

New Terms of Reference for the Grassy Mountain Coal Project

What Albertans Need to Know

March 27, 2026
[SaveOurSlopes.ca](https://www.saveourslopes.ca)

Contents

- I. Understanding the Terms of Reference
- II. Detailed Breakdown of Terms of Reference

PART I: Understanding the Terms of Reference

1. Background: How We Got Here

The proposed Grassy Mountain coal mine has already undergone a full federal-provincial review process.

In June 2021, a Joint Review Panel (JRP) convened by the Government of Canada and the Government of Alberta rejected the project, concluding that it was not in the public interest. The panel found that the mine would have significant adverse environmental effects, particularly on water quality, fish habitat, and downstream ecosystems. Critically, many of these impacts were determined to be inherent to the nature of open-pit metallurgical coal mining in this location and could not be adequately mitigated.

Following this decision, the project did not proceed.

2. How Grassy Mountain Proposal Returned

In the last year, Northback has sought to revive the project by submitting a revised proposal.

As part of this process, the company prepared a new proposed Terms of Reference (ToR). This document is a key step towards a new Environmental Impact Assessment (EIA), which outlines the scope of studies and information required for a new application.

The proposed ToR was released for public comment in late 2025, with Albertans invited to provide input on what should be included in the assessment. This comment period closed on January 16, 2026, generating significant public engagement and concern.

On March 19, 2026, the Alberta Energy Regulator (AER) issued the Final Terms of Reference, incorporating feedback received during the public comment period.

We are now at a critical stage in the process:

- The Final ToR sets the framework for a new Environmental Impact Assessment.
- Northback may now proceed with preparing and submitting a new mine application.
- There will be additional opportunities for public input once a formal application is filed.

3. Where Things Stand Now

Despite the issuance of new Terms of Reference, it is important to understand:

- This is not a new project, but a revised version of one already rejected.
- The current process represents a re-opening of the assessment, not a resolution of past concerns.
- The fundamental risks identified in 2021, particularly to water and aquatic ecosystems, remain central to the debate.

4. Save Our Slopes' Position is Clear

The Grassy Mountain coal project must be rejected.

No amount of adjustments to this coal mining project can eliminate the fundamental risks identified in the 2021 Joint Panel review.

Alberta's headwaters are too critical—and too vulnerable—to justify repeating a process whose central conclusions have already been established.

No new coal mines should be approved in the Eastern Slopes.

PART II: Detailed Review of New Terms of Reference

1. Purpose of This Review

The Alberta Energy Regulator (AER) has issued new Terms of Reference (ToR) for an Environmental Impact Assessment (EIA) for the proposed Grassy Mountain coal mine.

This review explains:

- What has changed
- What has not changed
- Why this matters for Alberta's headwaters
- What Albertans can do next

2. Background: This Project Was Already Rejected

In 2021, a federal-provincial Joint Review Panel rejected the Grassy Mountain coal mine.

The decision was clear:

- The project was not in the public interest

- Risks to water quality, fish, and downstream ecosystems were significant and unmitigable
- Economic benefits did not outweigh long-term environmental costs

This was not a rejection based on minor design issues. It was a rejection based on fundamental, structural risks.

3. What the New Terms of Reference Do

The new Terms of Reference outline what Northback must study in a new Environmental Impact Assessment.

They require more a detailed technical analysis and expand requirements on:

- Water quality and groundwater
- Fish and aquatic ecosystems
- Wastewater and contamination pathways
- Long-term impacts
- Post-closure conditions
- Monitoring and mitigation plans ^[OBJ]

In simple terms, the new ToR asks Northback to study the same risks more thoroughly.

4. What Has NOT Changed

Despite additional technical requirements, the core issues remain:

The ToR does NOT:

- Require Northback to prove that water contamination can be prevented
- Eliminate the risk of selenium pollution and bioaccumulation
- Address the fundamental incompatibility of open-pit coal mining in this location
- Acknowledge that the project was already rejected on its merits

Most importantly:

The Terms of Reference are a process document, not a decision.

They allow the project to move forward if impacts are described and managed on paper, even if those impacts are:

- Long-term
- Cumulative
- Irreversible

5. The Core Risk Remains: Water

The Eastern Slopes are Alberta's headwaters.

They supply drinking water to:

- Southern Alberta communities
- Agriculture and irrigation systems
- Critical ecosystems across the South Saskatchewan River Basin

Open-pit coal mining in this region:

- Disturbs massive volumes of rock (overburden)
- Releases selenium and other contaminants
- Leads to bioaccumulation in fish
- Causes deformities, reproductive failure, and collapse of fish populations

These impacts:

- Travel far downstream
- Persist for decades to centuries
- Cannot be fully reversed once initiated

6. A Process That Re-Opens a Settled Decision

The new ToR effectively re-opens a project that was already rejected.

It does not require:

- Proof that the original risks have been resolved
- A fundamentally different project design
- A new location or method

Instead, they allow the same project to proceed through another review process.

This raises a critical question:

If a project can be reintroduced without resolving the reasons it was rejected, what does the original decision actually mean?

7. Why This Matters Now

This is not just about one mine.

It is about:

- The future of Alberta's headwaters
- The integrity of environmental decision-making
- Whether long-term public interest outweighs short-term industrial gain

Once headwaters are contaminated:

- They cannot be restored to their original condition
- The costs—ecological, economic, and social—are borne for generations

8. Call to Action

Albertans have already shown strong opposition to coal mining in the Eastern Slopes.

This moment matters.

We encourage you to:

- Stay informed as this process moves forward
- Engage when formal application comment periods open
- Share information within your networks
- Continue advocating for the protection of Alberta's headwaters

9. Closing Remarks

The new Terms of Reference may appear more rigorous, but they do not resolve the fundamental issue.

This project was rejected because its risks are inherent, not because they were insufficiently studied.

Studying those risks again does not change their nature.

Alberta's water, ecosystems, and communities deserve decisions grounded in long-term public interest.

Save Our Slopes

Protecting Alberta's Eastern Slopes and Headwaters

<https://saveourslopes.ca/>

Learn more about how to support our work at <https://saveourslopes.ca/howtohelp>