

[Midwest Mining Rush Threatens Water: Part VI: Minnesota: This Land is Your Land, This Land is My Land](#)



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Acid mine drainage from Spruce Road in Minnesota. Photo: Friends of the Boundary Waters Wilderness

More than a quarter of a million people a year visit the legendary Boundary Waters Wilderness in Minnesota to hike, camp and canoe its million acres of untouched forests, ancient rocks and fresh water lakes. The natural wilds abound free from the sound of motors, the glare of lamplight, or the views of telephone poles and wires. There are no roads to the inner lakes. It is one of 50 “Destinations of a Lifetime,” according to National Geographic.

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Resort communities dot the Boundary Waters Canoe Area (BWCA), like pearls on a necklace. This unique, untouched part of our nation delivers millions of tourism dollars to the local and the state economies. The Boundary Waters are within the Superior National Forest that borders Canada and Lake Superior and tops the Arrowhead Region. Under these unsullied acres of land and water is a band of sulfide ore that contains copper, nickel and other precious metals. That means someone wants to mine it. In fact, seven companies are currently pursuing sulfide ore mines in the region. One such company is Canada’s [PolyMet](#) and another is a joint venture between Duluth Metals and the Chilean mining mammoth, Antofagasta PLC. The \$600 million PolyMet project is actually located within the Superior Forest and both proposed projects come dangerously close to the Boundary Waters watershed.

PolyMet has applied to mine sulfide ore and extract copper, nickel, platinum and palladium, but for PolyMet’s project to really move forward, they need 6,700 acres inside the Superior National Forest, 1200 that are wetlands critical to the ecosystem because they filter pollutants out of the waterways. The project expects to produce nearly 70 million pounds of copper, about 15 million pounds of nickel, as well as cobalt, palladium, platinum and gold during the first five years of production using an open pit mining method which is different from the underground sulfide ore mine that Kennecott has proposed in Michigan. (See Part III) The project, called [NorthMet](#), is expected to create 400 jobs, but it is unclear how many will go to locals.

At PolyMet and the U.S. Forest Service’s urging, Minnesota Rep. James Oberstar (D) and Sen. Amy Klobuchar (DFL) (Minnesota Democratic Farm Labor Party) introduced a bill that would sell off the needed 6,700 acres of the Superior National Forest to the Canadian company. The bill includes a clause that excludes the local Native American tribes from the deal. The 1854 treaty among the tribes and the U.S. government requires their participation. The bill also usurps [the Weeks Act](#) that protects public land from strip mining.

PolyMet, along with industry associations, argue they are mining these low-grade waste-producing ores to generate much needed metals for domestic use and reduce the country’s dependence on foreign metals. The argument has been made that much more interesting since PolyMet signed a marketing agreement with Glencore, a colossal Swiss commodities trader. Glencore will purchase PolyMet’s production of metals at a market rate for the first five years of production. As a result, many residents believe it is likely the copper taken from these lands will end up outside the United States.

Under Minnesota’s mining law, the Minnesota Department of Natural Resources and the Army Corps of Engineers is responsible for drafting the Environmental Impact Study (EIS) for the mine. (Michigan’s law differs by allowing the company applying for the permit to provide their own EIS.)

In December 2009, Sen. Al Franken (D-MN) sent a letter of support for PolyMet and the EIS, saying that the company had “done their due diligence” and had “faithfully followed the law.” The letter went on to say, “the resulting draft describes the many steps PolyMet will take to minimize environmental impacts.” Sen. Klobuchar and Rep. Oberstar also support PolyMet’s application.

The EPA took a much dimmer view during its review of the EIS and, in February 2010, argued the current proposal would have adverse impacts on the environment of such “magnitude” that the agency could not allow it to proceed. The mine would be the first sulfide ore mine in the area and would produce sulfuric acid and leach chemicals into ground and surface waters of “national importance,” according to the EPA’s assessment. They also pointed out that the company had not provided for defensible controls to protect the water and environment; and 1,000 acres of high quality wetlands would be destroyed and another 500 negatively impacted; (opponents have claimed that up to 13,000 additional acres of wetlands would be sullied) and Lake Superior itself would be polluted with mercury. The EPA – that must provide a Clean Water Act (CWA) permit to the NorthMet mine – recommended it “must not proceed as proposed.”

If PolyMet, like Kennecott in Michigan, only needed state permits for their mining operation, it appears that its current application would have been approved. But, since they needed a CWA permit from the federal government, the application was denied. This case dramatically shows



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how insufficient a state approval process e can be when it comes to preserving the environment and an established tourist economy.

The EPA also disputed the EIS because PolyMet had not provided financial assurances to compensate the taxpayers if anything were to go wrong or if the impact on the environment and groundwater were aggravated. The EPA felt this upfront investment was critical since they believe that “long-term post-closure treatment [of the mine site] will be necessary to protect water.”

Minnesota should also be demanding a damage deposit but the state law is weak in this regard, according to Greg Seitz, communications director for Friends of the Boundary Waters Wilderness. “Minnesota passed an extensive set of regulations in the early 1990s to govern

sulfide mining. But those laws were far from perfect and, since that time, significant holes have been identified, particularly regarding financial assurance.” Seitz says current laws do require some financial assurances, but [they are inadequate](#), including failure to force the company to calculate the cost of long-term water treatment and providing for it, as well as loopholes for companies that go bankrupt.

