 46-unit motel, 132 campground sites, and 3 cabins. The resort area is a total of 56.25 acres and is located directly west of the proposed project area. Icefield Helicopter Tours, also neighbouring west of the proposed project area, provides sightseeing and adventure helicopter tours and occupies 7.5 acres. McKenzie's West Trail Rides is located directly across Highway 11 from the David Thompson Resort and provides guided horseback tours. It occupies 7.88 acres. The Aurum Lodge is a 6-room bed and breakfast lodge, with 2 self-contained cottage units and an apartment unit. The Aurum Lodge area occupies 29.5 acres and is located north of the proposed project area. TransAlta Utilities Corporation operates Abraham Lake for electrical generation from the Bighorn Dam and regulates the levels of the lake throughout the year (30 metre variation). The Bighorn Dam is located northeast of the proposed project area.

Whitegoat Development Node Background

The Whitegoat Lakes Development Node was created with four other nodes along the David Thompson Corridor through the David Thompson Corridor Integrated Resource Plan (IRP) by the Provincial Government and was approved by the Minister of Forestry, Lands and Wildlife in April 1992. The IRP identifies developing tourism and recreation as a management objective for the Whitegoat Lakes Development Node, which is located in the IRP's Kootenay-Cline Sub-Area

Development authority for the nodes was turned over to Clearwater County (the County) to ensure that municipal goals were recognized and to ensure developments coincided with the municipality's capabilities to serve the area. The County, with the aid of the Red Deer Regional Planning Commission, Alberta Economic Development and Alberta Forestry, Lands and Wildlife, developed a planning document for each of the nodes located on Public Lands. Each document contains a Vision Statement for the particular node, an Outline Plan, and a Land Use District, which lists the discretionary uses to be considered for each node. Open houses on the nodes were held on November 1 and November 2, 1994. The first reading by the County was given on October 11, 1994. A Public Hearing held in March of 1995 provided the public with an opportunity to participate. There were 15 submissions for the hearing. The County gave second and third readings to each node document on August 22, 1995.

The Whitegoat Development Node was selected as an area where development would be directed. The plan identifies the types of developments that may be appropriate for the Node.

Lease Approval Process

Alberta Sustainable Resource Development (SRD) is responsible for managing Alberta's public lands under the *Public Lands Act* (PLA). SRD and other provincial agencies, along with Clearwater County, work through the Alberta Tourism and Recreational Lease (ATRL) process to review tourism and recreational development proposals for lands within the node. Through this process, regulatory and environmental issues associated with a proposal development can be identified. Although the County coordinates the review process, SRD's Land Manager is responsible for determining if a disposition should be issued for the project under the PLA. Proposed developments within Clearwater County also require the issuance of a Development Permit that is subject to the Municipality's Land Use Bylaw.

Alberta Tourism and Recreational Lease (ATRL) Process

The ATRL process is a one-window process, which begins with the proponent initiating pre-application meetings with provincial agencies and the municipality to discuss the proposal. If the pre-application meetings identify significant governmental policy concerns, the proponent is advised to follow the Preliminary Disclosure process. The Preliminary Disclosure process provides an opportunity for the public to become aware of and comment on applications that may affect them. The proponent is required to place a notice in local newspapers for a period of two weeks to disclose their project. All public comments must be submitted to the Land Manager 21 days after the first notice appears.

If no significant governmental policy concerns are identified, the proponent may submit an application package to the County who coordinates the ATRL process. The application submission includes a Lease Application and a Detailed Information Package. The Package requires pre-submission information on consultations with the government parties involved in the process; physical information about the project, site, site improvements and adjacent land requirements; basic business information; confirmation that the project adheres to policy and regulatory requirements; economic and social information and environmental considerations.

The environmental considerations include a description of topography, fish and wildlife habitat, vegetation, surface drainage, water features and other biophysical inventory of the proposed site area, and potential impacts of the development on the environment. Information is also required on how the project will integrate with existing land uses, financial security for reclamation and reclamation methods should the proposed project cease to operate and/or the lease is cancelled.

