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December 5, 2024

Via Email: laura.friend@nrcb.ca

Natural Resource Conservation Board 4th Floor, Sterling Place 9940 – 106 Street Edmonton, AB T5K 2N2

Attention: Laura Friend Manager, Board Reviews

Subject: Heidelberg Materials Canada Limited Scott Pit Project (Scott Project) Initial Disclosure

Heidelberg Materials Canada Limited (Heidelberg) is writing to introduce our company and the Scott Project. On November 27, 2024, the Government of Alberta prescribed the Scott Project as a reviewable project under the Natural Resource Conservation Board Act through the attached Order in Council (O.C. 342/2024).

Heidelberg is one of North America's leading manufacturers of cement, aggregates, and ready-mixed concrete supporting the construction of homes, schools, hospitals, roads, and other infrastructure. Aggregates are a non-renewable resource and the locations of accessible aggregate reserves in the Calgary region are becoming increasingly scarce. At Heidelberg Materials, we place sustainability, including the wellbeing of the communities in which we operate, at the core of what we do. Our vision is to build a more sustainable future by driving the decarbonization of our sector, embracing circularity to recycle and reuse materials, and contributing to a nature positive world through our industry-leading biodiversity program and sustainable water management.

In addition to decarbonizing cement production, our goal to supply net-zero concrete in Alberta requires efficient and sustainable access to aggregates which can comprise up to 75% of a typical concrete mix. Heidelberg is proposing an innovative natural resource project, the Scott Project, on Heidelberg-owned lands within Rocky View County and the City of Calgary that will provide a long-term low-carbon aggregate

supply to the region to support the growing demand for aggregates and address provincial targets related to emissions reduction, affordability, and conservation. A summary of the Scott Project is attached.

In addition to requesting an approval from the NRCB, Heidelberg will also be seeking regulatory approvals from other agencies as required. While the Scott Project is not a mandatory activity requiring an Environmental Impact Assessment (EIA), we plan to request confirmation from AEPA as to whether an EIA will be required. If requested, Heidelberg will complete an EIA for this project.

Heidelberg has conducted extensive technical studies related to the project that cover existing surface and groundwater conditions, wetlands, air quality, wildlife and habitat inventories, vegetation and soil conditions, traffic impact, noise, visual impacts, economic impacts, and historical resources. We are currently reviewing the work completed to date and considering updates to support a formal application to the NRCB. Heidelberg is committed to mitigating project impacts on people and the environment and will ensure the environmental and socio-economic impacts of the project are thoroughly assessed.

Heidelberg will involve local stakeholders in the development of an application to the NRCB. To facilitate public access to project information, we have set up a dedicated website at www.ScottPropertyProject.com, where information and updates regarding the project can be found.

We look forward to receiving any further direction from the NRCB regarding the application process for this reviewable project. We are committed to ensuring that our project aligns with regulatory standards and contributes positively to Alberta.

Lauren Greenhough and Dale Soetaert will be Heidelberg's key contacts for this project. Please feel free to contact us if you require any additional information or clarification.

Regards,

Dale Soetaert P.Ag. Land Manager Dale.Soetaert@HeidelbergMaterials.com 780-554-0999

Lauren Greenhough Environment & Sustainability Manager Lauren.Greenhough@HeidelbergMaterials.com 825-967-0184

Enclosures: Order in Council (O.C. 342/2024) Scott Project Summary Order in Council (O.C. 342/2024)



O.C. 342/2024 NOV 27 2024

Province of Alberta Order in Council

Approved and ordered:

zkhan

Lieutenant Governor or Administrator

The Lieutenant Governor in Council, on the recommendation of the Minister of Environment and Protected Areas, pursuant to section 4(f) of the Natural Resources Conservation Board Act, prescribes as a reviewable project the Scott Pit Project proposed by Heidelberg Materials Canada Limited to be located on 05-026-02-W5M in Rocky View County, Alberta.

