

From: Karen Matthias [mailto:kjmatthias@alaskaproducers.org]
Sent: Friday, May 13, 2016 11:44 AM
To: donlingoldeis, POA
Subject: [EXTERNAL] Comment letter from Council of Alaska Producers

Please find attached a comment letter on the Donlin Gold draft EIS. Thank you.

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Council of
Alaska Producers

**Comments on Donlin Gold
Draft Environmental Impact Statement**

May 13, 2016

Keith Gordon, Project Manager
U.S. Army Corps of Engineer
Alaska District CEPOA-RD-Gordon
P.O. Box 6898
JBER, AK, 99506-0898

Dear Mr. Gordon:

The Council of Alaska Producers (CAP) is writing to support Alternative 2 of the Draft Environmental Impact Statement (DEIS) for the Donlin Gold project and offer some comments on the other alternatives.

CAP is a statewide, non-profit trade association formed in 1992 for the large metal mines and major metal development projects. CAP provides accurate information on mining related issues and it promotes economic opportunity and environmentally sound mining practices in Alaska. Alaska's five large metal mines are operating to the highest environmental and safety standards and in harmony with our renewable resources.

Donlin has been a member of CAP since the mid-1990s. Over the many years the Donlin team has worked on this project, they have shown that they are truly guided by their values:

- to develop a safe and environmentally responsible project;
- to provide jobs and opportunities for families and businesses in the Yukon Kuskokwim region and Alaska; and,
- to communicate with transparency and respect.

Alternatives

CAP strongly supports **Alternative 2**, Donlin Gold's proposed project. Lack of development will have a negative social and economic impact on the Yukon Kuskokwim region, particularly as the Alaska economy retracts as a result of low oil prices and cuts in both federal and state budgets. The jobs and the economic stimulus provided by Donlin Gold would help sustain communities in the Yukon Kuskokwim region and fund traditional subsistence activities.

Donlin Gold's proposed project demonstrates an understanding of environmental concerns and features vigorous environmental management principles. It was designed to reduce the overall footprint of the mine and allow for safe management of the water both during the mine life and after closure.

Potentially bringing natural gas closer to Western Alaska could be a game changer in a place where high energy costs are so challenging for businesses and residents. An open access pipeline would bring valuable infrastructure and provide potential opportunities for other users.

Donlin Gold should be commended for such an innovative solution to the mine's energy needs. Natural gas burns much cleaner than diesel and it is also safer to transport. The company listened to public concerns about barge traffic on the Kuskokwim River and they responded by proposing this pipeline so far less diesel would be transported on the river for the mine.

Alternative 1 (no project): Having no project would have a negative impact on the Yukon Kuskokwim region and Alaska. No project means no new jobs, no local and state revenue, no revenue sharing to other native corporations, and no natural gas pipeline that could bring cleaner cheaper energy opportunities to the region.

Alternative 3B – Diesel Pipeline: Alternative 3B is not favored since natural gas is a cleaner, cheaper and safer option with a smaller footprint than diesel power generation.

Alternative 5A – Dry Stack: The feasibility of a dry stack approach is questionable due to its high costs and technical challenges; this method is more common for smaller projects and in less severe operating environments. There are no operating dry stacks of this order of magnitude, particularly in a similar climate. Also, a dry stack would increase fugitive dust emissions.

Alternative 6A – Dalzell Gorge: This route would dramatically increase overlap with the Iditarod. We appreciate Donlin Gold relocating the pipeline away from the narrow canyon and difficult terrain of the Dalzell Gorge to the less risky route proposed in Alternative 2.

In closing, Donlin Gold has proposed a safe and environmentally responsible project (Alternative 2) that would be a major economic driver for the Yukon Kuskokwim region by providing high paying, year-round jobs, contracting opportunities, and potential access to a cleaner and cheaper source of energy. Thank you for the opportunity to outline the benefits of the project and to affirm our strong support for Alternative 2 of the Draft EIS.

Sincerely,



Karen Matthias
Executive Director