If the County determines that the application package is complete, the Detailed Information Package, and results from the public disclosure if applicable, is referred to all involved provincial agencies. The reviewing agencies have 15 working days to provide comments back to the Land Manager. Upon receipt of all responses from the agencies, the Land Manager reviews responses and takes them into consideration in the decision to approve or not approve the project. If the project is approved, the Land Manager issues a lease with terms and conditions. In conjunction, the County issues a Development Permit that is subject to the Land Use Bylaw. The applicant requires both approvals to proceed.

If the project is not approved by SRD, the proponent can appeal on the basis of the decision to reject the application or SRD not issuing a Letter of Intent. An Appeal Committee is formed with senior staff from SRD, AENV and Alberta Economic Development, who were not involved in the

original decision of the application. The local municipality may be invited to attend the appeal process if the issue involves them.

Municipality Development Permit Process

Proposed developments within Clearwater County also require the issuance of a Development Permit that is subject to the Land Use Bylaw. The application for a Development Permit is submitted to the Municipality. Often a Development Permit application requires the comments and recommendations of other agencies, such as AENV, SRD, Alberta Transportation, and the Regional Health Services.

Once the Municipality has made a decision on the Development Permit application, either to approve or refuse the application, the applicant or a person affected by the decision has the right of appeal. The Notice of Decision for approved or refused applications is advertised in the local newspaper and a Notice of Decision is mailed to the applicant and a letter is mailed to adjacent landowners.

If any appeal is received within the 14-day appeal period, the application is automatically scheduled for a Subdivision and Development Appeal Board (SDAB) Hearing within 30 days of receipt of the appeal. The hearing is advertised in the local newspaper and adjacent landowners are notified by letter. The ruling of the SDAB is subject to an appeal to the court of Appeal on questions of law and jurisdiction. The SDAB can refuse or approve the application.

If approved, the applicant receives a Development Permit and the proposal may proceed, in compliance with the conditions of approval, which the Board stipulated.

Where no appeals are received on approved applications, the applicant is issued a Development Permit and the proposal may proceed. If the development proposal entails erecting any building or structures, then building permits must be obtained prior to commencement of construction.

Alberta Environment Authorizations

In addition to decisions concerning the application of the Environmental Assessment Process, AENV has responsibility under EPEA for reviewing applications for the construction, operation and reclamation of waterworks and wastewater collection and treatment systems. AENV also has the responsibility to review *Water Act* (WA) licence applications for the use of water by the proponent. When applying for a WA licence the onus is on the proponent to provide information in the application which verifies that there is enough water supply for the project, that the water supply is sustainable and identifies effects the water withdrawal for the project will have on the surrounding area.

In general, when authorizations are issued by AENV, the WA licence regulate surface and ground water quantity, while the EPEA approval regulates water quality, including drinking water and wastewater.

The EPEA and WA application review processes include opportunities for directly affected persons to provide Statements of Concern (SOC). The minimum time for filing a SOC is 30 days after the proponent publishes a notice that an application has been filed under EPEA or the WA. The Approval Manager must consider SOC's when making a decision under EPEA or the WA. Any person whose comments are accepted as a SOC has an opportunity to appeal a decision with respect to an EPEA or WA application to the Alberta Environmental Appeal Board.

3.0 PROJECT DESCRIPTION

3.1 Location

The proposed site is located in the Rocky Mountains in an area of Clearwater County known as the Whitegoat Lakes Development Node, located along the David Thompson Highway Corridor, approximately 35 km west of the Hamlet of Nordegg. The David Thompson Corridor (Highway 11) runs west from Rocky Mountain House to the Banff-Jasper Parkway. The proposed site is situated in the most southerly portion of the Development Node, next to the Cline River and Abraham Lake.

