Alaska Mining Issues

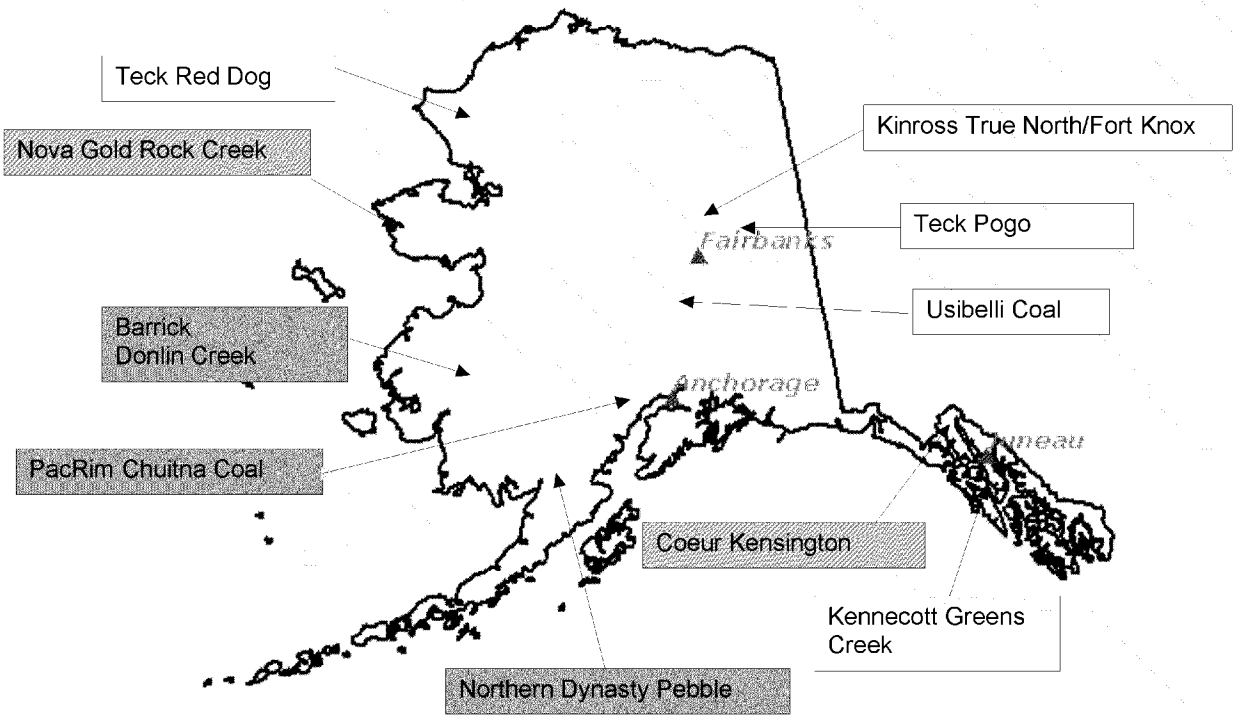
RA Briefing

February 5, 2007

Briefing Outline

- Overview of Mining in AK
- Regulations – where are we engaged
- Region 10 Sector-based Approach
- Hot issues for Alaska

