



New Mexico Mining Association

Submitted Electronically To:

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October 22, 2020

U.S. Forest Service, Payette National Forest
Attn: Linda Jackson, Payette Forest Supervisor
500 North Mission Street
McCall, ID 83638

RE: Comments on the Payette and Boise National Forests' Draft Environmental Impact Statement for the Stibnite Gold Project

Dear Ms. Jackson:

Introduction

Thank you for this opportunity to provide comments on the August 2020 Draft Environmental Impact Statement (DEIS) that the Payette and Boise National Forests (Forest Service) prepared for Midas Gold Idaho Inc.'s (Midas Gold's) proposed Stibnite Gold Project (Stibnite) in Valley County, Idaho. The New Mexico Mining Association (NMMA) is interested in Midas Gold's Plan of Restoration and Operation (PRO) for Stibnite to integrate environmental restoration with a modern, environmentally responsible mining operation. As discussed below, we believe the Stibnite PRO is an excellent opportunity to capitalize upon private-sector resources to cleanup a legacy mine in the near future compared to waiting for public funding under the U.S. Environmental Protection Agency's (EPA's) Superfund program to eventually address the site.

The New Mexico Mining Association is a trade association organized in 1939 and incorporated in 1968. Its membership is composed of (a) companies that explore for, produce and refine metals, coal and industrial minerals; (b) companies that manufacture and distribute mining and mineral processing equipment and supplies; (c) and individuals engaged in these various phases of the mineral industry.

Taxpayer-Funded Superfund Cleanups versus Midas Gold's Proposal to Use Private-Sector Resources to Restore Stibnite

New Mexico has many mining districts that were developed in the same timeframe as the Stibnite Mining District, where mining started in the late 19th century and continued through the first half of the 20th century. Many of the environmental problems that Midas Gold's Stibnite PRO is proposing to fix were created during World War II and the Korean War when the federal government was involved with the tungsten and antimony mining operations there to support the military.

America benefitted from this mining, which helped shorten World War II and saved the lives of a million American soldiers, according to the 1956 U.S. Senate Congressional Record¹. Given the important role the Stibnite Mine has played in the country's history, the problems that wartime mining left behind are a public problem. However, fortunately for Idaho and the country, Midas Gold, a public-sector company, is offering to fix these problems, alleviating taxpayers from the burden of eventually having to fund a potential Superfund cleanup of this site.

Midas Gold's PRO is an innovative and laudable proposal that integrates environmental restoration activities into a modern, highly-regulated, environmentally-protective mining operation. The simultaneous mining and the environmental remediation work will achieve significant environmental improvements while creating roughly 600 direct jobs and numerous economic benefits for local, state, and federal economies and governments. This modern, environmentally sound operation will stand in marked contrast to the previous Stibnite mining operations that were operated and essentially abandoned many decades before the enactment of the numerous state and federal environmental laws and regulations that will govern Stibnite.

According to Section 3.7.3.3 of the DEIS, the EPA placed Stibnite on the agency's Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) in 1991. A decade later, in 2001, EPA proposed to add Stibnite to the National Priorities List (NPL). As explained in the DEIS, nearly 20 years later, the site is not on the NPL list. NMMA assumes this may be due to Midas Gold's involvement with the site, which began in 2009, and has continued to the present. During this time, Midas Gold has conducted extensive environmental and engineering studies, performed some environmental repairs, and developed and submitted the PRO to the Forest Service in 2016.

A Superfund Cleanups are Slow and May have Limited Funding

A typical Superfund cleanup is inefficient, takes years to start, and a long time to complete. This timeline includes a time-consuming process involving numerous proscribed steps to study a site prior to identify the appropriate remedial measures prior to starting cleanup activities. Even sites at which there is a Potentially Responsible Party (PRP) with the financial resources to fund the cleanup, cleanup efforts typically proceed very slowly. Sites like Stibnite, where there are no PRPs or non-government funding to undertake a cleanup, are likely to take even longer than sites with an identified PRP with financial resources because Congressional appropriation of taxpayer

¹ U.S. Congressional Record – Senate for 1956, page 4117-4118.

monies is sparse and there are hundreds of higher-priority sites already on the NPL that are unfunded and competing for any appropriated funds.

PRPs typically consist of past and current owners and operators of a site including companies (or corporate successors-in-interest to previous owners and operators) and individuals who are in the chain of title for the site. Additionally, there are many mines throughout the western U.S., like Stibnite, where the federal government participated in mineral exploration and mining activities to support the military's urgent needs for metals during times of war. Finally, the federal land management agencies (e.g., the U.S. Bureau of Land Management and the U.S. Forest Service) may be PRPs at some sites.

