

The LOGBOOK of CSP²

The CENTER for SCIENCE in PUBLIC PARTICIPATION

"Technical Support for Grassroots Public Interest Groups"

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MINING BOOM IN ALASKA - WHAT DOES IT MEAN?

Mining no longer has a low profile in Alaska. The Pebble mine near Lake Iliamna makes the news in Anchorage on weekly, if not daily basis. While Pebble, a low grade copper-gold-molybdenum deposit, may grab the headlines because of its size and proximity to Anchorage, it is only one of a number of new mining projects for the state.

Prices for copper and nickel have been driven to near all-time highs, and prices for gold, silver, lead and zinc are well above historic norms. The driving mechanism for these high metals prices is generally accepted to be rapid economic development in China and India.

The symptoms of this boom are predictable - the 'streamlining' of the permitting process by the state and federal regulatory agencies, leading to litigation and court enforced construction delays. At the Rock Creek mine in Nome the State and Army Corps of Engineers granted construction and operating permits for a cyanide-leach mine with only a company-conducted environmental review. Alaska, like many states, has no requirement for comprehensive environmental review. The only federal agency involved, the Army Corps of Engineers, has never required the preparation of an environmental impact statement for any Alaska mine for which it was the only federal permitting agency. Examples include the Fort Knox, Illinois Creek, Ryan Lode, and Nixon Fork mines, all gold mines that use cyanide processing.

Although copper is the primary mineral of value at the proposed Pebble mine near Lake Iliamna, gold is the main target of Alaska mining development. The largest of the proposed gold mines is Donlin Creek, located near the Kuskokwim River, 280 miles west of Anchorage and 12 miles north of the village of Crooked Creek. Mercury is naturally



Site of the proposed Pebble Mine near Lake Iliamna. The tailings impoundment would cover the lake at the upper right of the photo, and would be 700 feet in height.

occurring in the ore at Donlin Creek. Mercury emissions during ore processing is a significant issue since similar ore processing techniques have led to significant mercury releases at Nevada mines. Donlin is located entirely on land owned by the Calista Corporation, the second largest of Alaska's 13 regional Native corporations. Many of Alaska's new or proposed mines are on native Corporation or State lands because selecting lands with mineral potential was a focus when federal lands were granted to native corporations under Alaska Native Claims Settlement

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Act, and to the State under the Alaska Statehood Act.

At the Kensington mine near Juneau a court enforced work stoppage has halted the conversion of Lower Slate Lake into a tailings impoundment. This is the first time since the passage of the Clean Water Act in 1972 that the government has permitted a lake to be used for the disposal of mine waste. If this 'conversion' is permitted to proceed - a new interpretation of the Clean Water Act by the Bush administration - it will have repercussions far beyond Alaska. It would allow the Army Corps of Engineers to determine whether it is acceptable to use any lake, stream or ocean in the US for the disposal of mine waste - a procedure that has been prohibited until now.

Mining is highly subsidized by the State - free geophysical surveys, free 'roads to resources,' low cost loans through the AIDA, a publicly funded Alaska Minerals Commission to act as an industry advocate to the legislature, a minerals education program in public schools supported by industry and public funding, and some of the lowest taxes in the US on mining. Although mining does provide local employment, a significant portion of Alaska miners live out of state, and much of the profit on capital investment goes to international mining companies, while local environmental impacts can be significant and long-lasting.

The mining of minerals is something that society has long demanded (gold and silver), and minerals are essential to our present way of life (iron, cop-

per, nickel, zinc). Until the world's population stabilizes, and until we more successfully learn to design, recycle and reuse our manufactured products, we are not likely to eliminate the need for mines. However, mining in Alaska still has a way to go before it meets its obligation to be a good corporate citizen with regard to its environmental performance and economic contribution to the State.

CSP²'s technical support work in Alaska is sponsored in large part by grants from the True North, Leighty, and Alaska Conservation Foundations.