Last year, several Minnesota legislators promoted a bill that would prohibit mines that would require water treatment after they close; ensure that big mining companies promise enough clean up money up front, in case they go bankrupt or abandon the mining project; and increase transparency so that citizens have information on how the mines are being governed.

The issue is coming to a head because Chilean and Canadian Antofagasta/Duluth Metals have formed a partnership to develop the Twin Metals mine that is just three miles from the BWCAW and upon tributaries that flow into the wilderness. This underground sulfide ore mine is expected to cost about \$2 billion and may provide thousands of jobs from construction through the operation of the mine. Mining companies believe there are nearly 8 billion pounds of copper, 2.43 billion pounds of nickel and other precious metals in the deposit. Duluth Metals is retaining 31,000 acres of mineral rights on properties adjacent to or near their joint venture mine with Antofagasta.

Last August, Gov. Tim Pawlenty welcomed the mine when he announced at [a press conference](#), “The State of Minnesota can benefit from this. And Chili can benefit from this.” There was a discussion at the press conference about jobs. But in Minnesota, the fishing industry supports 50,000 jobs and recreational fishing brings in \$3 billion a year, all of which would be in jeopardy if acid rock drainage leaches into the creeks or streams. In the 1990s, acid drainage from the Formosa Mine polluted streams in Oregon and reduced the fish population by 90 percent.

It is no wonder so many are fearful that the faultless quality of the Boundary Waters will be compromised at best and irreparably damaged at worst. “The problem with this form of mining is primarily water pollution, and once you pollute water, you can’t control where it goes,” says Seitz. His organization [recently discovered](#) acid rock drainage just two miles from the Boundary Waters from a mining exploration site that is nearly four decades old. The drainage included copper and arsenic levels dangerous to wildlife and human health. The state has refused to do anything about the pollution.

Meanwhile, the Chairman of Duluth Metals, Christopher Dundas, has assured the public that their mine will definitely pass the state’s permit test. “We believe at this stage of planning that we can meet or exceed all of the state standards,” he said. If the support for PolyMet and their application by Minnesota politicians is any indication, then Dundas is probably correct.

The State of Play



Soudan Mine Site of the oldest and deepest iron ore mine in Minnesota Operated by United States Steel Corporation until 1962. Photo: Wikicommons / ShakataGaNai

The recent national recession is not new for Great Lakes states that have struggled economically over the last thirty years. These states have had much more time to ponder a future economy and begin a transition. But with change comes conflict. In the past couple decades, these Midwest states have nurtured a fragile new emerging industry that capitalizes on their natural wonders – ecotourism. The discovery of minerals deep within sulfide rock has pitted this green economy against the old-school, industrial era, established mining trade. Meanwhile, state officials want to drive down high unemployment rates and years of economic havoc with the promise of jobs and a tax base and referral business. That makes an easy approval process a big temptation. The current system of laws is not adequate to deal with this time of transition.

There are some federal laws that govern mining, but, due to a Bevill Amendment loophole, none of them control the hazardous waste that metallic sulfide mining can produce. That means it is up to states to regulate and enforce such laws, but these cash poor states do not have the capacity and ability to match multinational corporations worth billions of dollars.

“States are in a world of hurt right now,” explains scientist Ann Maest. “States do not have teeth internally to even evaluate these projects, yet they are responsible for evaluating them. There is a difference between laws on the books and enforcement. You can have great laws and people who don’t know what they are doing, or they just have such an enormous case load.” Maest points to Michigan – a state that due to budget issues had to merge two agencies: the one that gives permits and the one that leases the operations. She calls that a bad idea, especially when dealing with huge, foreign, multinational corporations.

Retiring Rep. Bart Stupak does not think his state has enough resources to “ensure Kennecott is complying with safety and environmental standards.” In an opinion piece he begged his state to heed the lessons of the BP Gulf Oil Spill.



Acid mine drainage from Spruce Road in Minnesota. Photo: Friends of the Boundary Waters Wilderness

And ultimately, Michigan is in control since the EPA delegates to state regulatory agents the implementation and enforcement of the rules found in the Clean Air and Clean Water Act, the Toxic Substance and Control Act and the Resource Conservation and Recovery Act. These federal laws are rarely applied to sulfide ore mining. Maest says that some Members of Congress have been trying to update the 1872 hard rock mining law to better deal with sulfide mining, but they face strong opposition from the National Mining Association, the lobbying arm of the mining industry.

“The thing that would be good about having a federal statute is that there would be a floor – a certain requirement for everybody and some sort of environmental evaluation,” Maest says.

Unlike the BP Oil Spill, years of acid rock drainage from metallic sulfide mines have not received widespread media attention. No television crews helicoptered in to film [the 12,000 miles of rivers and streams](#) and more than 180,000 acres of lakes and reservoirs in this nation that have been polluted as a byproduct of sulfide mining. There is time, before any of these mines are permitted, to rethink regulations and the corporations’ financial assurances and the future of local economies. But time is running out.