

Laurentian Vision Partnership

Meeting XLVII Report

"Planning and Project Implementation 2011"



Thursday, January 20, 2011
Mining and Reclamation Classroom
Chisholm, Minnesota



Laurentian Vision Partnership

Meeting XLVII

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“Planning and Project Implementation 2011”

Meeting Objectives

The Facilitator reviewed the past meeting results and next steps, highlighted meeting objectives and went over the agenda for today’s meeting.

With the major mining and energy projects at various stages across the Iron Range, we oftentimes hear reference to the “State’s Environmental Review and Permitting Process.” There are different interpretations about how that process works, the roles of State and Federal agencies, and what might happen to eliminate redundancies in the process. Two key state regulatory staff will present an overview of the process and describe the status of regional ferrous and non-ferrous mining projects. We will also review the LVP 2007 - 2011 Strategic Action Plan and determine the process to set direction and priorities for the next several years. Finally, we will receive an update on several existing and proposed Innovation Grant projects, and hear progress reports from Regional Groups and Work Groups on major new and ongoing implementation initiatives underway for 2011.

Meeting Summary Laurentian Partnership Debriefing

- Participant introductions and expectations
- Opening comments
- Review of Meeting XLVI results and next steps (October 2010)
- Overview of meeting objective and agenda

PRESENTATION

“Environmental Review and Permitting for Ferrous and Non-Ferrous Mining: Overview and Current Status”
Jennifer Engstrom, Reclamation Manager, MNDNR

“Environmental Permitting and Hot Topics”
Suzanne Baumann, Strategic Projects Sector, MPCA

Ms. Jennifer Engstrom and Ms. Suzanne Baumann jointly presented an informative four part presentation providing a brief description of the environmental review process, a listing of the various local, state and federal permits required by mining operations, reviewed the status of nine individual mining projects and concluded with a brief description of current legislative interest to streamline the environmental review and permitting process in Minnesota. Two individual PowerPoint presentations and a handout from the Minnesota Office of the Legislative Auditor were shared and are available online at the LVP website at www.lvpmn.org.

Ms. Engstrom described Minnesota’s Environmental Policy Act, and the requirements and triggers for metallic minerals mining and processing environmental reviews. Criteria are in place that triggers a mandatory EAW, EIS or discretionary EAW or EIS. She described what an environmental review is intended to accomplish, including helping decision makers understand and seek ways to avoid, minimize or mitigate potential impacts and insures there is a public process to learn and comment on project proposals. She also highlighted what the process is not intended to do, which includes approving or denying a proposed project, guaranteeing that permits can be issued, analyzing every conceivable impact or answering every question. She then walked through a summary of the major permits required by local, state and federal agencies and their purpose. She concluded the first part of the presentation with a description of Minnesota’s Mineland Reclamation Act and proceeded to walk through the Permit to Mine application components for taconite and non-ferrous mining and highlighted waste characterization and financial assurance needs specifically for non-ferrous mine projects. Currently there are no non-ferrous mines in Minnesota.

Ms. Baumann covered the second part of the presentation and focused on MPCA’s permitting in more detail, as well as some of the standards and “hot topics” being discussed with regard to both ferrous and non-ferrous mining. Her PowerPoint presentation permitting overview highlighted the following areas:

- Where MPCA derives its authority and the role of Federal regulations and standards
- Permits are related to three areas: air emissions, wastewater discharges and land impacts related to solid and hazardous wastes and tanks
- What’s included in a permit
- Types of permits – individual facility, general/multi-facility and modifications to an existing permit. About 75% of MPCA permits are general permits
- Typical permitting process steps, timelines and the approval and issuance by key decision makers

She concluded her presentation with a review and discussion of the major air and water quality issues and “hot topics” affecting mining which are highlighted as follows:

- Major Air Issues including: Regional Haze/Visibility; Fine Particulates PM 2.5; Climate Change/Greenhouse Gases; Mercury and Fibers/ Health Issues
- Major Water Issues including: Sulfate Discharges; Acid Mine Drainage; Inter Basin Water Transfer; and Mercury

The third part of the presentation covered the current status of nine (9) individual mining projects across the Iron Range. The projects addressed and key needs included Essar Steel’s supplemental EIS for air and water permits related to a larger furnace addition; Keewatin Taconite request for amended permits for restarting an idled furnace; Hibbing Taconite’s need for an amended Permit to Mine for a hydroseparator; Magnetation for old tailings processing; Minnetac’s pit expansion and amended Permit to Mine; United Taconite for its pit expansion; Mesaba Nugget’s need for permit renewals and amended permits for existing pit usage; Northshore Mining pit expansion permit amendment; and PolyMet’s need for a number of new permits to begin non-ferrous mining.