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Amazay Lake (Duncan Lake) in British Columbia is the site of a proposed tailings and waste disposal facility for the Kemess North mine.

CSP² IN BRITISH COLUMBIA

Mining and energy exploration and development are at a fever pitch in BC, led by production of copper/gold and coal deposits and the expansion of roads, electricity, railways and new ports to support them. Our BC program works directly with Aboriginal communities and conservation oriented NGOs impacted by resource development.

Canada's constitution recognizes First Nation's unique Aboriginal rights and title to traditional lands. The government has legal responsibility to consult and accommodate Aboriginal interests in all resource development. A large portion of BC still has unsettled Treaty claims, giving Aboriginal

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groups unique negotiating leverage. Recognizing this, **CSP²** focuses our efforts on capacity building and skill transfer to assist Aboriginal community's decision making abilities. Through a generous grant from the Campion Foundation we recently hired Carrie Slanina to help meet the increasing requests for assistance in BC. Carrie is from Northern BC, has great knowledge of the land and people, and has a strong background in conservation and science. We are excited to have her join us.

Our BC program work is concentrated on conserving watersheds at risk from resource development including the Skeena, Nass, Stikine, Nation River and Taku watersheds. **CSP²** provided technical support for First Nation participation during the environmental assessment of many mining and energy projects, as well as conducting community workshops and one-on-one training on all aspects of impact assessment and conservation strategy. We had a student intern from Iskut, BC who learned about environmental impact assessment, acid mine drainage and acted as a community liaison to distribute information on project status and impacts. We spent a lot of time in villages exploring community perception of mining issues, ability to receive information, level of capacity to address mining issues, desire for help on mining issues and strategies and tactics to improve the barriers of increasing the capacity to deal with mining issues.

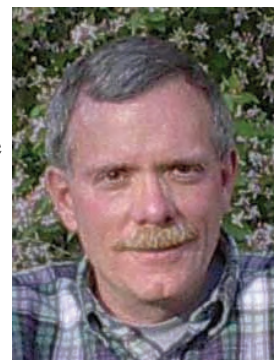
CSP² also participates in Federal and Provincial conferences to develop mining policy and address ongoing impacts from mining projects. We are collaborating with Storms and Hill Organizational Training and Consulting and Associates (SHOT) on a pilot project to develop and implement a socio-cultural impacts (SCIA) assessment model which will help Aboriginal communities to assess the full impacts of development on their social, cultural and heritage values and resources.

CSP² thanks the Canadian Boreal Initiative and the Wilburforce Foundation for their generous grants to support our work.

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FROM THE EXECUTIVE DIRECTOR

Many metals prices are at all time highs, mining companies are recording record profits, gold investors are touting their stocks, and mine development is accelerating around the world and in North America, especially in Alaska and British Columbia - the focus of the articles in this edition of The Logbook.



*Dave Chambers is the Executive Director of **CSP²***

With a generous grant from the Campion Foundation **CSP²** has just hired a second staff person to work in British Columbia - Carrie Slanina, of Vancouver, who comes to us after working with the Canadian Parks and Wilderness Society. Carrie will assist Amy Crook in working with First Nations that have mining developments on their ancestral lands in northern BC. **CSP²** has made working with First nations in BC a priority because we believe First Nations present the best opportunity to shape mining policy in that province. However, working with First Nations is more time consuming than working with other public interest groups because building personal relationships and mutual trust are very important, so the process is more time consuming than that we are accustomed to. Carrie will assist us in building these relationships with BC First Nations.

For our financial supporters, **CSP²** has added a credit card contribution option on the website (www.csp2.org/donate.htm). I hope this will make it more convenient to contribute to **CSP²** - especially for those of you that want credit card miles in addition to a tax deduction. Since this option is relatively new, if any of you experience in any difficulty in contributing via credit card, please let me know.


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-  You can make a one-time credit card donation, or set up a monthly donation, by going to the **CSP²** website at www.csp2.org/donate.htm
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