



Comments on a Draft Supplemental Environmental Impact Statement for Coeur Alaska, Inc.'s Kensington Mine Plan of Operations Amendment 1

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Mr. Matthew Reece
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Submitted electronically to U.S. Forest Service:
<https://www.fs.usda.gov/project/?project=55533>

Dear Mr. Reece,

The Council of Alaska Producers (CAP) appreciates the opportunity to provide comments on the Draft Supplemental Environmental Impact Statement (DSEIS) for Coeur Alaska, Inc.'s (Coeur Alaska) Kensington Mine Plan of Operations Amendment 1 (POA 1).

Formed in 1992, CAP is a non-profit trade association that represents the interests of Alaska's five large metal mines and several advanced projects. CAP informs members on legislative and regulatory issues, supports and advances the mining industry, educates members, the media, and the general public on mining related issues, and promotes economic opportunity and environmentally sound mining practices.

CAP's specific comments on the DSEIS are as follows:

Chapter 3.2.1.1 Probability for Tailings Dam Failures

In our view, the discussion on Coeur Alaska's Tailing Treatment Facility (TTF) should be focused on the fact that facilities designed and constructed with downstream techniques are highly successful, more so than those constructed using upstream methods and that rock-fill embankments have been shown to withstand the facilities design level earthquakes, with little resulting damage. Dam stability analyses should always be completed on a site-specific basis and engineering studies directed to demonstrate such stability should be presented during the State of Alaska's permitting process administered by the Department of Natural Resources' Dam Safety Program. We suggest that the discussion regarding the probability of TTF failures be revised so that it is specific to the Proposed Action (POA 1) and action alternatives presented in the Final SEIS as opposed to presenting information and discussion pertaining to facilities that are designed, operated, and/or closed under different international standards, under different climatic regimes, among other variables that do not relate to the specific site conditions at the

Kensington Mine. Overall, we believe the USFS will find the comparable risks are negligible between the alternatives.

Chapter 3.3.2.1 Water Quality and Monitoring

We question the need and the value for the extensive space the USFS dedicated to listing water quality exceedance. From a public disclosure standpoint, this information is already in the public sphere. From an environmental consequences standpoint, impacts were minimal and of a short duration as operational and water treatment remedies were made. From a consistency standpoint, we suggest the information be replaced with a summary just as the USFS accomplished, in the same section, with the descriptions of the chemical and fuels spills that had been reported to the Alaska Department of Environmental Conservation (ADEC).

Coeur Alaska has shown a decade worth of dedication to protecting water quality and POA 1 will be no different as they work with the USFS and the ADEC. Coeur Alaska demonstrates this by using the highest level of technology in terms of advanced water treatment and waste management at the mine and we are certain that same approach will carry forward with POA 1. Their current plan to use existing infrastructure to expand the current TTF and waste rock storage sites and only adding one more waste rock site will have the least impact on the environment but also allow them to reduce risks that are associated with shifting to different tailings storage alternatives like the Filter Tailings Facility (FTF) Alternative.

Matters Concerning Safety

POA 1 brings with it a lower risk profile to mine workers compared to the new construction that is needed for the FTF Alternative as new construction is more involved both in complexity and time, both increase the risk for accidents. Also, during operations of the FTF, the movement of trucks and other heavy equipment on top of the filtered tailings in the winter months creates a higher worker safety risk.

With the TTF Closure with Reduced Water Alternative, closure activities have a higher worker safety risk regarding the ability to safely operate heavy equipment on deposited tailings while working during this stage of the alternatives.

Climate Change

In terms of climate change, we would like to point to two important features of the Proposed Action relating to greenhouse gas emissions and the dam at the TTF.

Greenhouse Gas Emissions

The USFS's selection of the FTF Alternative will create a demand for power that will exceed Coeur Alaska's generation capacity. To meet that new higher demand, additional generation capacity would be needed resulting in increased greenhouse gas emissions as more diesel fuel will be used.

In contrast, POA 1 can be supported by the mine's existing generation capacity. This is because the mine's power generation capacity is optimized for existing operations and POA 1 is an

equitable continuation of the current operation. Additionally, Coeur Alaska recently constructed a new power plant that emits lower levels of greenhouse gas compared to the original diesel generators. This new power plant represents a positive improvement in greenhouse gas emission and air quality since the USFS's 2014 Final SEIS.

Dam Resiliency – High Precipitations Events

The State of Alaska has determined the dam at the TTF qualifies as a Hazard Class II. Yet, from the very beginning, Coeur Alaska opted to meet the standards for a Hazard Class I, the State's most stringent classification. All three stages of the dam have met this higher standard as will POA 1's Stage 4 dam raise. Coeur Alaska's approach provides a structure with more strength and resiliency that will be capable of accepting flows resulting from storms with return periods in excess of 200 years, including the probable maximum flood (PMF), and routing the flow safely to East Slate Creek via a spillway channel located on the west dam abutment.

In Conclusion

Coeur Alaska's successful and environmentally responsible operational history at the mine, Juneau and Southeast Alaska's need to continue receiving the substantial positive economic impacts Coeur Alaska brings to the region, and mitigation measures (those that will be on-going as well as the new fish habitat enhancements and long term inundation of graphitic phyllite at the Tailings Treatment Facility) all contribute to the merits of the Proposed Action and the fact that the Draft SEIS's analysis of the Proposed Action has not identified any significant adverse effects on the human environment nor incompatibility with the Tongass National Forest's Forest Plan.

A lack of significant adverse effects and consistency with the Forest Plan are very appropriate conclusions for the USFS to make. As such, we encourage the USFS to work with urgency to promptly finalize the SEIS and issue a Record of Decision for the Proposed Action.

Thank you for this opportunity to comment.

A handwritten signature in black ink, appearing to read "K. Matthias", with a stylized, flowing script.

Karen Matthias
Executive Director