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Date: April 27, 2026

By email:

Brenda Davison - Crowsnest Conservation Society
brendadavison52@gmail.com

Re: Northback Holdings Corporation ("Northback") Application Nos. #33861749 and #33861750 (the "Application")

Statement of Concern 33061 received via email attachment from AER (received 4/14/2026) titled: 33061 - CCS to Northback - SOC - 2026-04-11

Dear Brenda,

Thank you for your submission regarding Northback 's Application to the Alberta Energy Regulator ("**AER**") for a term water licence. Northback has reviewed your statement and identified the following key concerns:

- Water Allocation
- Cumulative Effects
- Environmental Impact Assessment
- Impacts to Hydrology
- Impacts to Water Quality
- Impacts to Aquatic Ecology

Responses to these concerns are attached in the accompanying response table.

Northback would like to thank you for your involvement in reviewing this Application and expressing your concerns. We welcome constructive feedback and we would appreciate the opportunity to continue to engage with you on this Application and the Grassy Mountain Project (the Project). Our engagement team will be reaching out to you for further opportunities to discuss the concerns described in your submission. For additional Project information, and to see upcoming community engagement events, please refer to the Northback website, www.northback.ca. You can also follow us on our social media channels, and other public communications.

Sincerely,

Brad Johnston

Brad Johnston
Chief Operating Officer

cc: Nellshah Khakoo, AER

Response to Statement of Concern #33061 (CCS)

Response	References
Water Allocation Under Alberta's *Water Act* the *Oldman River Basin Allocation Order* reserves 11,000 acre-feet of water in the Oldman River Basin each year for various purposes such as municipal, commercial, recreational, and industrial use (GoA, 2010). Northback's Application is for 150 acre-feet per year for industrial use. The apportionment of water designated for industrial use is listed in section 3(1)(g) and 3(2)(b) of the *Oldman River Basin Allocation Order*. The *Approved Water Management Plan for the South Saskatchewan River Basin* (WMP) has specified weekly management triggers and limits on cumulative water withdrawal by industry (GoA 2006). The WMP for the South Saskatchewan River Basin includes the sub-basins of the Red Deer River, Bow River, and Oldman River. **Environmental Impact Assessment** Northback wishes to emphasize that applications #33861749 and #33861750 are in support of the forthcoming integrated application for the Grassy Mountain Project (the Project) (Northback, 2026). Once submitted, the integrated application will include details relating to the Project's water management system, water demand calculations, proposed monitoring and mitigation plans, Water Act applications, and an environmental impact assessment. **Impacts to hydrology** The assessment accompanying this Application, the *Assessment of 150 acre-feet diversion scenarios on the instream thresholds of Blairmore Creek and Crowsnest River* (the assessment), assessed the impacts of the use of the water volume in this Application to instream flow thresholds in Blairmore Creek and the Crowsnest River under several different diversion scenarios (scenarios A, B, C, and D) (Hatfield, 2026). That assessment indicates that Instream Flow Needs (IFN) and Environmental Base Flows in Blairmore Creek can be maintained fully if water diversions are pro-rated and aligned with the seasonal creek flow. The *Final Terms of Reference for the Grassy Mountain Project* (dated March 19, 2026) requires Northback to describe the extent of hydrological changes that will result from Project disturbances, under section 3.4.2 (AER, 2026). This information will be included in the Project's forthcoming integrated application. **Impacts to water quality** Impacts to water quality will be assessed in the Project's forthcoming integrated application. Water quality requirements for the project will be regulated by the AER through an *Environmental Protection and Enhancement Act* (EPEA) approval, which will be applied for as part of Northback's integrated application. The *Final Terms of Reference for the Grassy Mountain Project* requires Northback to describe the potential impacts of the Project on surface water quality, under section 3.5.2 (AER, 2026). **Cumulative effects** The assessment accompanying this Application suggests that Water Conservation Objective flows are met by "natural" daily flows (as gauged at WSC 05AA008) ranging from approximately 20% of the time in mid-winter (week 10, early March), to nearly 100% of the time in peak freshet (week 21, late May). Modelling a worst-case scenario highlights a range from 1.4% over a short duration to less than 0.05% impact (no statistical difference) to natural flows annually. The integrated application will address mitigation strategies.	Alberta Energy Regulator (AER). (2026). *Final Terms of Reference Environmental Impact Assessment Report for Northback Holdings Corporation's Proposed Grassy Mountain Project*. Accessed in April, 2026 from https://open.alberta.ca/publications/environmental-assessment-northback-grassy-mountain-coal-mine Government of Alberta. (2010). *Alberta Regulation 319/2003. Water Act. Oldman River Basin Allocation Order*. Accessed in April, 2026 from https://open.alberta.ca/publications/2003_319 Government of Alberta. (2006). *Approved Water Management Plan for the South Saskatchewan River Basin.* Accessed in April, 2026 from https://open.alberta.ca/publications/0778546209 Hatfield. (2026). *Assessment of 150 acre-feet diversion scenarios on the instream thresholds of Blairmore Creek and Crowsnest River.* Accessed in March, 2026 from https://www1.aer.ca/PubDocs/#/application-query/33861749 Northback (2026). *Integrated Application No. 33861749, 33861750 to receive an application for a Water Term licence for Coal Mining Project*. Accessed in March, 2026 from https://www1.aer.ca/PubDocs/#/application-query/33861749

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Response	References
The *Final Terms of Reference for the Grassy Mountain Project* requires assessment of the expected cumulative effects on water losses/gains resulting from the Project operations; under section 2.7.1 (AER, 2026). This information will be included in the Project's forthcoming integrated application. **Impacts to aquatic ecology** The assessment accompanying this Application indicates that Instream Flow Needs (IFN) and Environmental Base Flows in Blairmore Creek can be maintained fully if water diversions are pro-rated and aligned with the seasonal creek flow. Mitigation details will be included along with other water management information in the forthcoming integrated application. The *Final Terms of Reference for the Grassy Mountain Project* requires Northback to describe and assess the potential alterations to baseline conditions resulting from potential impacts of the Project to fish, fish habitat, aquatic and benthic invertebrates and key indicators, under section 3.6.2 (AER, 2026). This information will be included in the Project's forthcoming integrated application.	

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