NMMA suggests the glacial pace of most Superfund cleanup activities portends what the future might be at Stibnite without Midas Gold's PRO – decades of unremediated environmental problems. This bleak forecast stands in marked contrast to the fast-track remediation work that would occur once the Forest Service and the other involved agencies authorize the PRO.

As shown on Figure 2.3-3 in the DEIS, the planned environmental cleanup work at Stibnite would start immediately and continue throughout the construction, operation, reclamation and closure phases of the project. Reforestation of burned areas, revegetation, construction of the fish passageway tunnel around the western margin of the Yellow Pine Pit, riparian and stream habitat enhancements, wetlands mitigation, and remediation of Blowout Creek would all be accomplished during the mine construction phase (Years 1 – 3). Environmental restoration activities would continue in the active mining phase (Years 4 – 15) and during mine closure (Years 15 – 20). Post-closure monitoring would continue to verify that the environmental restoration measures are functioning properly.

Comparing the planned 20-year schedule for completing the restoration activities at Stibnite, (which includes reclaiming the new disturbance from redeveloping and mining the site), versus the uncertainty and protracted chronology for a Superfund cleanup vividly illustrates why Midas Gold's proposal to immediately start cleaning up Stibnite would produce a vastly superior outcome. Rather than waiting for a Superfund environmental cleanup to start, the environment and the public can begin benefitting right away from the expedited cleanup schedule in the PRO.

Furthermore, taxpayer resources for environmental cleanups are quite limited. There are 1,327 NPL sites² across the country with environmental problems where remediation funds are needed. If and when funds become available, NPL sites that are creating human health issues typically receive a higher priority ranking for funding. Although the water quality problems at Stibnite pose a human health risk, the remote location of the site may give it a lower priority ranking. Therefore, a taxpayer-funded Superfund cleanup in the foreseeable future at Stibnite is unlikely.

Another consideration is the enormous cost involved. Midas Gold is proposing to invest \$1 billion to restore and redevelop Stibnite. This is an extraordinary offer to use some of the private-sector resources that will be generated by the proposed mining at Stibnite to fix a public problem. There is little likelihood that state or federal governments will be in a position to

² <https://www.epa.gov/superfund/superfund-national-priorities-list-npl>

appropriate the substantial sums of taxpayer monies that would be necessary to do a comprehensive cleanup of the Stibnite mine site.

Section 3.7.3.3 describes removal actions that occurred at Stibnite in the late 1990s and early 2000s. These taxpayer-funded partial cleanup activities addressed some issues, but left the site in its current problematic condition. It is important to note that these removal actions were short-term measures designed to stabilize the site. They were not more costly and comprehensive remedial actions to implement permanent remedies. The partial remediation achieved by the removal actions reflect the limited taxpayer funding that was available to the Forest Service at the time, and demonstrates that underfunded, piecemeal measures will not be adequate to take care of this site. Midas Gold is proposing a holistic restoration plan for the entire site that stands in sharp contrast to the inadequately funded partial cleanup actions taken 20 years ago.

It is thus obvious that Midas Gold's PRO presents the Forest Service and taxpayers with a compelling opportunity to capitalize upon a private-sector plan to remediate this site in the near future. For this reason alone, the Forest Service should authorize the SGP as quickly as possible so the environmental restoration work can begin, funded by the redevelopment of a modern mine built by private capital.

Alternative 5 in the DEIS, the No Action Alternative, likely dooms Stibnite to an eventual NPL listing and years of waiting for the Superfund to perhaps one day restore the site. Preserving the degraded status quo at Stibnite would relegate this site to many years of neglect during which there will be ongoing contamination of the area's streams and harm to aquatic life and human health, fish will continue to be blocked from migrating upstream to their native spawning grounds, and the public will be exposed to safety hazards at the unstable legacy mining features. This clearly undesirable future for Stibnite can be avoided by authorizing Midas Gold's PRO. Common sense, the public good, and environmental objectives dictate that the Forest Service categorically reject the No Action Alternative.

NMMA believes that the DEIS does not adequately describe the policy implications of the No Action Alternative. We suggest that the Final EIS disclose the environmental consequences associated with having to wait for taxpayer funding to become available to cleanup Stibnite. This discussion should also more fully explain the environmental problems that would persist into the future under the No Action Alternative.

