

Environmental Impact Statement not required for the Northshore Mining Company progression of the Ultimate Pit Limit

Frequently Asked Questions

The Minnesota Department of Natural Resources (DNR) has concluded that an Environmental Impact Statement (EIS) is not required for the Northshore Mining Company's Progression of the Ultimate Pit Limit project.

Project Overview

Northshore Mining Company proposes to expand its taconite ore mining operation at the Peter Mitchell Mine located near Babbitt with a project titled, Northshore Mining Company Progression of the Ultimate Pit Limit. The project includes mining an additional 108 acres and construction of an engineered stockpile to contain Type II Virginia Formation (VF) sulfur bearing waste rock that would need to be removed to access the underlying ore. The proposed project would mark the first time Northshore has encountered Type II VF material at the mine.

What is the issue with Type II Virginia Formation (VF) rock?

The proposed project involves the mining of two distinct rock formations, the VF that contains sulfur content, and the deeper Biwabik Iron Formation (BIF) where the iron ore is located. The VF is classified into Type I, Type II and Type III based on sulfur concentration. Type I VF contains the lowest concentrations and Type III VF contains the highest concentrations. When VF rock is exposed to water and air through mining activities, a reaction that forms sulfuric acid can occur. Acidic water may leach toxic metals from the surrounding rocks into the water, affecting water quality. Northshore is currently permitted to remove and stockpile Type I VF rock in accordance with the *Northshore Mining Virginia Formation Development Plan*. The proposed project would uncover Type II VF rock that would require special handling and containment to protect water quality. The project would not uncover Type III VF rock.

How would the project avoid impacts to water quality?

When Type II VF rock is exposed, it would be stockpiled with an engineered cover system. The stockpile cover is designed to prevent water infiltration through the stockpile. By preventing water infiltration, the cover will block an essential ingredient for acid formation. Thus, adverse impacts to water quality from the Type II VF rock are not expected.

Are impacts to surface water used for drinking water anticipated?

No. None of the surface waters immediately downstream of the project-related discharges (including Langley Creek, Unnamed Creek, Dunka River and Birch Lake) are used as a drinking water source. The nearest surface water protected for use as a drinking water source is Fall Lake in the BWCA, approximately 20 miles northeast of the proposed project.

Would wild rice waters be affected?

No. None of the waters downstream of project-related discharges have been determined by Minnesota Pollution Control Agency (MPCA) staff to be waters used for production of wild rice. Discharges from the facility as a whole are predicted to remain above Minnesota's 10 mg/L

water quality standard for sulfates in wild rice production waters. But project-related discharges are not expected to affect wild rice waters and thus the 10 mg/L standard is not applicable to these discharges.

Will the project impact the Partridge River?

No. The Partridge River is a tributary of the St. Louis River, which is within the Lake Superior Basin. The proposed 108-acre pit expansion is entirely located within the Rainy River Basin. Because the Partridge River and the pit expansion are in two different drainage basins, the proposed project would not have an impact on the Partridge River. Regardless of the expansion, closure of the mine pit will modify the existing watershed and divert approximately seven square miles of the Partridge River watershed to the Dunka River Watershed. The proposed expansion would not change any environmental conditions in the Partridge River at closure.

Will the mine's water quality permit be reissued?

No. Upon review of the water quality modeling results and consideration of the requirements of the existing water quality permit, MPCA has determined that modification (or reissuance) of the existing permit is not necessary. The current water quality permit known as a National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) permit already covers the proposed movement of Type II VF rock. The permit states that Northshore is not authorized to move Type II VF material until a specific management plan for stockpiling and reclaiming that material has been approved by DNR and MPCA. The current permit further specifies that the *Type II Virginia Formation Stockpile Plan*, including all monitoring provisions, will become an integral and enforceable part of the existing NPDES/SDS permit when the plan is approved by a DNR Permit to Mine Amendment.

Why weren't human health impacts from mineral fibers evaluated?

The proposed project would not cause a change in air emissions beyond what is already allowed, nor would it cause any increase over historical quantities of materials being processed.

What about financial assurance to address cleanup, contingencies, and accidents related to the project?

If DNR approves the amended Permit to Mine required for the project to proceed, financial assurance under the permit would be adjusted accordingly. The dollar amount of the financial assurance equals the cost of accomplishing the required reclamation should the company not complete the work. Financial assurance will remain in place until all necessary work is completed and final reclamation takes place. Additional information about financial assurance will be provided in the Permit to Mine.

Why wasn't an Environmental Impact Statement (EIS) prepared for the project?

The purpose of the Environmental Assessment Worksheet (EAW) is to disclose information about potential environmental impacts of the proposed project. The DNR cannot order an EIS until after an EAW is completed. There are specific criteria that must be considered when determining whether to proceed to an EIS. In the language of environmental review, this is known as determining whether a project has the potential for significant environmental effects and thus would require preparation of an EIS. During the EAW process, the DNR considers the

extent of effects, if there is sufficient regulatory authority over the project, the project's contribution to cumulative effects, and the availability of environmental studies that assist in predicting and controlling environmental effects. After carefully considering information in the EAW and public comments, the DNR has determined the proposed project does not have the potential for significant effects under these criteria and thus DNR is not ordering preparation of an EIS.