ORDER IN COUNCIL

CHAIR

 For Information only

 Recommended by:
 Minister of Environment and Protected Areas

 Authority:
 Natural Resources Conservation Board Act (section 4)

Scott Project Summary

2024

Scott Project Project Summary





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A. Project Introduction

A.1. Project Background

The Scott Project contains an estimated 50 million tonnes of sand and gravel adjacent to existing gravel mining areas in northwest Calgary. Heidelberg Materials Canada Limited (Heidelberg) is proposing to mine 2 million tonnes per year of sand and gravel to support infrastructure construction in the Calgary region.

The proposed Scott Project will involve:

- A. a surface sand and gravel mine in Section 05-026-02 W5M within Rocky View County, including extraction areas, stockpiles, a range of surface mining and support equipment and other required infrastructure. Sand and gravel will be extracted by open pit methods employing scrapers, dozers, and excavators. Conglomerate aggregate material will be broken down by either mechanical breaking equipment or drilling and blasting;
- B. transport of aggregate materials from the mining area via a new and innovative 4.5 km overland conveyor system to Heidelberg's existing Spy Hill aggregate processing plants, concrete batch plant, and pipe manufacturing facility within the City of Calgary, extending the operational life of the facility; and
- C. reclamation and environmental management systems, including but not limited to air, noise, and groundwater monitoring programs.

A project summary table and map are included in Appendix A and B, respectively.

A.2. Project Proponent

Heidelberg is one of the world's largest building materials companies, primarily focused on the production of cement, aggregates, concrete pipe, and ready-mix concrete. Heidelberg has approximately 51,000 employees globally and has operated in North America for more than a century, and specifically in the Calgary Metropolitan Area since 1954. Currently, Heidelberg operates the nearby Spy Hill site which produces aggregate, concrete, and pre-cast pipe products within the east half of Section 27-025-02 W5M, southeast of the mining portion of the Scott Project.



Heidelberg's Spy Hill facility includes aggregate processing equipment, a ready-mix concrete plant, and a concrete pipe manufacturing plant. Heidelberg has invested in new technologies at this facility to increase energy efficiency and improve water management, leading to greenhouse gas reductions and improved water conservation.

Over decades of operating in the Calgary Metropolitan Area, Heidelberg has invested in its current operations through the incorporation of new innovative technologies to improve sustainable operating practices and reclaimed depleted resources to achieve biodiversity and community objectives. As an example, the Inland Athletic Park located directly southeast of Heidelberg's Spy Hill site is a former gavel pit mined by Heidelberg during the 1980s and 1990s and was redeveloped into its new use in collaboration with the City of Calgary, Alberta Transportation, and Heidelberg.



Inland Athletic Park, located directly southeast of the Spy Hill facility is an excellent example of end use planning for an aggregate operation that provides a community benefit.

Heidelberg places sustainability at the core of operations. Heidelberg's sustainability commitments benefit the environment and neighbouring communities and are outlined in Appendix C. The company is driving the decarbonization of our sector, embracing circularity to recycle and reuse materials, and contributing to a nature-positive world through an industry-leading biodiversity program and sustainable water management.

A.3. Project Objectives

Heidelberg has an opportunity to supply up to 50 million tonnes of sand and gravel to the regional market from the proposed Scott Project. This will have a significant long term positive effect on the local and provincial economy while minimizing environmental impacts.

Development of the Scott Project will provide the following benefits:

 A critical asset that will support projected regional growth within the Metropolitan Area: According to the Calgary Metropolitan Region Board (CMRB), the population of the region is expected to grow to 3 million people by 2076. As such, the current estimated annual demand for aggregate of 15M – 23M tonnes is expected to double to 30M – 46M tonnes over the next 50 years. The Scott Project has potential to supply high quality aggregates to support the region's growth for the next three decades.