Potential Implications for Other Old Mining Districts

NMMA commends Midas Gold and the Forest Service for developing and evaluating a practical solution for the environmental problems at Stibnite that can be implemented soon, without waiting for public-sector funding that may not be available for decades. Solving environmental problems at historic mine sites like Stibnite is indeed a challenging public policy problem. Midas Gold's innovative PRO to incorporate environmental restoration activities into a new mining project presents an important example of how modern mining can help solve environmental problems at old mining districts.

We are especially impressed with the synergies that would result from removing, reprocessing, and repurposing the 10.5-million ton legacy mine waste pile in Meadow Creek and building the new, properly designed, fully lined and buttressed tailings facility in this already disturbed and contaminated location. (This is the location for the tailings facility in Alternatives 1, 2, and 4). Removing this localized source of contaminants would be a volumetrically minor but very important component of the much larger 100 million ton proposed mining operation because it will create enormous and long-lasting environmental benefits that improve water quality. Millions of tons of other historical waste rock dumps and legacy impacts will also be addressed through the PRO.

Although this mine waste removal action is a custom-tailored proposal to address the site-specific conditions at Stibnite, the concept that important environmental benefits can be achieved by removing a relatively small volume of problematic legacy mine wastes as part of a larger mining operation could be applicable to other pre-regulation mining districts with similar environmental issues. Given the important environmental benefits associated with removing the 10.5 million tons of legacy mine wastes, it would make no sense for the Forest Service to select the Alternative 3 location for the tailings facility since, in this alternative, the 10.5 million tons of legacy mine wastes would remain in place. Further, based on the DEIS, this site has a greater environmental impact and suffers from increased risks related to geohazards, compounding the issues with Alternative 3.

Conclusion

Although NMMA does not typically provide comments on projects in other states, we are interested Midas Gold's proposal to integrate cleaning up a legacy mine site with redeveloping an environmentally-sound project at an old mine. NMMA believes that there may be some historic mining districts in New Mexico and elsewhere throughout the western U.S. where similar actions could potentially be feasible.

The Forest Service has developed a comprehensive DEIS that presents an impressive amount of baseline data and a thorough analysis of the environmental impacts that would result from the PRO and the project alternatives. NMMA appreciates the accessibility of the DEIS and all of the other project documents. Both the project website and the virtual meeting room are excellent and provide universal, round-the-clock access to the DEIS and associated documents. This is an approach the Forest Service and other agencies should emulate for other projects.

As stated above, authorizing the PRO is the only logical decision the Forest Service can make. NMMA understands this decision will be based on a careful evaluation of all of the relevant facts and will include a number of environmental protection stipulations and mitigation measures to ensure the project complies with all applicable regulatory requirements. We urge the Forest Service to make this decision as quickly as possible so the proposed environmental restoration and mining work can begin, people can be employed, and the surrounding communities can start benefitting from the economic engine this project will create.


Besides the numerous environmental and economic benefits of the PRO, another important reason the PRO should be approved quickly is so it can become the country's only domestic

mine that produces antimony, a critical mineral. President Trump recently declared a critical minerals national emergency due to our reliance on China and other foreign adversaries for critical minerals like antimony³. To respond to this national emergency, the Forest Service should expedite the approval process for the PRO so antimony production from Stibnite can start reducing our import reliance. According to the U.S. Geological Survey, the U.S. imported 86 percent of the antimony we used in 2019 from China and Russia⁴.

There is an urgent need to develop this domestic antimony source to lessen our dangerous dependance on China and Russia because antimony is used in a broad array of defense, energy, safety and aerospace applications. Some of the specific uses for antimony include: flame retardants; ammunition; munitions; specialized metals; ceramics; glass; and plastic products. Military uses for antimony include nuclear shielding in submarines and other warships, and camouflage and night vision equipment, which are essential to our national defense. Antimony is also used in the aerospace industry for composite materials that are indispensable to the emerging new generation of civilian and military planes. Lastly, antimony is an important component of renewable energy infrastructure where it is widely used in battery-electric vehicles, wind turbines, and solar panels. Antimony thus plays an essential role in helping the Nation achieve its low carbon energy objectives.

Thank you for this opportunity to provide comments on the DEIS.

Sincerely yours,



Mike Bowen
Executive Director

³ See the September 30, 2020 Executive Order entitled, "Addressing the Threat to the Domestic Supply Chain from Reliance on Critical Minerals from Foreign Adversaries."

⁴ <https://pubs.er.usgs.gov/publication/mcs2020>