From: Clancy Tenley
To: Scott Stollman; Jeanne Geselbracht; jean gamache
Subject: Fw: Uranium Mining in the Grand Canyon
Date: 06/30/2009 09:02 PM

Sent by EPA Wireless E-Mail Services

From: "Brian Davidson" [Davidson.Brian@azdeq.gov]
Sent: 06/30/2009 03:02 PM MST
To: Wendell Smith; Clancy Tenley; Jean Gamache
Subject: Uranium Mining in the Grand Canyon

Hello my friends at Region IX,
I am writing to you to let you know that a Canadian Business called Dennison Mine has applied for two permits with us to open up two Uranium mines in the Grand Canyon. They would be called Pinenut and Canyon Mines. The two Aquifer Protection Permits (APP's) would require a public hearing. In the spirit if keeping our friends at Region IX in the loop, Vice Chairman Putesoy Sr. of the Havasupai Tribe has written a letter to ADEQ requesting we hold a public hearing in the Village of Supai on June 9. A response letter went to him on June 12 letting him know we will be having one in July in the nearby town of Fredonia, but a date has not been determined.

It was later decided by the agency, that the hearing will be on July 22nd. I anticipate this issue to be one the tribes downstream of the mine (Havasupai, Hualapai, and others) will be paying close attention to. Below is a copy of the article that best describes the mining activity and the issues that will be facing this issue:

Company Seeks Ariz. Permit Mine Near Grand Canyon

WKRG News 5, Mohave Daily News, Sierra Vista Herald and The Arizona Republic
June 27, 2009

A Canadian company is one permit away from reactivating an Arizona uranium mine near the Grand Canyon where conservationists have been pushing for protection from new mining operations, a state official says.

Thousands of mining claims dot a 1 million-acre area around the canyon, but **Arizona Department of Environmental Quality** spokesman Mark Shaffer says only Denison Mines Corp. has a pending air permit with the agency for a site about 20 miles from the canyon's northern border.

Most of the claims for uranium are staked in an Arizona strip, a sparsely populated area immediately north of the Grand Canyon National Park known for its high-grade uranium ore. The silvery white metal is used in nuclear energy and weapons and for medicine.

If the permit is approved, Denison would be the first to restart mining at the Toronto-based company's Arizona 1 site, some 20 years after previous operations ceased.

The project could be a boon for some residents in Fredonia, a town of 1,000 closest to the mine. Many in the small town about 35 miles away are employed in the mining industry, and Mayor Dixie Judd said earlier operations provided an economic boost to the community that has three service stations and one restaurant.

"It just hasn't been what people perceive it to be," she said Friday, adding that the town's only bank closed shortly after previous uranium operations were shuttered.

Ron Hochstein, president and chief executive of Denison, said operations could begin within a year. A shaft already had been sunk at the mine, ventilation work was complete and agreements have been secured to sell the ore, he said.

"It would start ramping up once we receive the permit," he said.

The company also is seeking aquifer protection permits for its Pinenut and Canyon mines, 40 miles southwest of Fredonia and six miles southeast of Tusayan near the South Rim of the canyon, respectively.

Interest in reopening mines in the area is expected to rise following a public hearing on the permits next month in Fredonia, Shaffer said. The price for uranium has risen eight-fold since the 1980s, now selling at $55 per pound.

But nearby residents and environmentalists, who are pushing to ban new mining in the area, are worried about possible groundwater contamination, destruction of wildlife habitat and the transport of radioactive material. Some miners and their families have blamed exposure to uranium for deaths and health effects, including cancer and kidney disease.

The company plans to ship the ore from its three mines to a processing site hundreds of miles away near Blanding, Utah. Environmentalists say that without new environmental impact studies, residents along the trucking route won't have a say about the noise, traffic or dust from the ore escaping.

Kaibab Paiute Indian tribal administrator Tony Phillippe said members who live downwind from former nuclear testing sites have suffered enough from the exposure to nuclear dust. The reservation lies outside of Fredonia off State Route 89A where the ore would be trucked.

"I will not tolerate that type of invasion of the health of this community," he said.

Taylor McKinnon, the public-lands program director for the Tucson-based Center for Biological Diversity, said mining also could harm species in the area, including the endangered California condor and fish in the Colorado River. He said environmental analyses on the mines that were completed in the 1980s should be redone.

Environmentalists also have said that the mining would cause harm and that vertical columns below the ground would allow water from mining to flow downward, contaminating the water table below with uranium.

Hochstein, the Denison president, disputed those claims, saying that the company was not changing the ground structure.

"Those vertical lines have been there for millions of years, the water should be seeping down there already," he said.

ADEQ Director Ben Grumbles said the department recognizes that "uranium mining needs to be closely regulated and that adequate environmental safeguards must be in place before any work begins."

The department said Denison's air permit includes stringent monitoring and reporting requirements that would assure airborne dust from the mine and hauling operations are minimized.

Support from the state's congressional delegation has been divided. Democratic U.S. Rep. Raul Grijalva's efforts to ban new mining claims and exploration on unproven claims have been blocked, while Arizona's two U.S. senators have said there was already an adequate balance of resource development and wilderness protection around the canyon.

Denison has staked 110 claims within the 1 million-acre area around the Grand Canyon and plans to produce nearly 110,000 tons per year of uranium ore at its Arizona 1 site over 10 years.

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