2017 First Quarter Mining Report

Facility Name:	**Poly Met Mining, Inc. (PolyMet) NorthMet Mining Project**
Current Actions:	1) NPDES/SDS permit (Draft NPDES/SDS Permit No. MN0071013)
	2) Part 70 air emission permit (Draft Permit No. 13700345-001)
	3) 401 Certification (Draft Certification No. 1999-5528-JKA)
	4) Construction Stormwater General Permit Coverage
Project Supervisor	Ann Foss, Richard Clark, Suzanne Baumann, Jeff Stollenwerk
Project Manager:	Jim Robin (WQ), Eric Alms (AQ)
Lead Staff:	Hassan Bouchareb (AQ), Stephanie Handeland (WQ), Jen Oknich (401 Certification)
Lead Agencies:	MPCA

Accomplishments during this reporting period:

- General
  - On January 11, MPCA sent its quarterly summary of its activities through December 2016 regarding applications submitted by PolyMet to the email subscription list. To view the January 11 message and to sign up for the subscription list to receive the next quarterly update and other notifications please go to: www.mn.gov/polymet
- Air Quality
  - MPCA completed its review of PolyMet's Class I air modeling report and approved it. MPCA will use the report to draft permit conditions that ensure continued protection of the air quality in nearby Class I areas, including the Boundary Waters Canoe Area Wilderness.
  - MPCA continues to review the other air modeling reports and elements of the permit application.
  - MPCA posted the following to the project website: a Class I modeling list of errata, AERA modeling list of errata, and Class I modeling report approval.
- Water Quality
  - MPCA continues to review PolyMet's NPDES/SDS water quality permit application. Work is ongoing in the areas of antidegradation, permit monitoring and limitations, and other permit requirements. MPCA continues to maintain routine conversations with EPA during the review process.

- 401 Certification
    - MPCA staff have been having ongoing meetings with wetland hydrology staff at the United States Army Corps of Engineers (USACE) and Minnesota Department of Natural Resources (MDNR) to develop draft permit conditions.
- Construction Stormwater
    - MPCA received an application for the plant site and tailings basin geotechnical investigation work on February 7, 2017. The purpose of the geotechnical work is to investigate and characterize geological conditions at the site for the purpose of completing final engineering design. This includes such activities as borings and test pits to determine soil characteristics, depth to bedrock, and installation of monitoring wells. Coverage under this application only authorizes activities related to the geotechnical work; it does not authorize construction or operation of the processing facility, mine pits, or other construction activities. Coverage under this Construction Stormwater General Permit application became effective on March 9, 2017.
    - MPCA received an application for additional geotechnical work on March 13, 2017; specifically installing monitoring wells at two locations near the mine site. Coverage under this Construction Stormwater General Permit application became effective on April 13, 2017.

Plans for the next reporting period:

- MPCA will continue to review the permitting and certification applications.
- The MPCA will continue send out quarterly messages summarizing activities and documents added to the project website in the previous quarter.
- MPCA will continue to update the agency's project web site with permit-related information that may be of interest to the general public and send at least quarterly updates to the email subscription list.

Facility Name:	**US Steel (USS) - Minntac**
Current actions:	1) Water quality permit reissuance (NPDES/SDS Permit No. MN0057207) for the tailings basin 2) Multi-media Schedule of Compliance (SOC)
Project Supervisor:	Suzanne Baumann
Project Manager:	Steve Sommer
Lead Staff:	Erik Smith (WQ), John Thomas (WQ)
Lead Agency:	MPCA

Accomplishments during this reporting period:

- A draft NPDES/SDS permit for the tailings basin was on public notice from November 15 to December 23, 2016.
- During the comment period, MPCA received roughly 18 unique comment letters, over 1000 form letters, two contested case hearing requests (USS and MCEA), and a variance request (USS).
- MPCA is evaluating the contested case hearing and variance requests and working on response to comments.

Plans for the next reporting period:

- Continue to evaluate comments and contested case hearing requests received on the draft NPDES/SDS permit for the tailings basin.
- Ongoing implementation of the groundwater Sulfate Reduction Plan at monitoring well GW 012.