The node is located near the White Goat Wilderness Area, the Kootenay Plains Ecological Area and the Bighorn Wildland Recreation Area. The Siffleur Wilderness Area and Banff National Park are also located close by.

3.2 Biophysical Information

The area west of Highway 11, by the Whitegoat Lakes, is generally level to rolling. East of the Highway, the land rises moderately to a point just east of the David Thompson Resort and then descends rapidly through several steep slopes and narrow terraces to Abraham Lake toward the east to an elevation of approximately 1320 metres. Shallow stony soils, steep slopes and rugged terrain are found within the node.

The Cline River is located along the southwest boundary of the node and forms a deeply incised valley between Mount Stelfox toward the north and Sentinel Mountain to the south. The node is mainly wooded with some open areas around Abraham Lake. Timber resources found in the area are mainly coniferous, with pockets of deciduous stands found on south facing slopes. The timber is generally non-commercial.

3.3 Detailed Project Information

The proponent states that the proposed Resort will be a full-service, self-contained facility that will consist of a 90 room lodging facility and 130 cabins on 260 acres of public land. A staff of 200 will run the facility with 25 staff rooms available on site and the remainder of staff housing available in Nordegg. The proponent anticipates the Resort will attract between 155,000 to 212,000 visitors per year.

All units in the lodging facility will be private with both single and double occupancy. The lodge area will also provide food and beverage facilities, banquet facilities, recreational, administrataive and support functions, pharmacy, cosmetic surgery, full service health spa, and personal service stores (e.g., hair salon). All the functions of the main lodge will be located in smaller clusters seperated by above- and below-ground climate control links. Average heights of buildings will be 8.53 metres to the peak with a maximum height of one building being 13.72 metres. The total area proposed for the lodge is approximately 11,891 m², with floor levels varing from 1 to 3, and divided into individual buildings according to the function.

The 130 cabins will be self-contained units of various sizes, with two cabins per acre. The Resort will also have a lookout facility, which will be available to resort patrons and the general public.

The proponent will have a piped water distribution system to service the lodge area and water will be trucked to the cabins.

The main road from the highway will allow vehicles such as tour buses and motor homes to access the main lodge. A majority of the parking will be located away from the main lodge. The cabins will have vehicle access for emergency and resort vehicles only.

The proponent also indicates that the project will promote outdoor activities such as walking, hiking, and bird watching.

3.4 Proposed Construction Timeframe

Alberta Inc. proposes to construct the project over a five-year period. The 90 room lodging facility would be completed within 24 months from the construction start date. The cabins would be phased in over a five-year period with 12 cabins built within the first year, 13 in the second year, 30 in the third year, 46 in the fourth year, and 45 in the fifth year. All other commercial components will be built within the five-year timeframe.

4.0 CONSULTATION AND STATEMENTS OF CONCERN

Public input is an important component of the EPEA decision-making process. The review process provides an opportunity for persons directly affected by a project to provide their comments about the project early in the process. With this in mind, proponents have generally recognized the value in obtaining input from the public early in the project planning and development process. Proponents often hold information sessions and open houses to gauge the public acceptability of projects and to determine what kinds of information will be needed to address public concerns.

4.1 Alberta Environment

Alberta Inc. initially presented an overview of the proposal for the Abraham Glacier Wellness Resort to Alberta Environment on March 11, 2003, and provided the Disclosure Document. The Department reviewed the document and the Environmental Manager decided that the proposed activity required further consideration under the Environmental Assessment Process and that a screening was required to determine the potential need for an EIA report. Alberta Inc. was advised on March 27, 2003, that further assessment would be required to determine if an EIA report would be necessary for this project. Alberta Inc. was directed to publish a Notice that the Environmental Manager was considering the need for Alberta Inc. to prepare an EIA report and inviting public input into the matter. The Notice also indicated that the project Disclosure Document was available to the public. Alberta Environment staff had a site tour of the proposed project area on May 20, 2003. This was done to help provide a better understanding and an overview of the project environment, Development Node, and other developments in the area. Photos of the area taken on May 20, 2003, are included in Appendix "B".