Active and Proposed Mines in Alaska

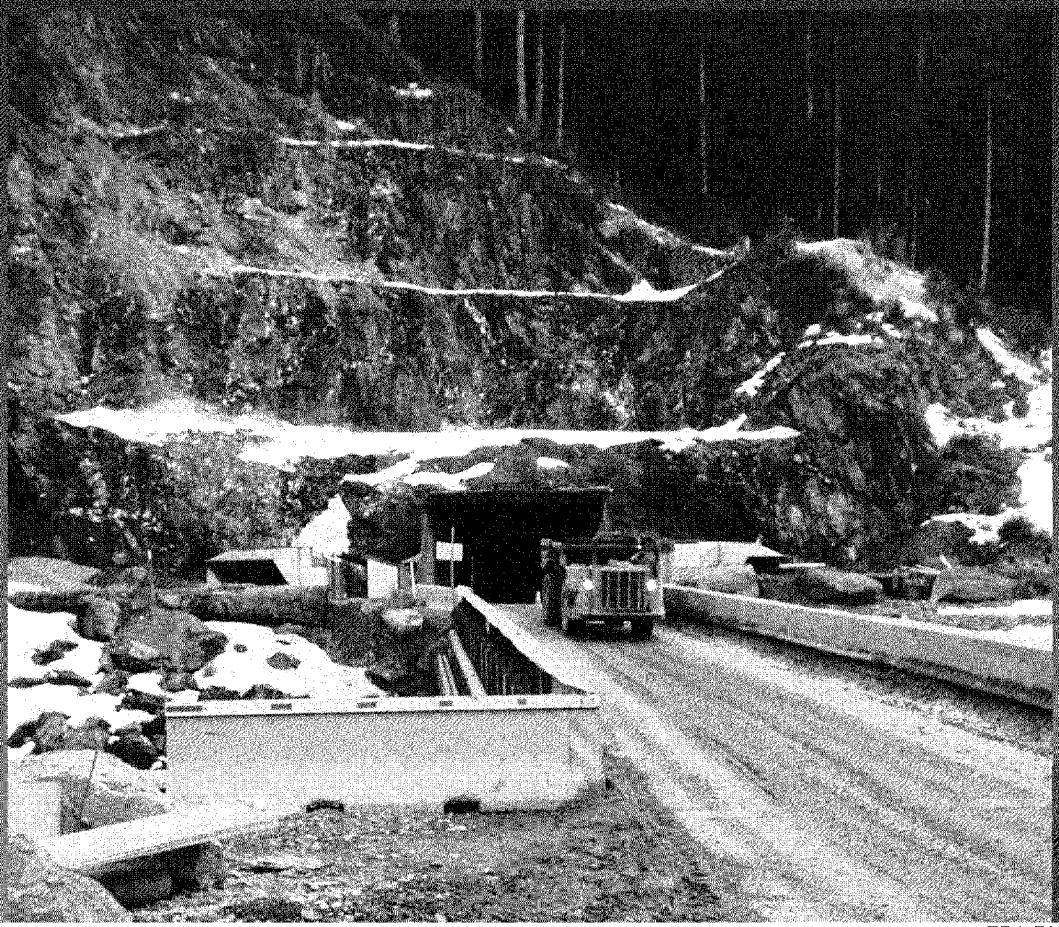


Operating mines

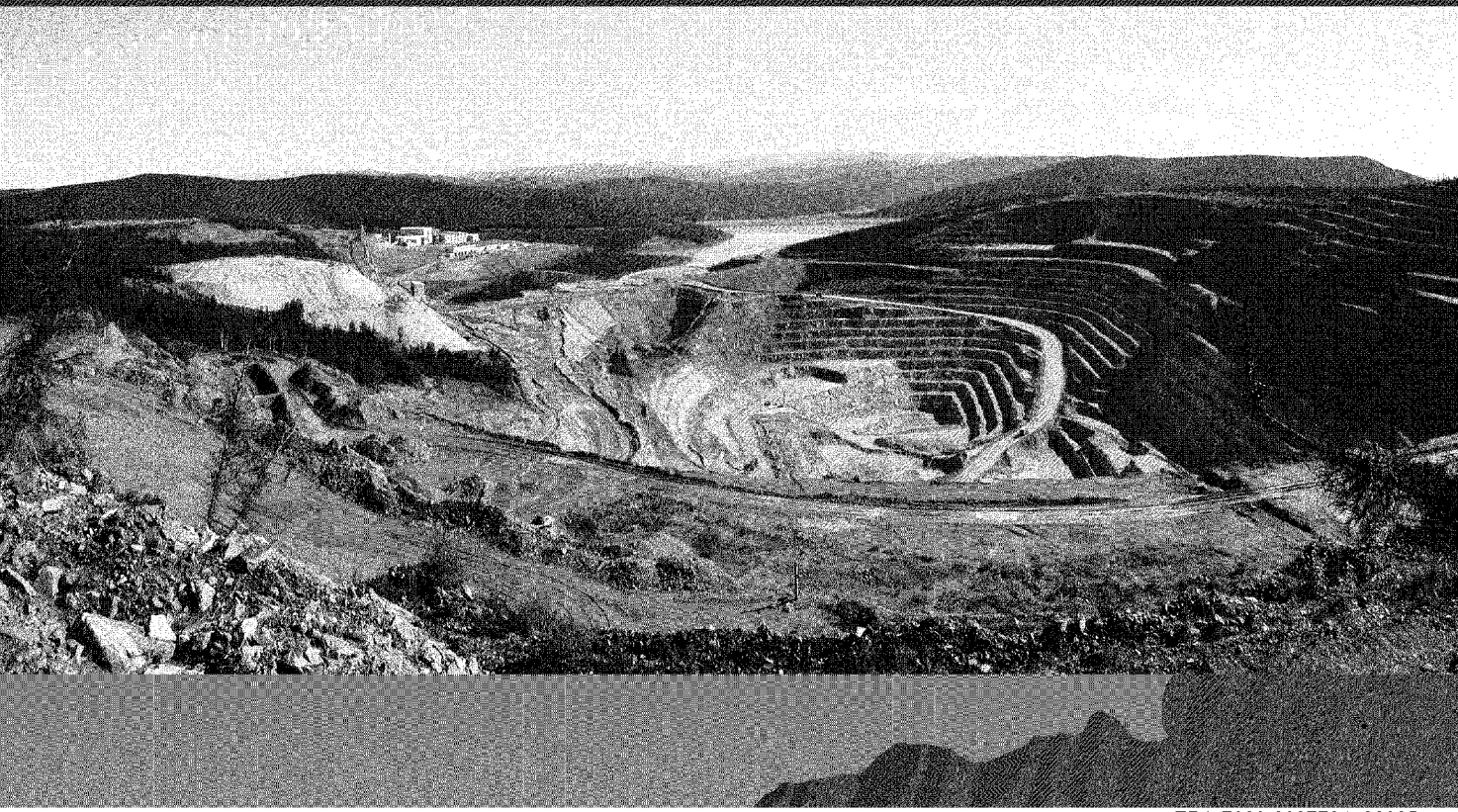
Mines in construction

Proposed projects

Kennecott Greens Creek Mine



Kinross Fort Knox Mine



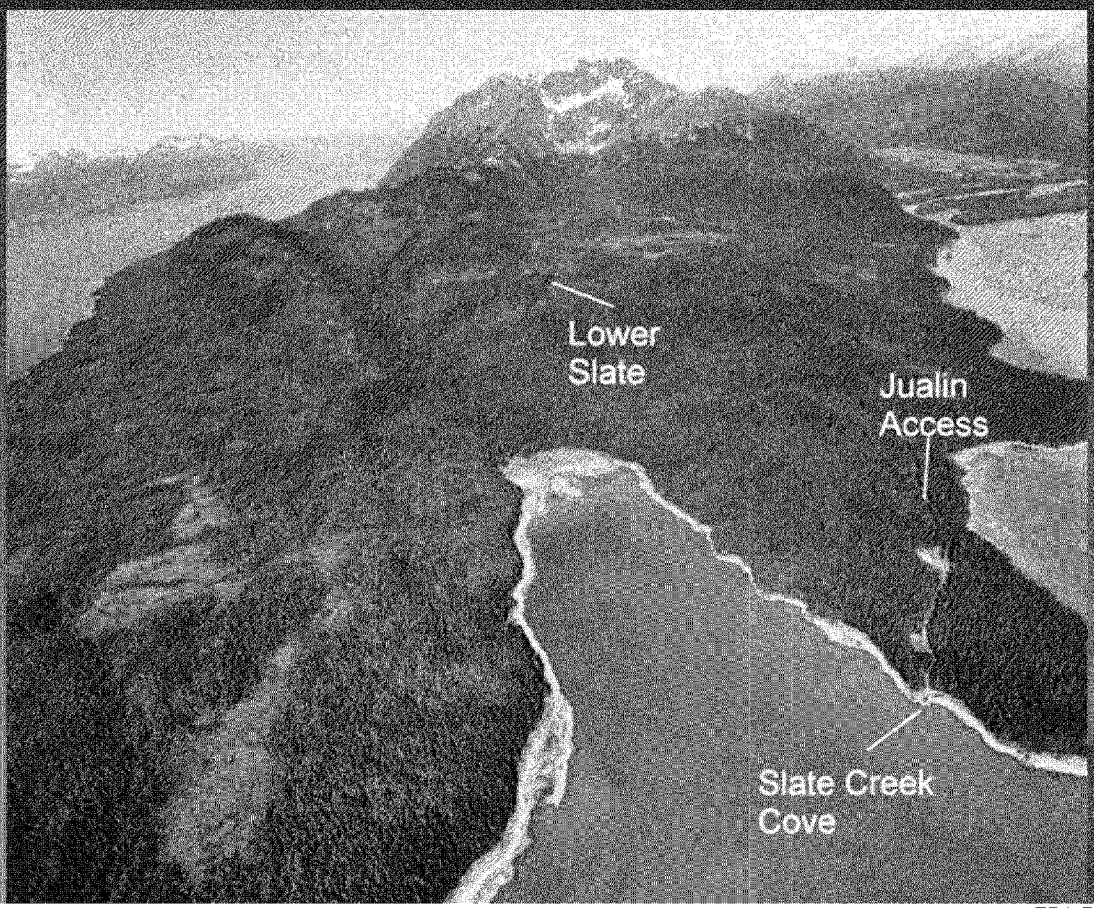
Usibelli Coal Mine

AK Placer Mining

Teck Red Dog Mine

Greens Creek Mine

Coeur Alaska Kensington



EPA Authorities and Mining

- NEPA
- CWA
- CERCLA
- CAA
- RCRA
- SDWA
- EPCRA - TRI

EPA Authorities - NEPA

- EIS Preparation for "New Sources"
- EIS Cooperating Agency
- EIS Review (per Section 309 of CAA)

EPA Authorities - CWA

- NPDES Permit issuance and compliance
- Water quality standards
- CWA 404 dredge and fill permit review

EPA Authorities

- Clean Air Act (CAA)
  - Section 309 review of EIS
  - PSD permits
- Safe Drinking Water Act (SDWA)
  - UIC permits

EPA Authorities

-Emergency Planning and Community Right to Know Act - Toxics Release Inventory (TRI)

- Resource Conservation and Recovery Act (RCRA)

- CERCLA (Superfund)

Operating and New Mines - Issues

- Regulatory challenges
  - Numerous regulations
  - Numerous agencies – ACOE, FLMAs, states, tribes
- Technical challenges
  - Large areas; large amounts of material
  - Exposed to environment (water)
  - Uncertainty in long-term water quality impact predictions
  - Closure and financial assurance

Region 10 Sector-based Approach to Mining

- Regional Mining Coordinator
- Regional Mining Team
- Regional Mining Strategy
- Link to EPA National Mining Team

