

Thursday, 04 November 2010 Written by Tiffany Danitz Pache

The disaster at Massey's West Virginia Upper Big Branch mine is an example of unenforced regulations. Reports now show that safety inspectors were not given access to the mines that took the lives of 29 miners when it collapsed last April. <u>Testimony has also</u> revealed that workers were expected to take risks and evade inspections.

Northwest Mining Association's Laura Skaer defends the state as regulator because they are the stakeholders when it comes to mining, and they should be in control. "State lawmakers and regulators know their states best, and state regulations enable greater access by communities where mining may occur. Watchdog groups and others may also play a greater role in the development of laws and regulations, and in their enforcement in a way at the state level that could never occur at the federal level." This did happen in Michigan when environmental activists and British-owned Rio Tinto's subsidiary Kennecott Eagle were involved in drafting the state's 2004 sulfide mining law. But today these same activists along with other Upper Peninsula (UP) residents and Native American tribes are fighting mining interests in the courts. They argue that state agents did not apply the new law when issuing a permit to Kennecott to mine for copper and nickel in the UP.

Mining proponents respond that new technologies make mining environmentally safe. "Producing the raw materials needed for today's society, creating jobs and protecting the environment are not mutually exclusive. Mining is necessary, and can be done responsibly, safely, and for the benefit of people," Skaer said.

Scientist Ann Maest takes issue with the line of reasoning that new technology takes the harm out of sulfide ore mining. "It is not a panacea," she says. Residents may not know that a mine had been operated in an area or there was environmental damage after the company has reclaimed it. But that is only on the surface. "They disrupt the hydrologic regime underground and the groundwater flows differently than it did before. When you raise the pH, you create a different set of problems chemically and water quality-wise. It is better, but they are not going to be able to create a situation where there are no adverse effects to the groundwater and water quality," she said.

Still, the industry feels they are addressing the problems. A number of the mining corporations that are proposing sulfide mines in the Great Lakes states have voluntarily signed a <u>Statement of Environmental Principles</u>) in which they commit to making protection of the environment, not just compliance with state laws and regulations, their goal and to using technology that will have a low impact on the environment whenever possible.

All that aside, jobs are most important to the states and residents, and mining promises to bring jobs, pay the states taxes (property and wage), and royalties (where applicable), sales and fuel taxes from each mine and each new job created. Where mines exist, they often build schools and inspire business-to-business activity. Industry can play a pivotal role in these small economies – something for which the Great Lakes region is desperate.

Jeff Gamble, owner of the Big Bay Point Light House B&B, perched on the cliffs of Lake Superior near where the Kennecott Eagle Mine is being built, lauded improvements that the company is bringing to his town of Big Bay.

"Between the new power lines – now I don't have a power outage every three months – and the new road to Big Bay...They will improve the life quality in Big Bay. Plus they are providing jobs! A substantial number of people are employed out there fulltime ...and, of course, the opposition employs people, too. It is improving our economy."

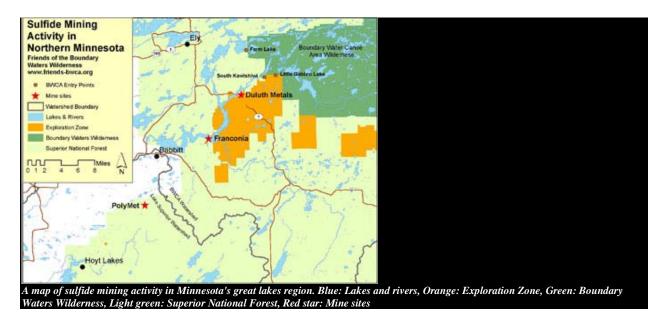
The mainstay of much of Michigan's Upper Peninsula economy is tourism and <u>ecotourism in particular</u> - which brings \$20 million in revenue to a city like Munising. Kennecott Eagle's mine promises half as much money to the community. Gamble's positive view of Kennecott Eagle seems to be in the minority.

In all three communities in each of the three states where mines are proposed, there have been significant protests. In these areas, the sulfide ore runs below areas where in recent decades a thriving tourism industry has sprung up utilizing these areas for their natural beauty. Hiking, kayaking, boating, sport fishing, hunting, snowmobiling, skiing and extreme sports have drawn countless "eco-tourists" to this part of the UP and Minnesota's Boundary Waters. Another complication for the big mining corporations is that territorial lands, sacred Indian sites and acres of treaty-bound hunting and fishing lands surround and infiltrate the proposed mine sites.