4.2 Alberta Inc.'s Consultation Activities

Alberta Inc. implemented a public consultation initiative to describe the proposal and to solicit feedback regarding the Project, and to identify stakeholder concerns. The following public consultation activities were completed by Alberta Inc.:

- A public information meeting was held in Rocky Mountain House on December 10, 2002, which presented an overview of the project developmental plans, answered questions and received input from the public. Four individuals attended this meeting which include representatives from SRD, Aurum Lodge, Mackenzies' Trails West Ltd., and a private resident;
- Another public information meeting was held in Nordegg on December 11, 2002. Fifteen
 individuals attended the meeting including representatives from Nordegg Lodge,
 David Thompson Resort, Frontier Lodge, and private residents;

- Separate private meetings with four companies within the node;
- Discussions with TransAlta concerning the flood plain area (an agreement addressing TransAlta's concerns has been put in place enabling the resort to go forward in construction);
- Copies of the Disclosure Document were provided to other individuals and groups; and,
- Meetings were held with the Clearwater County staff regarding the proposed project and information regarding completion of the Development Permit Application.

4.2.1 Feedback Received by Alberta Inc.

Alberta Inc. received input in the form of letters from the public during its public consultation process. Copies of these letters were provided in the Public Disclosure document. The following points summarize the feedback:

Aurum Lodge

Alan and Madeleine Ernest, owners of Aurum Lodge, indicated that the proposed project fits the vision of node development, and will add to the attraction of the area as long as it is tourism driven, potential problems are properly addressed and the project is environmentally sensitive to the area. The Ernest's did express concerns regarding the project. The concerns raised include: 1) the large scale of the project; 2) the small market segment it will be appealing to; 3) the number of visitors and the impacts they will have on the area and its ecology; 4) no available contingency plan made available to the public if the project runs into difficulties (e.g., financial) during construction; and 5) more research needs to be done on infrastructure (e.g., power, water, waste handling), site stability and increasing the energy efficiency of the buildings.

Martha Kostuch

Martha Kostuch, a resident of Rocky Mountain House, provided the following comments and concerns: 1) the development must fully comply with the requirments outlined for the Development Node; 2) only required staff should be allowed to live on site; 3) the scale of the project is too large; 4) not enough information has been provided regarding sewage, water, energy supplies and garbage disposal; and 5) potential impacts the project will have on the wildlife and the surrounding environment.

Alberta Wilderness Association (AWA)

The AWA indicated that they were pleased that the project is planned in an appropriate Development Node along the highway. However, AWA indicated they also had some concerns regarding the project. Their primary concern was the large size and large estimated occupancy of the proposed project and its potential effects on the environment, in particular water quality, soil stability, wildlife and wildlife habitat. AWA also indicated concerns regarding sewage treatment and sewage disposal.

Clearwater County

The County provided information to aid Alberta Inc. in the completion of the project's Development Permit Application. It encouraged the company to be proactive through a public consultation throughout various phases of the project. The County also indicated that a performance agreement would have to be created between the proponent and the County with respect to how long the land will be available to the company should the project not proceed within a reasonable period of time.

4.3 Statements of Concern

Alberta Inc. published a Notice in the *Rocky Mountain House Mountaineer* on April 1, 2003, advising that the Environmental Manager was considering the need for Alberta Inc. to prepare an EIA report on the Resort. Persons directly affected by the Project were advised to submit their SOC to the Environmental Manager by May 1, 2003. Several members of the public expressed an interest in the project.

Alberta Environment received five SOC letters regarding the Project. In summary, three submissions stated an EIA report should be required to address the concerns identified, and two submissions only outlined concerns with the Project. Table 1 provides a summary of all the concerns identified in the submissions. All submissions were placed on the Register of Environmental Assessment Information and are available to the public. Copies of all submissions were also sent to Alberta Inc. as information.