- An affordable and stable supply of aggregate products to support housing and infrastructure projects: Maintaining a close-to-market supply of aggregate supports cost effective growth within the Calgary Metropolitan Area, which in turn reduces public investment (i.e. tax dollars) required to support infrastructure projects, and reduces the potential for gravel shortages which create increased costs for all construction projects.
- An overall economic benefit to municipal, provincial and federal governments: Over the next 25 to 30 years, the proposed Scott Project is expected to contribute at least \$20 million dollars to Rocky View County through Community Aggregate Payment levies, GDP growth, job creation, property taxes and other direct and indirect financial benefits.
- Leverage existing processing and water management infrastructure: A new ±4.5 km overland conveyor system will transport material from the mine site in Rocky View County to Heidelberg's Spy Hill facility located in the City of Calgary for processing and sale to end users. This will minimize processing required at the Scott Project, thereby reducing impacts to area residents to the west and south. Heidelberg has invested in processing infrastructure at the Spy Hill facility to increase energy and water use efficiency. Notably, the Spy Hill facility utilizes municipal water for aggregate washing which eliminates the need for the Scott Project to acquire a new groundwater licence while still supplying the market with high-quality concrete quality aggregates.
- A reduction in greenhouse gas (GHG) emissions and public safety concerns associated with aggregate truck traffic: Implementation of a new overland conveyor system will effectively eliminate the need for truck traffic on local municipal roads in support of the proposed Scott Project. This will create a positive environmental impact from an overall reduction in vehicle emissions required to support the Project and the local roads adjacent to the project will not experience an increase in truck traffic, thereby maintaining public safety and roadway capacities. In consultation with adjacent aggregate operators, Heidelberg's construction of an overland conveyor system creates a potential for shared future use.
- A commitment to implement industry best practice performance standards and mitigation measures: Heidelberg is committed to actively exploring solutions with surrounding landowners, other aggregate operators, the Province, Rocky View County, and the City of Calgary to reasonably mitigate potential impacts, and will implement industry best practices for the project. For example, Heidelberg intends to shroud primary processing equipment and construct a landscaped berm to reduce visibility into the site.
- A commitment to explore the opportunity for a future regionally significant community amenity as a potential end land use for the project area post operations: Aggregate development is a temporary use of land, and it is imperative that mining of non-renewable aggregates take place prior to the ultimate end land use, keeping in line with Alberta's *Land Use Policies*. The end use of land which has been depleted of aggregate resources can create significant community benefits including residential / non-residential uses, parks, trails, future housing, or infrastructure facilities. Heidelberg is committed to working with local and regional stakeholders to determine an end use for the Scott Project that serves as a community and regional benefit.

B. Regional and Local Setting

B.1. Current Land Use

The Scott Project is located within Rocky View County and the City of Calgary. The portion of the project within Rocky View County is currently designated as 'Agricultural, General District' in accordance with the Rocky View County *Land Use Bylaw C-8000-2020*. The portion of the project within the City of Calgary is currently designated as 'Special Purpose – Future Urban Development' and 'Direct Control 88Z96' per the City of Calgary Land Use Bylaw 1P2007.

The balance of the mining portion of the project area is undeveloped with minimal surface disturbances (primarily agricultural). The NW and SE of Section 05-026-02 W5M are unoccupied and have no buildings. There is a small country-residential subdivision in the SW corner near the project area with eight residences. The current land uses for the proposed conveyor route include aggregate mining lands west of 85th Street NW and an electrical transmission right-of-way east of 85th Street.

B.2. Surrounding Land Use

Adjacent lands include a mix of industrial, agricultural, and residential land uses. Adjacent existing active gravel operations include:

- an aggregate facility owned and operated by Burnco directly east of the mining portion of the Scott Project and north of the proposed conveyor system,
- the Government of Alberta 'STAR Pit', an aggregate facility directly southeast of the mining portion of the Scott Project through which the proposed conveyor system will travel, and
- an aggregate facility operated by Lafarge Canada approximately 1.6 km east of the Scott Project,
- Heidelberg Materials' Spy Hill aggregate facility located at the terminal end of the Scott Project proposed conveyor system.

The mining portion of the Scott Project is bounded by Burma Road to the south, Range Road 24 to the east, and Range Road 25 to the west. The proposed conveyor will cross beneath Burma Road and 85 Street NW. The proposed conveyor will eliminate the requirement for truck transport of aggregates, thus no upgrades to local or provincial roads are required.