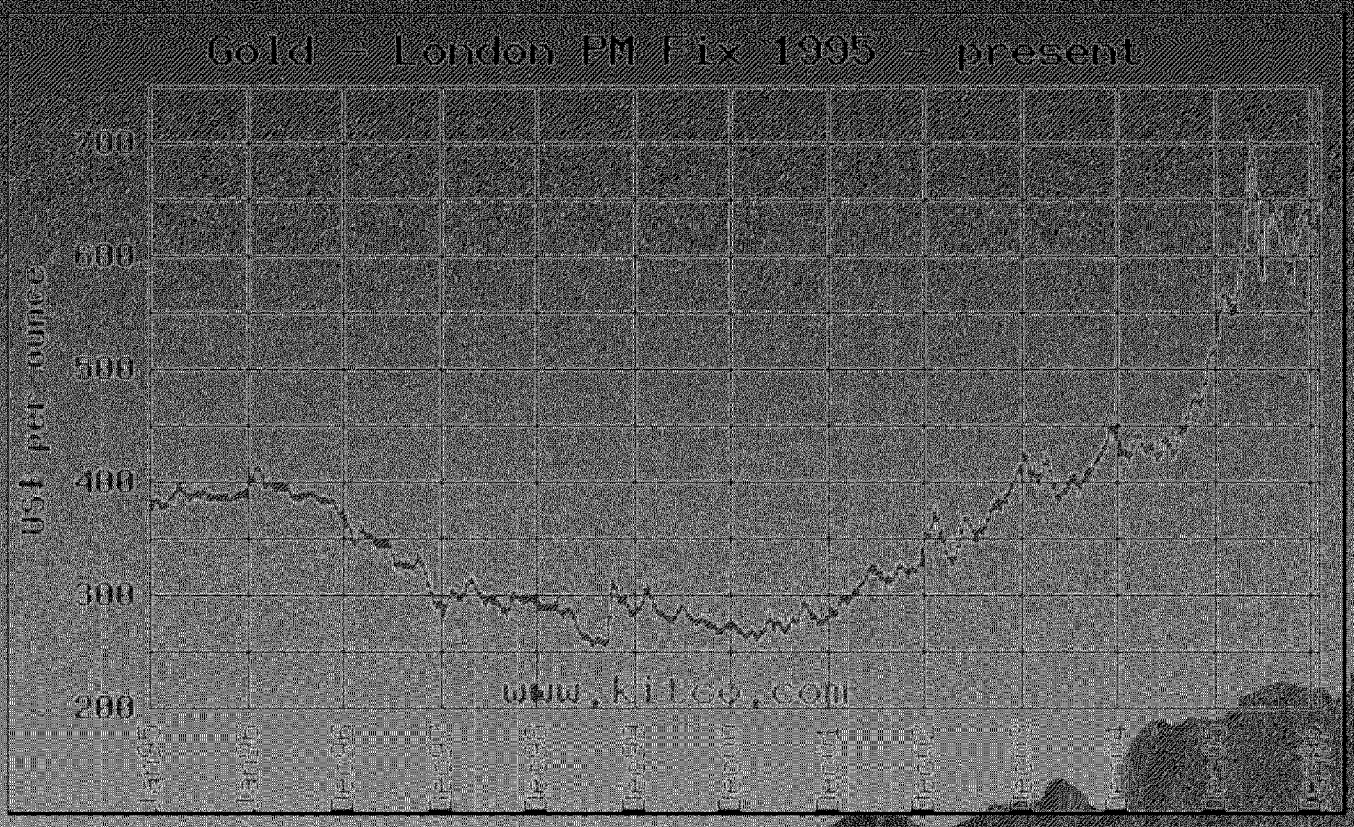
Strategic Principles

- Early involvement
- Cross-programmatic teams
- Work in partnership with other involved agencies, tribes, industry, and NGOs
- Programs operate in parallel
- Good science

Mining is Important to Alaska (2005 statistics)

- Mineral Production Revenue: $ 1.4 billion
- Exploration Dollars Spent: $103 million
- US production rank:
  - Zinc #1 - Lead #2
  - Silver #2 - Gold #3

Work Forecasting



Alaska Mining Issues - workload

- Issue: Can EPA keep up with the work?