Table 1: Summary of Issues from Public Input

Issue	Clearwater County	Martha Kostuch	Dorene A. Rew	Wendy and Ron Killick, David Thompson Resort	Timothy Grier
Water	*	*	*	*	*
Sewage treatment and disposal	*			*	
Size of project	*	*		*	*
Energy supply	*			*	
Landfill	*			*	
Wildlife and fish	*	*			*
Vegetation		*	*		*
Air Quality		*			*
Drainage	*				
Fire suppression	*				
Archaeological resources			*		
Economics/viability	*				
Only expressed concern			*	*	
EIA report recommended	*	*			*

4.4 Government Agency Advice

In conjunction with the Notice to the public requiring further assessment, the Environmental Manager provided information about the Project to the following provincial agencies and requested their advice:

- Alberta Environment
 - Central Region, Regional Services Division

- Integrated Resource Management Branch.
- Alberta Sustainable Resource Development
 - Forest Management Division,
 - Fish and Wildlife Service, and
 - Land Administration Division.
- Alberta Community Development,
- Alberta Economic Development,
- Alberta Learning,
- Alberta Energy,
- Alberta Human Resources and Employment,
- Alberta Aboriginal Affairs and Northern Development,
- Alberta Health and Wellness, and
- Alberta Transportation.

5.0 EVALUATION OF ISSUES AND CONCERNS

The main issues and concerns raised by the public and by government agencies are summarized in the following sections.

5.1 Wildlife and Fish

SOC filers and the County expressed concerns regarding the proposed project's overall impacts to wildlife, wildlife habitat, and wildlife movement. SRD's submission indicated that the Whitegoat Lakes Development Node is a sensitive area and is a wildlife travel corridor for bears and large ungulates. SRD noted that since the node is located in a narrow area between Abraham Lake and the mountains, any developments in the area should not restrict or hinder the movement of wildlife. SRD indicated that the light, noise and volume of people proposed in the project area would have to be mitigated, as they may be a deterrent to wildlife movement.

These issues can be dealt with through the *Public Lands Act* (PLA) lease approval. The PLA lease approval can stipulate timing constraints limiting development activity during calving periods and it can also require the proponent to change the spacing of the cabins, which would allow for more movement of the bears and ungulates in the project area. If SRD determines there are wildlife issues, SRD can require Alberta Inc. to provide information to enable the imposition of appropriate conditions.

Stakeholders expressed concern regarding the project impacts on fish and fish habitat. The IRP states that all watercourses within the Kootenay-Cline Sub-Area are characterized as having relatively low productivity due to limited nutrients and cold temperatures. The IRP states that bull trout populations do occur in the Sub-Area, including the Cline River, which is adjacent to the proposed project site. If SRD has concerns about the Resort affecting fish or fish habitat, the PLA lease approval could include requirements for buffer zones along watercourses. Any activities associated with the Resort that would affect fish or fish habitat would require authorization under the *Canada Fisheries Act* from Fisheries and Oceans Canada.

5.2 Size of the Proposed Project

Concern was expressed regarding the large number of visitors the Resort would attract to the development area and surrounding wilderness areas. The size of the project was also a concern. SOC filers indicated that the Resort would monopolize the majority of developable land available in the node therefore there would not be land available for other developments. The proponent's project is estimated to be approximately 260 acres, which would be the largest development in the node. Alberta Inc.'s responded that its development would still allow other developers to operate and compete successfully.

Another concern raised by Statement of Concern filers was the number of staff proposed to run the resort and where staff would be housed. Alberta Inc.'s response to this concern was that only 25 staffing rooms would be available on the project site and the remainder of staff housing would be located in Nordegg, therefore outside of the Development Node. The PLA lease approval can also limit the size of the project to address environmental issues if required.