In terms of proposed legislation to streamline the environmental review and permitting process, four bills are ready to be introduced in the House and Senate related to shortening the environmental review timeline. One of the bills would address EIS process modifications of more substance. Hearings are already underway on one of the bills in the House.

A number of questions were posed and addressed by the team. The presentation was well received by members.

Regional Group Updates

The following Regional Groups were present and provided an update on their major activities related to LVP.

Regional Group	Current Projects
Western Mesabi Mine Planning Board (WMMPB) – Doug Learmont	<ul style="list-style-type: none"> • Commented on the increasing amount of interest and activity that is occurring related to Iron Ore reserves at Essar Steel, Keewatin Taconite and Magnetation. • Local governments are seeing more development interest for both early and advanced stage developments. • Group discussed and is supporting Phase III Underground Mine Mapping Project. • Discussing exploration drilling of down dip magnetic and non-magnetic ore bodies.
Central Iron Range Initiative (CIRI) – Rick Crum	<ul style="list-style-type: none"> • Applied to EPA for an \$850,000 Regional Brownfield grant. They modified the last submittal and expect to hear something in Spring 2011.
East Range Community Readiness (ERJPB) – Curt Anttila	<ul style="list-style-type: none"> • Discussion and activity is focused on PolyMet and Mesaba Nugget projects. There are a number of positive spinoffs related to the operations of Mesaba Nugget since it opened and is in production. • The ERJPB is expanding to include Biwabik and possibly other surrounding communities. IRRRB is providing supplemental funding support to sustain the group.

East Central Range Partnership – Jeff Jacobson	<ul style="list-style-type: none"> No report
Quad Cities	<ul style="list-style-type: none"> No report

Partnership Priorities: Work Group Action Progress Reports

Individual work group representatives provided the following reports and next steps.

Action Areas	Work Group Priorities	Work Group Representative(s)	Update/Next Steps
Targeting Priority Projects and Communication	1. Innovation Grants Program Projects Updates Hibb Tac Pitt Lake Stockpile 5036 Hibb Tac Stockpile 4090 and 5012	Jim Shoberg, ARI John Koepke, U of M	<ul style="list-style-type: none"> Located in the middle of the pit and visible from the area viewing platform. Large site of about 1 mile wide by a ½ mile deep that will have three reclamation zones above and below the water with a proposed wetland to be built. These two sites are located along Clifton Road and are very visible. Currently developing two different concepts. The focus now is on pile 4090 with a grading scheme developed and the vegetation strategy nearing completion for implementation this spring. Looking at grading concepts for 5012. Looking at development of a project proposal to develop a long-range plan for the pit and stockpiles and to address sulfate issues. Expect to reshape the entire landscape with a 60 year time horizon. Currently working with the City of Babbitt in preparing a grant request. The project concept is to take highly visible stockpiles that are visible from the downtown area of Hibbing and reshape and reuse for recreation purposes. Working with the City and MnDNR to select the site. Three concepts have been developed. Will be a future Innovation Grant project. Jim attended the Quad Cities Chamber meeting and discussed area concerns. Discussed applying for an Innovation Grant to do a Charrette that would build on past Charrette work and look at alternatives being discussed by MnDOT. More public input is needed early on in this process. We expect more conversation with the Chamber representatives on this.
	Northshore Mining – Peter Mitchell Pit Reshaping Susquehanna Park Project	Peter Kero, Fletcher Driscoll and Assoc	
	T.H. 53 Project Specific Charrette	Jim Plummer, IRRRB	
Delivering Tools & Resources	1. Mesabi Iron Range Large Scale Projects Map – Quarterly Update	Tim Pastika, MNDNR Dan Jordan, IRRRB	<ul style="list-style-type: none"> Keewatin Taconite was approved. Map to be amended.
	2. Underground Mine Mapping Phase III Update – Funding Development	Tim Pastika, MNDNR	<ul style="list-style-type: none"> Work is underway on Phase III. Not all of the funding is in place but MNDNR has proceeded with the resources available. IRRRB did not approve funding for the project. Other funding is being pursued to complete the work over the next 18 months.
	3. Coordinated MNDNR 2011 Aerial Photos Flyover with Mining Companies	Tim Pastika, MNDNR	<ul style="list-style-type: none"> State Legacy funding is providing \$5.6 million to complete elevation aerial mapping for Minnesota. A meeting was held by MNDNR with mining companies and the four counties of Carlton, Lake, Cook and St. Louis to coordinate this work. The upcoming flight will also pick up the KeeTac Pit at this time and later again when Itasca County is flown.

