

From: [Kachemak Bay Conservation Society](#)
To: [donlingoldeis, POA](#)
Cc: [Kachemak Bay Conservation Society](#)
Subject: [EXTERNAL] Donlin Gold Draft EIS Comment (POA-1995-120)
Date: Tuesday, May 24, 2016 9:23:44 AM
Attachments: [KBCS comments on Donlin Mine Project Draft EIS The Final.docx](#)

Mr. Gordon,

Please find the attached comments from Kachemak Bay Conservation Society.

Thank you,
Wendy Anderson, Secretary

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May 24, 2016

US Army Corps of Engineers
Keith Gordon, Project Manager
PO Box 6898
JBER, Alaska, 99506-0898

RE: KBCS comments on Donlin Project Draft Environmental Impact Statement (POA-1995-120)

Dear Mr. Gordon,

We appreciate the opportunity to comment on the Draft Environmental Impact Statement (DEIS) and we thank the U.S. Army Corp of Engineers (Corps) for its hard work. We are writing to express our opposition to any permitting of the Donlin Gold Mine Project. Accordingly, we urge the Corps ultimately to recommend Alternative 1: No Action, of the Environmental Impact Statement (EIS) once it is finalized. We have done our best to review the DEIS as well as comments from concerned agencies and citizens. We concur in comments submitted by Northern Alaska Environmental Center, Earthworks, et.al.¹ We also concur in comments related to hydrology issues as identified in the Northern Alaska Environmental Center Myers analysis of the DEIS. We add our own General comments below.

Need for the Donlin Project

The Donlin Gold stated need for the project is "to enable Calista² and TKC³ to maximize economic benefits for their shareholders, from lands with mineral potential selected and conveyed to them under ANCSA, by producing gold to meet worldwide demand." (DEIS 1.3.2)

The DEIS restates the need for NEPA purposes as providing "economic benefits to Donlin Gold, Calista, and TKC shareholders; produce gold to meet worldwide demand; and provide local economic development." (DEIS 1.3.3)

¹ Comments re: tailings dam design at proposed Donlin Mine submitted jointly on May 30, 2016 by Northern Alaska Environmental Center, Earthworks, Cook Inletkeeper, Friends of Alaska National Wildlife Refuges, Northern Alaska Environmental Center, Alaska Community Action on Toxics, Ground Truth Trekking, The Wilderness Society, Southeast Alaska Conservation Council.

² The Calista Corporation

³ The Kuskokwim Corporation



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The Corp has embellished the Donlin Gold statement of need to include local economic development- which appears nowhere in the Donlin Gold statement. Thus the Corp initially has distorted the statement of need and thus the public interest analysis in favor of the applicants. The DEIS should interpret the need for the project directly from the Donlin Gold statement: to make money for shareholders by providing gold to world markets. This is the need that should be balanced against the need to preserve and protect the Kuskokwim watershed natural and cultural resources.

Public Interest

In formulating its Record of Decision (ROD) on the Donlin Mine application, the Corp must balance the claimed purpose of the mine against the public interest as defined by 33 CFR 320.4(a). The EIS is a critical element in this balancing test. This need is balanced against the need to preserve and protect a unique ecosystem including indigenous cultures and a multitude of plant and fish species unique to Alaska. The hundreds of actual and potential impacts to the mine site and surrounding Kuskokwim watershed outlined in the DEIS should easily push the scales in favor of the public interest in preserving and protecting the Kuskokwim watershed from development of this type. Surely, the economic benefit of Calista and TKC shareholders cannot outweigh the impact from the Donlin Project to fish and wildlife, rivers and streams, plants and the health and welfare of humans. The waste from the mine will remain FOREVER, which is a long, long time. No one can really assess the environmental impacts from this mine 50 years from now. Given the size of the impacts from the mine, the pipeline and the toxic waste products produced, the DEIS should recommend the No Action alternative.

Financial evaluation of Donlin Gold partners

As part of the feasibility assessment for the Donlin Project, the DEIS should evaluate the likelihood that Donlin Gold can financially and operationally implement the mine design and required mitigation measures. Nova Gold has initiated numerous projects in the US and Canada but has yet to construct and/or operate these projects successfully. In 2009, NovaGold paid \$883,000 in EPA fines for violations of the Clean Water Act at the Rock Creek Mine in Alaska.⁴ Rock Creek mine operations were eventually suspended and closed. NovaGold considered selling its interest in the Galore Creek Copper Mine at one point due to financial problems.

Barrick Gold seems to have maintained financial solvency in spite of its record of spills and other operational problems in its subsidiary Barrick Gold mining projects. Barrick

⁴ Case 09-cv-00090 in U.S. District Court for District of Alaska.



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paid \$16.4 million for environmental impact agreement breaches in Chile (2013),⁵ had a tailings pool breach in the Philippines (1990s) and had a major cyanide spill in Argentina (2015)⁶. Other operational problems plagued its mine in New Guinea.

It is a fact that spills and environmental disasters occur at mines regardless of the promises made and mitigation measures imposed because companies cannot control all people and all circumstances. The DEIS should consider the past record of Donlin Gold owners and on this basis find for Alternative 1: No Action. Any recommendation for application approval should include adequate mitigation to ensure protection of the Kuskokwim Watershed should Donlin Gold fail to complete the project or abandons the project prior to its planned mine closure.

