



Date: September 30, 2015

To: Don Sander, General Manager
Teck Coal Limited, Elkview Operations

Cc: Diane Howe, Deputy Chief Inspector, Reclamation and Permitting, MEM
Heather Narynski, A/ Manager, Geotechnical Engineering, MEM

Re: **Review of Letter of Assurance Submission from June 30, 2015**

The Ministry of Energy and Mines (MEM) has engaged a consulting firm to evaluate the consistency and compliance of your letter of assurance in response to the Chief Inspector's orders issued on February 3, 2015. This review has determined that your submission satisfies the requirements of the order.

Below is a summary of the assessment made by your Qualified Professional Engineer (QPE), it is understood that no immediate gaps have been identified:

Status of Foundation Condition

"Glaciolacustrine soils are found throughout the Elk Valley, typically below elevation 1384 m. The clayey silt was incorporated into two-dimensional limit equilibrium stability analysis method for Lagoons C and D for the currently ultimate elevations of 1154 m and 1177 mm, respectively in the 1996 Golder report." Recent studies have also confirmed that "Assuming a conservative condition where an undrained event is triggered, then the analysis indicates an acceptable factor of safety."

Status of Water Balance Adequacy

"To-date, the available freeboard at any time in both Lagoons C and D has been far in excess of the annual precipitation, Probable Maximum Precipitation (PMP), and/or maximum snowpack melt. In the event of an emergency, Elkview would stop the plant and pump water to the West Fork Tailings Facility (WFTF)."

Status of Filter Adequacy

"The design of the lagoons represents a permeable mass barrier and essentially consists of a well drained near homogenous embankment which is directly filter compatible with the total tailings that it retains."

Please ensure that any recommendations made by your Qualified Professional Engineer have been addressed.

The orders issued on February 3, 2015 have been requested to provide assurance the conditions at the Mount Polley dam do not exist in other facilities. Please ensure that you are meeting your other ongoing requirements to ensure Tailings Storage Facility safety with respect to the following:

- Satisfying any outstanding orders from previous Ministry inspection reports.
- Satisfying any outstanding recommendations from previous Dam Safety Inspections (DSI) or Dam Safety Reviews (DSR).

It is expected that you will ensure dam safety management is continuously reviewed, improved and refined throughout the life of mine.

Thank you for your submission to the orders of February 3, 2015.

Sincerely,

A handwritten signature in black ink, appearing to read 'Al Hoffman', written over a horizontal line.

*Al Hoffman, P. Eng.
Chief Inspector of Mines
Ministry of Energy and Mines*