Concerns about building heights would must appropriately be addressed through the County's municipal development approval process as height restrictions were specified in the by-law for the Whitegoat Development Node.

5.3 Economics and Viability of Project

Stakeholders raised concern regarding the economics and viability of the proposed project. Specifically, a contingency plan was not available if the project runs into financial difficulties during construction. An additional concern was raised regarding what securities would be put in place to deal with reclamation in the event that the project is not completed or that it does not survive economically.

Issues related to economic viability can be addressed through the County's Development Approval Process and the ATRL Process. Alberta Inc. submitted to Clearwater County a five-year plan for the proposed project and agreed to a performance agreement with the County. The performance agreement consists of performance measures for the project, which were agreed upon by Alberta Inc. and the County. The performance agreement also stipulates how long the land will be available for the project and under what conditions the County will be able to make the land available to another developer. This will help insure that if the project is approved that it will be developed within a reasonable timeframe.

SRD can include development clauses in the PLA lease approval that would require the proponent to begin development within a certain timeframe and to provide periodical updates on the construction of the facility. SRD can also approve the development in phases if the proponent is not building according to requirements. The PLA lease approval will normally require the proponent to provide reclamation security.

5.4 Vegetation

Concerns were expressed regarding the impacts the project would have on vegetation in the proposed project area, in particular the impacts to sensitive and unique flora.

If project information submitted to SRD indicates that there is special vegetation in the project area, SRD can include protection clauses in the PLA lease approval.

5.5 Water

SOC filers indicated that water supply and surface and groundwater quality and quantity were issues of concern. SRD and the County indicated that detailed information for projected water volumes is required for the project along with the construction, removal and transport of water. The Whitegoat Lakes Development Node document states that there are no common water services in the area; therefore, each developer is required to provide suitable on-site water supply. The document states that AENV well log data indicates that the area appears to have limitations of available groundwater sources, which may be accessed, primarily through individual wells.

Although detailed plans are not yet available, Alberta Inc.'s Disclosure Document did indicate three alternatives for a water supply source which include water drawn directly from Abraham Lake, the Cline River, or drilled wells. The proponent states it will decide which alternative it will use based on groundwater study results, treatment requirements determined by water sampling and analysis, and investigation of seasonal flow in the Cline River. The water storage requirements would be dependent on the source as to seasonal quality variations. Alberta Inc. states that more definitive and quantitative information will become available once additional studies and analysis are completed.

AENV indicated that drinking water diversion (source) and quality can be addressed through the Approval Processes under the WA and EPEA. Alberta Inc.'s application for a WA licence to divert water from either a surface or ground water source must provide information about the nature and location of the proposed source, its sustainability as a water supply, other water users that may be affected, and any other information that the Approval Manager considers relevant to determining if a licence should be granted. Alberta Inc. may also need an EPEA approval for the construction, operation and reclamation of a waterworks system including any water treatment facilities that may be required to ensure that drinking water for the Resort meets the *Guidelines for Canadian Drinking Water Quality*.

A PLA disposition will be required for a surface water intake if it is not located on the project lease. The construction of a water intake in a surface water body may also require an authorization from Fisheries and Oceans Canada under the *Canada Fisheries Act* and/or the *Navigable Waters Protection Act*.

5.6 Sewage Treatment and Disposal

SRD, the County and a SOC filer raised the issue of sewage treatment and disposal as there are no common sewer services in the area. SRD requires additional technical data and ground tests showing what is feasible, what the affects will be, and what measures will be put in place to prevent failure of the lagoon. Sewage volume estimates for the resort and cabins are also required.

Alberta Inc. proposed to construct an aerobic lagoon and holding pond in the Abraham Lake basin, adjacent to the existing lagoons servicing the David Thompson Resort. The proponent indicated that the location would serve to localize all treatment facilities and minimize the overall impact of sewage facilities in the area. Alberta Inc. proposed to pipe all sewage from the lodge directly to the lagoon site for treatment. Sewage service from the cabins would include pump-out holding tanks, which would be serviced by the developer's pump trucks for transport to the lagoon or to the lodge area outfall sewer.

