Rosemont Mine, AZ

Enforcement and Water Divisions

April 2017

Issue

Hudbay Minerals, Inc., a Canadian mining company, has proposed a new open-pit copper and molybdenum mine on 5,000 acres southeast of Tucson, Arizona, including 3,655 acres of National Forest land. After reviewing the U.S. Forest Service's (USFS) Environmental Impact Statement (EIS), Region 9 rated it "Environmentally Unsatisfactory – Inadequate", and determined that USFS' proposed approval of the mine plan of operations may warrant referral to the Council on Environmental Quality (CEQ). In July 2016, the US Army Corps of Engineers (USACE) Los Angeles District recommended denial of Hudbay's application for a Clean Water Act §404 permit.

Background

According to the EIS, as well as studies produced by the proponent, the proposed mine could produce up to 10% of the U.S. annual production of copper, generate 400 jobs over 24-30 years, and would:

- Permanently fill 18 linear stream miles, significantly degrading regionally rare, largely intact mosaics of some of the highest quality stream and wetland ecosystems in Arizona;
- Pollute state-designated "Outstanding National Resource Waters" with heavy metals;
- Cause regional groundwater draw-down adversely affecting about 800 water supply wells and 40,000-60,000 acres of habitat, including federally protected conservation lands;
- Destroy an area sacred to the Tohono O'odham Nation, disturbing over 100 prehistoric and historic cultural sites, of which over 1/3 are known to contain human burials;
- Degrade regional visibility and cause airborne deposition of nitrogen in Saguaro National Park and other Class 1 areas;
- Adversely affect 12 federally listed threatened or endangered species; and
- Cause economic losses in tourism exceeding total mine payroll.

Timeline:

- February 2012: EPA rated the USFS' draft EIS as *Environmentally Unsatisfactory – Inadequate* (EU-3), and identified the §404 permit as a candidate for USACE HQ review.
- December 2013: Based on review of USFS' Final EIS, which did not resolve the EU issues, EPA made a preliminary determination that USFS' proposed action warranted referral to CEQ. At EPA's request, USFS suspended the referral deadline and CEQ convened interagency calls to try to resolve issues and avoid referral. Numerous revisions by Hudbay of its mitigation proposal to USACE delayed resolution and raised new issues.
- Spring 2016: CEQ suspended the interagency calls pending completion of a revised Biological Opinion by US Fish & Wildlife Service and a USACE §404 permit decision.
- July 2016: USACE Los Angeles District's recommended draft denial of the CWA 404 permit and elevated to the USACE South Pacific Division as required by regulation following then-Governor Jan Brewer's letter in support of the project.
- March 2017: AZ Governor Ducey sends letter to Administrator Pruitt requesting EPA "expeditiously resolve" water quality concerns with "proper deference" to the State.
- April 2017: USFS notifies EPA that it plans to move forward with ROD finalization. The most critical issues underpinning EPA's EU rating remain unresolved.

Stakeholders

Mine Supporters: Arizona Governor Doug Ducey, Chamber of Commerce
Mine Opponents: Tohono O'odham Nation; Pima County, other local agencies, tribal governments, NGOs, local farmers and community members, Congressman Raul Grijalva

Next Steps

- USACE SPD: Decide to uphold or overturn District's §404 recommended draft permit denial. Federal Family technical meeting scheduled for April 18, 2017.
- USFS: Issue a Record of Decision on Hudbay's mine plan of operation.
- EPA: Decision on potential referral or elevation of USFS and USACE actions.