The City of Calgary's Spy Hill Landfill, a regional waste management facility spanning ±259 ha is located directly east of Heidelberg's Spy Hill aggregate facility.

The Province owns and operates a series of correctional facilities including the Young Offender Centre, Calgary Remand Centre and Calgary Correctional Centre occupying ±146 ha situated approximately 3.2 km to the southeast of the mining portion of the Scott Project.

Spanning ±200 ha, the University of Calgary's Agriculture Research Centre referred to as the 'Spy Hill Campus' is located about 3.2 km to the south of the Scott Project.

Land uses to the south and west of the project area include heavily treed, low-density residential land uses which have been developed over the past 30+ years, with large country residential lots ranging from \pm 0.81 ha to \pm 8.1 ha parcels. Land use to the north of the Project area is predominantly un-subdivided agricultural land uses.

C. Project Description

C.1. Project Schedule

Heidelberg anticipates the construction phase of the Scott Project to be completed over a 1 to 2-year period. Following construction, aggregate mining will commence. Heidelberg anticipates excavating 2 million tonnes per year, with an approximate 50 million tonnes being removed over a 25 to 30-year operating period.

C.2. Project Construction

Prior to mining operations commencing, Heidelberg will construct a 4.5 km overland conveyor to transport aggregate materials from Section 05-026-02 W5M within Rocky View County to the Spy Hill facility within the City of Calgary. The majority of the conveyor will be screened from public roadways and adjacent properties via landscaped berms. Additionally, the conveyor will be shrouded to mitigate dust and noise and the area containing the overland conveyor may also be fenced to ensure public safety.



Examples of shrouded overland conveyors. The 4.5 km conveyor proposed as part of the Scott Project will eliminate greenhouse gas emissions and public safety concerns associated with aggregate haul traffic.

Within the mining portion of the project, operations will commence with site access construction and the establishment of landscaped screening berms around the perimeter of the mining area.

C.3. Project Operations

Aggregate mining will be phased across Section 05-026-02 W5M such that the active areas will be limited as much as practically possible to ensure a reduced environmental and community impact. As one phase is opened for extraction, the previous phase will be reclaimed.

Before extraction begins, reclamation material (topsoil and subsoil) will be salvaged and stockpiled for future use. Overburden will be removed and placed directly in adjacent excavated areas or stockpiled. Stripping and reclamation activities are anticipated to include three scrapers and one dozer.

Aggregate extraction will be completed using an excavator, loader, and dozer. The aggregate is partially cemented with calcium carbonate and thus forms layers of conglomerate surrounded by rather loose gravel and sandy gravel beds. Either mechanical breaking equipment or drilling and blasting will be required to break down conglomerate to facilitate extraction. An in-pit conveyor will be used to transfer material from active extraction areas to a primary processing area within Section 05-026-02 W5M to size material for conveyance.

A 4.5 km overland conveyor will transport aggregate from Section 05-026-02 W5M through Sections 33-025-02 W5M and 27-025-02 W5M to Heidelberg's existing Spy Hill facility for further processing and sale.

C.4. Supporting Infrastructure

Site access to the mining portion of the Scott Project will be provided from Range Road 24 via a new approach to be constructed approximately 200 m north of Burma Road. Range Road 24 is currently a closed undeveloped statutory road allowance. As such, Heidelberg anticipates entering into a Road Use Agreement with Rocky View County.

Aggregate material from the Scott Project will be transported by overland conveyor to the Spy Hill facility in the City of Calgary. As such, the project will not require any haul truck traffic to and from the site or secondary processing.

C.5. Post-Development Land Use and Reclamation

Upon completion of aggregate operations, Heidelberg's objective is to return the land to a condition that will provide the most value to the region. Heidelberg is prepared to work collaboratively with the local community, Rocky View County, the City of Calgary, and other regional stakeholders on an end use strategy that could establish a significant community benefit. The Inland Athletic Park, a sports facility developed within a previous Heidelberg aggregate development, is an excellent example of end use planning for an aggregate operation that provides a community benefit. Potential end land uses for the Scott Project include a regional park and/or recreational facility, like the Inland Athletic Park, a stormwater management facility, and/or residential development.