Future of LVP - Strategic Discussion for 20112 and Beyond

Jim Plummer gave a PowerPoint presentation overview of the current 2007-2011 LVP Strategic Plan and was seeking member support for development of an updated plan for the next several years. He felt that this was a good time to reflect on the work completed and we can highlight priorities and needs for Commissioner Sertich as he prepares his upcoming budget for FY 2012. Following a brief discussion of some of the accomplishments and the need for this planning to be done, the members asked the Coordinating Committee and any other interested members to meet between now and the May LVP meeting to develop recommendations and a draft plan for review and approval. A date and location for that special planning meeting will be organized later after today's meeting. Randy Lasky will be facilitating the strategic process with staff and interested members.

Other Business Updates and Future Topics

A. Range Readiness Initiative (RRI) Update

Randy Lasky, facilitator for Range Readiness Initiative, reported that the RRI Strategy Team met in November and took action to pursue the continuation of Range Readiness. The notion was supported by the major large scale project members attending that meeting. A smaller group of Strategy Team members was organized and will be meeting with Commissioner Sertich to seek his interest and support for continuing the RRI. Members felt that the later half of 2011 and 2012 will be an important window as several of the large scale projects go into major construction or complete their permitting.

B. Future Topics/Presentations

The group discussed a number of possible discussion topics highlighted on the agenda by the Coordinating Committee. They settled on several priorities for the spring meeting and possible priorities for future upcoming meetings:

- Create liaison with political representatives
 - Recognize role as forum (strategy on this)
 - State, federal and county levels
- Expand scope of mineral focus
- Web based tool to have common mapping/visual
- Planning tool
- Laurentian GIS data access and tie-in with community information
- St. Louis – community planning resource web site
 - Tools
 - Data
- Volunteers
 - Mary Somnis
- Magnetation – how affect/address reclamation opportunities
 - Other technologies to do similar processes to Magnetation (neutral party to share info on this topic)
- Non-mineral related economic diversification
- Last census – changes and comparison today (swap shoot)
- T.H. 53 – more on alignments
- Legislative update
- Pump storage – Don Fosnacht
- Tinto added to non-ferrous big picture
- New innovation project proposals and existing projects
- Non-ferrous – big overview

The following four priorities were recommended for further development by the Coordinating Committee for the May LVP meeting.

- #1 Overview of Non-Ferrous Mining Development, Status and Legislative Challenges
- #2 Legislative Update for 2011

- #3 Overview and Status of Pumped Hydro Energy Storage Project
- #4 Discharge Water Sulfate Concentrations Study (when information is available)

Strategic Discussion Group

The Coordinating Group and other LVP member volunteers will meet on **Thursday, February 3, 2011 from 9:00 A.M. to Noon at the Mining and Reclamation Classroom**, at Ironworld Discovery Center in Chisholm.

Coordinating Committee Meeting

The next Coordinating Committee will be held on **Tuesday, April 19, 2011 from 9:00 A.M. to Noon at the Mining and Reclamation Classroom**, at Ironworld Discovery Center in Chisholm. Work Group and Regional Group representatives will be asked to assist in developing the May 2011 membership meeting agenda.

LVP Quarterly Meeting

The next Laurentian Vision Partnership meeting will be **held on Tuesday, May 24, 2011 from 9:00 A.M. to 12:30 P.M. at the Mining and Reclamation Classroom** at Ironworld Discovery Center in Chisholm.



Laurentian Vision Partnership
Transforming pits and piles into lakes and landscapes

MEETING XLVII

Thursday, January 20, 2011 – 9:00 AM – 12:30 PM
Mining and Reclamation Classroom
Chisholm, Minnesota

“Planning and Project Implementation 2011”

OBJECTIVE

With the major mining and energy projects at various stages across the Iron Range, we oftentimes hear reference to the “State’s Environmental Review and Permitting Process.” There are different interpretations about how that process works, the roles of State and Federal agencies, and what might happen to eliminate redundancies in the process. Two key state regulatory staff will present an overview of the process and describe the status of regional ferrous and non-ferrous mining projects. We will also review the LVP 2007 - 2011 Strategic Action Plan and determine the process to set direction and priorities for the next several years. Finally, we will receive an update on several existing and proposed Innovation Grant projects, and hear progress reports from Regional Groups and Work Groups on major new and ongoing implementation initiatives underway for 2011.