Similar to the water issues, the issue of sewage treatment and disposal can be dealt with through the EPEA Approval Process. Retention times for sewage in the treatment system, frequency of effluent discharge, and holding capacity as a function of the permissible discharge frequency would be part of the EPEA approval for the proposed project. The design of the lagoon will have to meet the requirements of AENV. TransAlta will also have to accept siting of the sewage lagoon as a portion of the project falls on the TransAlta's Water Licence area. The PLA lease approval could also contain clauses that deal with sewage treatment and disposal.

5.7 Energy Supply

The County, a SOC filer and SRD raised concerns regarding electrical services for the proposed project. They indicated more information is required regarding the source of energy, routing and delivery, and the impacts the choice of delivery will have on the node and existing developments within the node. Alberta Inc. stated that it is still looking at alternatives for energy sources for the proposed project and that more definitive information will become available following the completion of additional research.

If Alberta Inc. decides to develop its own energy supply, approvals may be required from the Alberta Energy and Utilities Board (EUB) and/or Alberta Environment.

5.8 Air Quality

Two SOC filers raised concerns regarding impacts the proposed project will have on air quality. In particular, changes in air quality from increased traffic in the area as a result of the project and potentially from on-site generation of electricity. Alberta Transportation did not express concern regarding increased traffic volumes on Highway 11. If Alberta Inc. proposes to use an on-site generator to address its electrical power requirements, an EPEA approval may be required. Air quality issues would be dealt with through the EPEA application review process. Other potential power sources may also require approval from AENV or the EUB depending on which energy source Alberta Inc. may choose.

5.9 Landfill

The County indicted concern regarding the impact the proposed project would have with the increase of solid waste on the area transfer system and the regional landfill. Information is required on how much additional solid waste will be generated by the project and how this increase will be mitigated. Alberta Inc. stated that solid waste would be dropped off at the transfer station within the Whitegoat Lakes Development Node; however, the County would be responsible to move the solid waste to the regional landfill. While there may be an increase in the volume of waste at the existing waste transfer station, the County can pass the additional collection and disposal costs on to the waste generator, in this case, Alberta Inc. This matter can be addressed through the County's Development Approval Process. SRD can stipulate in the PLA lease approval for solid waste to be taken to an approved landfill.

5.10 Fire Suppression

The County and SRD raised the issue of fire suppression and how it would be addressed to minimize the impacts of a forest fire entering the area or minimizing the possibilities of a fire igniting on the property and entering the surrounding forested area.

This matter can be resolved through the County's Development Approval Process. The proponent will have to adhere to County guidelines. As such, Alberta Inc. agreed to implement the County's Fire Smart Program. This issue can also be dealt with through SRD's PLA lease approval.

5.11 Drainage of Area

Another concern raised by the County and SOC filers was how overland drainage would be addressed regarding internal roads, erosion, and controlling siltation entering Abraham Lake.

Alberta Inc. stated there would be minimal surface disturbance and that the development site displayed moderately steep slopes and that the area drained well. Alberta Inc. indicated that it intended to preserve natural waterways to the maximum possible degree and that no new major waterways would be required for development. Siltation into Abraham Lake would be controlled through the construction of siltation traps on any new watercourses flowing to the lake, installed within the bounds of the development. Alberta Inc. also stated that erosion was not a major issue on the site.

Depending on the specification of the projects drainage system, what is proposed, and the project area itself, SRD can address stabilization and drainage issues in the PLA lease approval.

5.12 Archaeological Resources

Alberta Community Development (ACD) and a SOC filer indicated that the development plan for the Resort is located on lands that are considered to have high potential for the presence of archaeological resources. The SOC filer stated that any historical artefacts should be preserved before new development continues in the area. In a letter to Alberta Inc. dated June 13, 2003, ACD stated that since the potential of development of this project to affect historical resources is considered to be high, an Historical Resources Impact Assessment would be required under the *Historical Resources Act*.