D. Stakeholder Consultation

Consultation with local stakeholders and the general public will take place before we proceed with the project. The Scott Project stakeholder community is diverse; from local First Nations and Métis to surrounding residents, the local environmental community, industry, and regulatory agencies. Heidelberg is committed to open and ongoing dialogue with stakeholders and the public to ensure that all opportunities and constraints are addressed and incorporated into project design. This commitment to

stakeholder consultation will be carried through the planning and regulatory approvals process into the operations phase of the project.

Personal communication is the cornerstone of our public consultation process. Stakeholders and the general public will be invited to share their views on the Scott Project with us. We will meet with interested stakeholders throughout the project. These meetings are intended to provide a forum to discuss opportunities and concerns in detail and to incorporate reasonable input on outstanding issues.

We will document methods used to communicate the project to the public, opportunities for stakeholder and public input, individuals and stakeholder groups consulted, issues and concerns raised by stakeholders and how these were addressed.

E. Environmental Management

Heidelberg is committed to mitigating project impacts on people and the environment. Baseline studies and comprehensive assessment of the environmental and socio-economic impacts of the project will be conducted. Preliminary studies have been completed, including work on existing surface and groundwater conditions, air quality, wildlife and habitat inventories, vegetation and soil conditions, noise, and historical resources.

Some of the key issues identified to date that will be addressed include:

- Protection of surface and groundwater resources;
- Mitigation of local impacts such as noise, dust, and traffic, as well as aesthetic impacts through responsible operating practices;
- Management of air emissions; and
- Incorporation of environmental concerns and objectives of stakeholders, Aboriginal groups, and the public into operations, end-use, and reclamations plans.

F. Regulatory Process

The Natural Resources Conservation Board (NRCB) is an arms-length agency of the Government of Alberta that was established to determine whether natural resource projects are in the public interest, considering social, environmental, and economic effects. Heidelberg is requesting a referral of the Scott Project to Cabinet for designation as a "reviewable project" within the meaning of the *Natural Resources Conservation Board Act*.

Following the designation of the Scott Project as a "reviewable project", the NRCB will initiate public notices for its hearing process. The NRCB grants directly affected parties standing to participate in its hearings including a requirement that Heidelberg provide intervener funding. The NRCB will require Heidelberg to file its reports on environmental and socio-economic impacts of the Scott Project for review in the hearing process including any Environmental Impact Assessment that may be required by Alberta Environment and Protected Areas.

Heidelberg intends to simultaneously apply for approval from the NRCB at the same time as applying to AEPA for required authorizations under the *Environmental Protection and Enhancement Act* and *Water Act*. Following a decision from the NRCB, Heidelberg will file applications for the required municipal authorizations, including land use redistricting and development permit applications, through Rocky View County and the City of Calgary in accordance with the provisions of sec. 619 of the Municipal Government Act.