Facility Name:	**US Steel - Keetac**
Current actions:	Water quality permit compliance schedule (NPDES/SDS Permit No. MN0031879)
Project Supervisor:	Suzanne Baumann
Project Manager:	Steve Sommer
Lead Staff:	Erik Smith (WQ), John Thomas (WQ)
Lead Agency:	MPCA

Accomplishments during this reporting period:

- Per the requirements of the March 11, 2016 Schedule of Compliance, final Pilot Testing Report submitted on December 30, 2016 (received January 3, 2017).
- In a letter dated January 12, 2017, MPCA notified Keetac that they had fulfilled the requirements of the SOC and that it was terminated.

Plans for the next reporting period:

- None

Facility Name:	**Cliffs Erie LLC – Hoyt Lakes Mining Area and Tailings Basin Area**
Current actions:	Reissuance of combined water quality permits (NPDES/SDS Permit Nos. MN0042536 and MN0054089)
Project Supervisor:	Ann Foss
Project Manager:	Jim Robin
Lead Staff:	Richard Clark, Stephanie Handeland
Lead Agency:	MPCA

Accomplishments during this reporting period:

- Continued discussions with the company to acquire necessary information for permitting and to assure continued progress on Consent Decree requirements.

Plans for the next reporting period:

- Continue limited internal discussion with the goal of refining the permitting approach and continuing progress on the schedules for the various mining areas/discharges.
- Continue technical review of the updated long-term mitigation plans with follow-up discussions with Cliffs Erie as needed.

Facility Name:	**Northshore Mining Company**
Current actions:	1) Water quality permit reissuance for Silver Bay Plant and Mile Post 7 (MP7) Tailings Basin (NPDES/SDS Permit No. MN0055301) 2) Air permit major amendment application from Northshore to change how fibers are regulated (Draft Air Emission Permit No. 07500003-011)
Project Supervisor:	Jeff Udd (WQ) Suzanne Baumann (AQ)
Project Manager:	None
Lead Staff:	Brandon Smith (WQ reissuance of plant site permit)
Lead Agency:	MPCA for AQ and WQ Permits

Accomplishments during this reporting period:

- Continued to consider feedback received from the MPCA Advisory Committee and others on the MPCA's proposal to change how fibers are regulated at Northshore.

Plans for the next reporting period:

- Staff are evaluating pre-public notice feedback on the NPDES/SDS permit.
- Continue work on the fiber permit language for inclusion in a future major amendment, which includes providing the draft permit to tribal governments and the company prior to a public notice period.

Facility Name:	**United Taconite LLC - Fairlane Plant**
Current actions:	Air permit moderate amendment to produce higher flux-content taconite pellets (including installing low NO_X burners on both induration lines) (Draft Permit No. 13700113-007)
Project Supervisor:	Suzanne Baumann
Project Manager:	Steve Sommer
Lead Staff:	Hassan Bouchareb
Lead Agency:	MPCA

Accomplishments during this reporting period:

- MPCA issued the permit amendment on January 9, 2017.

Plans for the next reporting period:

- None.

Facility Name:	**Magnetation Plant 1**
Current Actions:	1) Water quality permit reissuance (SDS Permit No. MN0069221)
	2) Air quality initial permit issuance (Draft Permit No. 06100076-001)
Project Supervisor:	Suzanne Baumann
Project Manager:	None
Lead Staff:	Erik Smith (WQ), Ben Wenkel (AQ)
Lead Agency:	MPCA

Accomplishments during this reporting period:

- No MPCA activity during this reporting period.

Plans for next reporting period:

- None at this time.

Facility Name:	**Mining Resources, LLC**
Current Actions:	1) Air quality initial permit issuance (Draft Permit No. 13700341-001)
	2) Water quality permit reissuance (SDS Permit No. MN0070050)
Project Supervisor:	Suzanne Baumann
Project Manager:	None
Lead Staff:	Sarah Seelen (AQ), Stephanie Handeland (WQ)
Lead Agency:	MPCA

Accomplishments during this reporting period:

- No activity during this reporting period.