AGENDA

- 9:00 Laurentian Partnership Debriefing** *Randy Lasky, Facilitator*
- Participant introductions and expectations
 - Opening comments
 - Review of Meeting XLVI results and next steps (Oct 2010)
 - Overview of the meeting objective and agenda
- 9:15 Presentation: State Environmental Review and Permitting Process** *Jennifer Engstrom, MNDNR and Suzanne Baumann, MPCA*
- “Environmental Review and Permitting for Ferrous and Non-ferrous Mining: Overview and Current Status”
 - “Environmental Permitting and Hot Topics”
- 10:45 Break**
- 11:00 Partnership Priorities: Regional Group Action Progress Reports** *Area Representatives*
- Regional Group Updates
 - 1) Western Mesabi Mine Planning Board (WMMPB) *Doug Learmont*
 - 2) East Central Range Partnership *Jeff Jacobson*
 - 3) Central Iron Range Initiative (CIRI) *John Fedo/Scott Allison*
 - 4) East Range Community Readiness (ERJPB) *Curt Anttila*
 - 5) Quad Cities
- 11:15 Partnership Priorities: Work Group Action Progress Reports**
- 1) Targeting PRIORITY PROJECTS and COMMUNICATION
 - o Innovation Grants Program Projects Update
 - HibbTac Pitt Lake Project Update *Jim Shoberg, ARI*
 - HibbTac 4090 & 5012 Project Update *John Koepke, U of M*
 - Northshore Mining - Peter Mitchell Re-shaping Project

- Susquehanna Park Project (Hibbing) Quad Cities
- T.H. 53 Project Specific Charrette

*Peter Kero, Fletcher Driscoll &
Associates
Jim Plummer, IRR*

11:50 Partnership Priorities: Work Group Action Progress Reports

2) Delivering TOOLS and RESOURCES

- Mesabi Iron Range Large Scale Projects Map – Quarterly Update
- Underground Mine Mapping Phase III Update – Funding Development
- Coordinated MNDNR 2011 Aerial Photos Flyover with Mining Companies

Tim Pastika, MNDNR

Pete Clevestine, MNDNR

Tim Pastika, MNDNR

Noon Future of LVP - Strategic Discussion for 2011 and Beyond

- Strategy Development Recommendations and Timing
- Strategic Priority Suggestions for Discussion Group
- Briefing for Commissioner Tony Sertich

*Jim Plummer, IRR and
Coordinating Committee
Members*

12:15 Other Business Updates and Future Topics

- Range Readiness Initiative Update
- Future Topics/Presentations
 - Cooperative Mineral Resources, an Overview of a New Magnesium Mining Project – Brad Moore, Barr Engineering
 - Discharge Water Sulfate Concentrations and Impacts Study when completed
 - Non Ferrous Mining Big Picture Overview with a Focus on Twin Metals and Franconia Projects, PolyMet Review and Permitting Status, and 2011 Legislative Issues or Policy Changes
 - Range Readiness Initiative (RRI) Update
 - Pump Storage Project – NRRI Study
 - Future Charrettes for Quad Cities/Highway 53, KeeTac and PolyMet areas
 - Excelsior Energy Project Update
 - Workforce development/Northeast Higher Education District (Roy Smith)
 - Mesabi Nugget Project Update
 - Other?

Randy Lasky

12:25 What's Next?

- Meeting Schedule (May and October 2011)
- Next meeting date and agenda
 - **Strategic Discussion Group** – February ____, 2011?
 - Coordinating Group and other LVP member volunteers
 - **Coordinating Group** – April ____, 2011?
 - Representative from each Work Group and each Sub-Regional Group
 - **Laurentian Vision Partnership** – May ____, 2011?
- Wrap up announcements and conclusions

Randy Lasky

12:30 ADJOURN

Laurentian Vision Partnership

Transforming pits and piles into lakes and landscapes

Meeting Participants - Meeting XLVII

Thursday, January 20, 2011

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