Number of proposed mines are increasing and…

  - Projects are larger
  - Projects complex – access & power
  - Tribal concerns are great

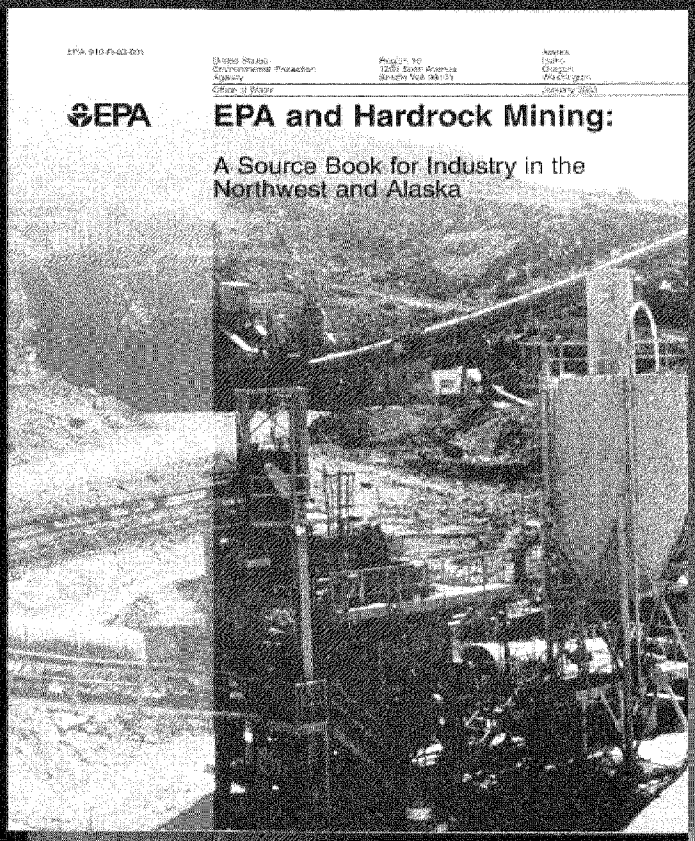
- Message:
  - Mining is one of the region's seven priorities
  - EPA has a strong mining team, est. since 1995
  - Region will continue to commit significant resources to mining
  - Environmental review and permitting occur in parallel to increase efficiency

Alaska Mining Issues – AK is unique

- Issue: Mining in Alaska presents unique challenges (wetlands, distances, tribal) that EPA does not understand.

- Message:
  - EPA's approach to working on mining projects is to establish an interdisciplinary team that includes staff in our Anchorage office.
  - We have been working on mining issues in AK for a long time and can meet the challenges. Our experience on Pogo Mine is an example.

R10 – Source Book for Mining Industry



Alaska Mining Issues - Kensington

- Issue: If the 404 permit for the Kensington tailings impoundment is denied, then it will be impossible to permit tailings facilities in Alaska.

- Message:
  - EPA and the Corps have been permitting tailings impoundments before Kensington and can use these same mechanisms to permit future tailings impoundments.
  - EPA will coordinate with the other agencies on mining projects early on to determine the best approach for tailings impoundment permitting.

Pebble Mine Issues – Pebble Mine

Issue: What is EPA's role on the Pebble Mine? There is significant controversy due to mine location, size, potential resource and subsistence impacts.

- Message:
  - Permit applications are not expected until mid-2008.
  - EPA has a team covering this project, including a project manager out of the AOO. We review baseline documents, participate in agency meetings.
  - EPA will collaborate with the other agencies to determine our NEPA role.

Alaska Mining Issues - TRI

- Issue: TRI reporting of chemical releases from mine wastes gives a misleading picture since mine wastes are contained in permitted facilities and not really "released" to the environment.

- Message:
  - TRI has been a valuable tool to identify potential concerns associated releases from industrial facilities.
  - For example, TRI reports of mercury air emissions from mines in NV created an opportunity to work with the industry and state to reduce risks associated with mercury emissions.
  - The Region is open to working with ADEC to provide context to the TRI numbers in ADEC's TRI press releases.

Alaska Mining Issues - Tribal

- Issue: Tribes are concerned about impacts from mining operations and look to EPA to protect resources and to build their capacity to influence these projects.

- Message:
  - All of the EPA mining teams reviewing AK mines include an AK tribal coordinator.
  - EPA will engage in G-to-G consultation on projects where we have a regulatory role. This includes developing a project-specific consultation plan with affected tribes.
  - EPA has developed an AK Tribal Mining Education Plan to provide tribes with education on mining impacts and regulations to support capacity building.

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