Plans for next reporting period:

- The MPCA will continue working on a draft air quality permit, as time allows.
- Begin work on draft water quality permit.

Facility Name:	**Mesabi Metallics Company LLC (Mesabi Metallics)**
Current Actions:	1) Part 70 permit reissuance and major amendment for final engineering updates (Draft Permit No. 06100067-005) 2) Water quality permit reissuance (NPDES/SDS permit MN0068241)

Project Supervisor:	Suzanne Baumann
Project Manager:	None
Lead Staff:	Ben Wenkel (AQ)
Lead Agency:	MPCA

Accomplishments during this reporting period:

- On January 10, 2017, Essar Steel (now Mesabi Metallics) submitted a major modification application to amend its air permit. The application was returned on January 24, 2017 because it was not complete. The revised major amendment application was received March 16, 2017 and determined to be complete.
- Mesabi Metallics submitted an application for reissuance of their water quality permit on March 31, 2017.

Plans for next reporting period:

- The MPCA will continue working on a draft air quality permit.
- MPCA will conduct a 'completeness review' on the water quality permit application and begin its technical review of the application.

MAJOR PERMIT APPLICATIONS RECEIVED THIS QUARTER

- Mesabi Metallics: Major air quality permit amendment application for final engineering updates received on January 10, and resubmitted on March 16, 2017.
- Mesabi Metallics: Application for reissuance of their NPDES water quality permit (MN0068241) on March 31, 2017.

COMPLETED MINING PROJECTS

Project Name: **United Taconite LLC - Fairlane Plant Moderate Air Quality Permit Amendment**
Completed: Moderate air quality permit amendment for higher flux pellet production was issued January 9, 2017 (Permit No. 13700113-007)
Lead Staff: Hassan Bouchareb

Project Name: **Mag Mining LLC Plant 4 – Initial Air Quality Permit Issuance**
Completed: Part 70 major air quality permit was issued March 15, 2016 (Permit No. 06100079-001)
Lead Staff: Sarah Seelen

Project Name: **Magnetation Plant 2 Water Permit**
Completed: Water quality permit reissued on October 10, 2015
Project Coordinator: Suzanne Baumann
Lead Staff: Erik Smith, Ben Underhill

Project Name: **US Steel – Keetac – Water Quality Permit Modification**
Completed: Water quality permit modification to modify turbidity limits (NPDES/SDS Permit No. MN0031879) was issued on September 4, 2015, with an effective date of October 1, 2015
Lead Staff: Brandon Smith

Project Name: **Magnetation Plant 2 – Initial Air Quality Permit Issuance**
Completed: Part 70 major air quality permit was issued August 18, 2015 (Permit No. 06100078-001)
Lead Staff: Hassan Bouchareb

Project Name: **United Taconite – Wet to Dry Particulate Control Change and Modify Scrubber Solids Wasting Requirements**
Completed: Major air permit amendment to replace 22 wet scrubbers with baghouses that control particulate emissions from material handling operations and modify the scrubber solids wasting requirements. Issued on May 19, 2015 (Permit No. 13700113-006).
Lead Staff: Owen Seltz

Project Name: **Hibbing Taconite Company – Wet to Dry Particulate Control Change and Modify Scrubber Solids Wasting Requirements**
Completed: Air permit major modification (Permit No. 1370006-007) to update GP 019: In-Pit Crushing and Cobbing (IPCC) for increased flexibility. Issued on June 1, 2015.

Lead Staff: Sarah Seelen

Project Name: **Northshore Mining Company – Material Handling Equipment Project**
Completed: Moderate air permit amendment to install additional material handling equipment in the finished pellet yard was issued on February 5, 2015 (Permit No. 07500003-010).
Lead Staff: Cindy Schafer

Project Name: **Northshore Mining Company – Low NOx Burner Project**
Completed: Major air permit amendment was issued on January 26, 2015 for the installation of low NOx burners (Permit No. 07500003-009).
Lead Staff: Hassan Bouchareb