Many local residents where mines are being proposed do not believe the mining industry's claims about environmentally safe mining and the number of mining jobs. In Michigan's UP where Rio Tinto's Kennecott Eagle has been permitted and has started mine construction, Bill

Thompson, a resident and business owner, says, "Kennecott has not operated a mine without having some kind of environmental accident at their site. The concern for us, as a retailer here, is that this proposed mine, whether they can do it safely or not, is situated below the Salmon Trout River and it empties into Lake Superior. With recent history with the Gulf (of Mexico), you don't have to look further into it to figure that any environmental accident will go into Lake Superior and Lake Superior is more valuable than anything they are going to pull out of that mine. I don't feel it is worth the risk for the few jobs they are proposing to create."



Over a ten year period, Kennecott's Eagle Mine expects to create 140 jobs, 70 of which will be available for local residents, according to legal documents filed by the National Wildlife Federation.

The lakes have become a vital economic interest to the eight Great Lakes states, all of which suffered an economic downturn in the 1970s that still lingers today. In the last few years, the region has bonded together to wage their future economies on the restoration of the Great Lakes to reinvent the "North Coast of America" and draw business back from the Sunbelt to the birthplace of the modern American economy. Metallic sulfide ore mining could threaten this effort if an environmental disaster occurs.

Each of the mines proposed are within a few miles of the Great Lakes and are close to tributaries – sometimes underneath – that run into the lakes. To add to the danger, the porous bedrock that surrounds the lakes and is the essence of these wetlands and ground zero for the mining is riddled with fissures and capillaries that carry water and are active parts of the complex hydrologic system among the lakes and the basin. When studying the problem of acid drainage in the mid-1990s, the EPA found that "surface water may flow into underground mines through portals and ventilation shafts, as well as through fractures and fissures. Groundwater contamination is common at underground mines."

"Hard rock minerals are the most loosely regulated natural resources in U.S. mining," writes Amy Boulanger and Alexandra Gorman in <u>their 2004 publication</u>, Hard Rock Mining: Risks to Community Health.

To make matters worse, in the 1980s Congress essentially exempt the mining industry from the regulation of hazardous solid waste – such as acid rock drainage – when it approved the industry-backed Bevill Amendment.

"As a result of the Bevill Amendment – and the inability or unwillingness of the EPA to regulate hazardous solid waste from the mining processes of beneficiation, extraction, and processing of ores and minerals under Title D – there are currently no federal regulations that regulate the waste produced by sulfide mining," writes Scott Schultz, in <u>Between A Rock and A Hard Place</u> 2006.

The EPA has argued against the exemption of acid rock drainage in a detailed report about the effect of the Bevill exemption. It said, "Based on this analysis the Agency proposed to add the mining sector to the TRI [Toxic Release Inventory]." But Congress sided with mining interests and left it to the states to deal with the unique nature of sulfide mining and the sulfuric acid it produces.

The only control states have over the mines is the permitting process. There is no gray area. It can issue or deny a permit.

Wisconsin probably has the most prohibitive law because they require the permit applicant to demonstrate that they have operated a sulfide mine in similar conditions (i.e., a water rich area) for ten years without polluting surface or groundwater from the mine or from resulting tailings. Then, it must produce a mine that has been closed for a decade and has left no legacy of pollution to surface or groundwater. They call it a "prove it first" law. Passed in 1997, no new mine has been approved since its enactment.

Minnesota, a state entrusted with protecting Lake Superior as well as the magnificent Boundary Waters and her wetland heavy basin, approved a set of sulfide mining regulations in the 1990s. But the laws are lacking and have significant gaping loopholes, according to Greg Seitz, Communications Director for the Friends of the Boundary Waters Wilderness.

"For instance, current laws don't require the government agencies to include calculations of long-term water treatment in financial assurance calculations. There are loopholes that allow for corporate 'shell games,' and damage deposits can be provided in forms that would not be secure in bankruptcy," Seitz says. "Basically, taxpayers don't want to get stuck with the clean up tab, especially after foreign entities extracted their natural resources, took the profit and ran."

In December 2004, Michigan Governor Jennifer Granholm signed a bill to regulate sulfide mining through permits and monitoring operations. The law allows the company applying for the permit to perform the environmental impact statement (EIS) instead of an outside party or the state agency – which means the state is not responsible for any errors or omissions. When the federal government requires an EIS, it must be performed by an uninterested party. This problem

is just one that haunts the Michigan Department of Natural Resources and the Environment since they permitted Rio Tinto's Kennecott Eagle venture in the Upper Peninsula. The under-resourced state agency is now saddled with monitoring this risky mining operation.

So, cash-strapped, understaffed Minnesota, Michigan and Wisconsin, armed only with each state's mining law to protect the environment, are facing huge, powerful, wealthy international mining companies that pay taxes and offer jobs.