Appendix A. Project Summary Table

		Project Summary '	Table
Proponent name:	Heidelberg Materials Canada Limited	Date:	June 19, 2024
Project name:	Scott Project	Company contact name and information:	Lauren Greenhough <i>Environment and Sustainability Manager</i> 780-420-2552 lauren.greenhough@heidelbergmaterials.com
Name of company that will hold approval:	Heidelberg Materials Canada Limited	Company website:	www.heidelbergmaterials.com
Type of project (e.g., water management, hydroelectric, etc.):	Sand and gravel pit	New project, expansion, additional phase or modification:	New project
Project location (legal land description and municipality):	Section 05-026-02 W5M Rocky View County	Total project area (ha):	Approximately 243 ha (full extent to be determined in final design)
Indicate whether the project is on private, federal or provincial land:	Private land owned by Heidelberg Materials Canada Limited	List any parks/protected areas/conservation areas that may be impacted:	Not Applicable. The nearest park is Glenbow Ranch Provincial Park which is 4 km southwest of the Project site.
Nearest First Nation Reserve(s) and Métis Settlements (name and km):	Stoney Nakoda First Nation (17.5 km), Tsuut'ina First Nation (19 km), Siksika Nation (72 km), Piikani Nation (160 km), and Blood Tribe (178 km)	Nearest waterway/ water body (name and km):	Unnamed ephemeral drainage channels run through the proposed extraction area north towards an un-named tributary of West Nose Creek approximately 2.9 km northeast of the Project site.
Nearest provincial highway (# and distance):	Highway 1A (3.4 km) and Highway 201 (4.6 km)	Potential annual water usage and source:	No water use is anticipated. Chemical dust suppressant will be utilized instead of water for dust control. Sand and gravel from the Project will be transported off-site to the existing Spy Hill facility for further processing, including all required washing.
Expected types of air emissions (e.g., SO ₂ , NO _x , CO ₂ , etc.):	Material Handling <u>Emissions</u> : Particulate matter (TSP, PM ₁₀ , and PM _{2.5}) <u>Diesel Combustion</u> <u>Emissions</u> : SO ₂ , NO _x , CO, Benzene, Benzo(a)Pyrene (BaP)	I ypes of wastes generated and disposal location:	General domestic/operational refuse. All waste will be disposed of at an off-site authorized waste management facility.

Appendix B. Project Maps







Appendix C. Heidelberg's Sustainability Commitments

Our Sustainability Commitments 2030 Building a more sustainable future





Building a more sustainable future

The world needs smart, sustainable, and resilient infrastructure, buildings, and public spaces. Challenges like climate change and resource limitations mean that the production and use of heavy building materials must evolve. At Heidelberg Materials, we are transforming our business to address these challenges, and are placing sustainability at the core of what we do.

Our Sustainability Commitments 2030

The United Nations Sustainable Development Goals (SDGs) shape our strategy and sustainability commitments. Our Sustainability Commitments 2030 support our vision to build a more sustainable future that is **net zero**, **safe and inclusive, nature positive,** and **circular and resilient.**

Our 2030 sustainability strategy and programmes are focused on four key building blocks:

Building a	Net Zero Future		Building a Safe & Inclusive Future			
We drive the decarbonisation low-carbon products.	on of our sector and provide	We place the health and wellbeing of employees, communities, and suppliers at the core of our business operations.				
CO ₂ & Energy	Reduce our Scope 1 CO2 emissions to 400kg per tonne of cementitious material		Diversity, Equity & Inclusion	Ensure that 25% of leadership positions are filled by women	5 сселен селения С селения	
	Reduce our total CO2 footprint according to the SBTi 1.5°C pathway' $$		Occupational	Achieve zero fatalities and reduce lest time injury	8 OFCENT WORK AND	
	Capture 10 million tonnes of CO2 cumulatively through our CCUS projects		Health & Safety	frequency rate (LTIFR) by 50% compared with 2020		
Additional Emissions	Reduce sulphur and nitrogen oxide emissions	13 CLANUTE	Community Engagement	100% of our sites have community engagement plans	8 BECKY WORK AND ECONOMIC CROWTH	
				All employees are offered one day per year of paid leave for voluntary community work	611	
Sustainable Revenue	Achieve 50% of our revenue from sustainable products that are either low-carbon or circular	9 яколти, нечиток на инистритите	Sustainable Suppliers	80% of critical supplier spend confirmed with a green ESG rating	8 BIECKY WREE AND ECONOMIC CROWTH	



Building	g a Nature Positive Future						
We contribute to a natu biodiversity programm	e contribute to a nature positive world through our industry-leading odiversity programme and sustainable water management.						
Biodiversity	100% of active quarries contribute to the global goal of nature positive, with 15% space for nature	15 titus					
Water	100% of sites in water-risk areas implement water management plans and water recycling systems	12 ESCAPE					

¹ <u>SBTi business ambition for 1.5°C</u>; CO₂ reductions vs baseline (2020): Scope 1: -24% per tonne of cementitious material Scope 2: -65% per tonne of cementitious material Scope 3: -25% in absolute emissions from purchased cement and clinker

www.heidelbergcement.com/en/sustainability