DEIS modeling

We concur with commenters who state that some of the modeling done to assess impacts of the Donlin Project on water resources are inadequate. The mine site with containment dams and ponds is located in and near streams and rivers critical to salmon habitat that cannot be replaced. The containment facility will hold 568 million tons of highly contaminated mine tailings and chemical waste. (DEIS 2-30) The Corp must consider all worst case scenarios like catastrophic failure of tailing pond dams because these structures must exist forever. Tailing dam breaches do occur and one such incident is too many for the people and ecosystem affected. The modeling should include leaking of pit lake liners as well. Evidence that liners containing toxic chemicals will last forever must be presented. We doubt such evidence exists. The criteria for mitigation measures must be that no spills and no breaches are acceptable during mine operations or after mine closure- not for 50 or 100 or 1000 years. The Corp must address the true gravity of potential impacts in its evaluation of measures required to make the Donlin Project truly safe for the environment and its inhabitants.

Also, the Corp should model for changes in weather patterns that will result from global warming. Increases in precipitation can lead to overwhelming of containment dams. Reduced precipitation could cause lowered stream flows such that anadromous fish populations and the people who depend on them for food and livelihood would be impacted. These impacts could occur years after the Donlin Project group have taken their money and run.

In general, the DEIS should model worst case scenarios for all aspects of the Donlin Project- mining, transportation, pipeline and closure of the entire project.

⁵ Pascua-Lama Mine.

⁶ Veladero Mine, Argentina.



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DEIS Mitigation Measures

The DEIS identifies hundreds of mitigation measures needed to prevent or rectify impacts from the Donlin Project. Many of the proposed mitigation measures do not address worst case scenarios. It would be unacceptable to allow Donlin Gold to be unprepared to meet all possible negative impacts. The mitigation measures need to guarantee that no poisoning of the Kuskokwim watershed will occur- ever. Anything less is unacceptable. Monitoring of containment ponds and dams should be monitored monthly rather than quarterly or annually. Leakage of any amount of toxic material for the proposed 90 days could cause significant impacts to streams, fish and wildlife and humans who rely on these waters for food sources.

Mitigation measures must be designed using the strictest criteria- complete avoidance of negative impacts; compensatory measures are not acceptable for this region. There is no compensation possible for poisoning of rivers and streams and destruction of native fish populations, riverbanks, and the way of life of the people who depend on them. Mitigation measures must be effective forever; compensatory mitigation for future negative impacts will not be feasible.

The EIS should recommend bonding and financial assurances that adequately cover all potential cleanup and monitoring of the mine site into perpetuity. That likely means a financial Trust that will outlive Donlin Gold, Calista and TKC. The Donlin Mine rock contains high levels of mercury and other toxic substances. Recommended mitigation measures should guarantee containment of these toxic materials in perpetuity. If such containment is not feasible, and we assert it is not, then the Donlin Project itself must be deemed not feasible.

Impacts to Local Ecosystem and Inhabitants

Donlin Project will involve barging of huge amounts of diesel fuel up the Kuskokwim to the mine site- a 180% increase in traffic. Current barge traffic has already negatively impacted salmon harvests here; the proposed increase could devastate harvests. Potential impacts to the river and to other entities using the river should be evaluated- including worst case scenarios. All mitigation measures addressing testing and evaluation of erosion and impacts to fish spawning areas must be required, not voluntary.



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Diesel spills will occur over the timeframe of mining operations. The impacts of a large diesel spill would be catastrophic to fish populations and people who depend on them. Donlin Gold acknowledges it will not be not equipped to handle a large spill on the Kuskokwim River (DEIS 3.21-155). Why would we allow the unique and critical resources of this area to be endangered so a few people with no personal investment there can make money and walk away? Again, the proposed mitigation measures do not adequately address the definite and potential impacts to this region. The needs of the Kuskokwim ecosystem, including inhabitants, must outweigh the needs of shareholders to make money, so the most conservative spill prevention measures must be imposed.

Donlin Gold proposes to build 315 miles of new pipeline from Cook Inlet to the mine site. The potential impacts from this pipeline - to the wetlands, wildlife, plant life and cultural uses of the Iditarod Trail- are significant. The pipeline will cross 452 streams including 163 which support native fish populations and 42 major river crossings, all of which are Essential Fish Habitat for salmon. (DEIS 3.13-68) Alaska salmon populations, along with the people who depend on them for food and livelihood, are being threatened all over the state from a multitude of human activities. The additional impacts from this proposed dam project are not desired. The value of native fish stocks to the ecosystem, individuals and the state as a whole must not be underestimated or ignored. The EIS must include modeling of worst case scenarios, from spills to earthquakes to disruption of rivers and streams to increased recreational use of the Iditarod Trail. The requisite mitigation measures must be specified and required for the Donlin Project- regardless of the financial cost of such measures.

In summary, the potential impacts of the Donlin Mine project are so extensive and pervasive that a 7,000 page DEIS cannot explain or account for all possible impacts. The financial investment required to institute the required monitoring and mitigation measures is more than enormous. However, the EIS must include evaluation of all worst case scenarios and mitigation measures because the Donlin Project is so extensive and will remain forever as a potential threat to the Kuskokwim Watershed. We urge the Corp to incorporate all commenters' suggested improvements to the DEIS and ultimately to recommend the No Action Alternative.

Sincerely,

Kachemak Bay Conservation Society
Homer, Alaska
Jim Stearns, President
Wendy Anderson, Secretary



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