The Disclosure Document was not clear if there are bedrock exposures in the development area and what impact there could be to bedrock. All bedrock exposures in the general area do contain fossils to some extent. On this basis a Historical Resources Impact Assessment for Palaeontological resources will be required by ACD for this project to determine if there will be any impact to fossil resources.

The Historical Resources Impact Assessment for both Palaeontological and Archaeological resources will be required prior to the development proceeding.

5.13 Proposed Access Locations

Alberta Transportation's main concern is the number and safety of proposed access locations along Highway 11 to the proposed site. These concerns would be dealt with directly through Alberta Transportation. Alberta Inc. would require a permit from Alberta Transportation for new accesses or changes to existing accesses for the project on the David Thompson Highway. The proponent would also be required to provide a traffic impact assessment for each access proposed.

6.0 SUMMARY AND CONCLUSIONS

Alberta Environment has carefully considered the advice provided by the public and government agencies and information provided by Alberta Inc. The Screening Report has identified the following items:

- The detailed information package, which is required during the ATRL Process, includes presubmission information on consultation with the government parties involved in the process, physical information about the site and project, basic business information, confirming project adheres to policy and regulatory requirements, economic and social information and environmental considerations. This information is also similar to the information required in EIA reports.
- Environmental considerations included in the detailed information package are similar to the information provided in an EIA report. The environmental considerations include a description of topography, fish and wildlife habitat, vegetation, surface drainage, water features and other biophysical inventory of the proposed site area, and potential impacts of the development on the environment. Information is required on how the project will integrate with existing land uses and reclamation methods should the proposed project cease to operate and/or the lease is cancelled. The proponent will also have to provide a financial security deposit for reclamation.
- There were no substantial health or air issues raised by government agencies.
- Alberta Community Development advised Alberta Inc. on June 13, 2003, that a Historical Resources Impact Assessment (HRIA) will be required for both Palaeontological and Archaeological resources if the project is approved. The HRIA will be required prior to development proceeding.
- Many opportunities were available in the past for the public to provide comments regarding
 the development of the Whitegoat Lakes Development Node. The public were able to
 provide comments during the creation of the David Thompson Corridor Integrated Resource
 Plan by the Province in 1992, the creation of the Whitegoat Lakes Development Node
 document passed by the Municipality in 1995, and during the AENV Screening Process to
 determine whether an EIA report was required under EPEA.
- There are several regulatory decision making processes that provide opportunity for the public to become involved and provide comments regarding the proposed development. These opportunities are available during the ATRL Disclosure Document process, during the EPEA, WA and Water licence application review process, and during the review of an application for a Development Permit by the Municipality.
- The Screening Report has not identified any significant environmental effects that cannot be resolved through the ATRL process, conditions in SRD's lease approval under the PLA, the County's development review process or applications for water and wastewater facilities under the EPEA and the WA. The information necessary to make appropriate decisions can be obtained through each of the applicable approval processes.

7.0 REFERENCES

Forestry, Lands and Wildlife. 1992. David Thompson Corridor Local Integrated Resource Plan. Target Loading Subgroup. Publication No.: T/189. ISBN: 0-86499-598-9.

Alberta Economic Development. 1999. Alberta Tourism Recreational Leasing Process.

Municipal District of Clearwater. 1995. David Thompson Corridor Development Node. Whitegoat Lakes Development Node.

Municipality of Clearwater County Council Meeting Minutes, Rocky Mountain House, October 11, 1994 and March 21, 1995.

APPENDIX "A"

Statements of Concern Received Pursuant to the Public Notice Published By 1006335 Alberta Inc. on April 1, 2003

APPENDIX "B"

Photographs of the Proposed Development Area Taken on May 20, 2003