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Pits in the Crown Jewels

By Ted Williams

Fly Rod & Reel, November/December 2006

It was a day of superlatives in a place of superlatives. I had thought I threw a long line until I watched the guy fishing with me--Steve Rajeff, who can cast farther than any other man on the planet [see: Ask FR&R July/October]. Together we eased down the clean gravel of the river that sustains the world's biggest salmon runs--the Kvichak, 300 hundred yards from where it collects water from the biggest lake in Alaska. Now, in late September, the giant rainbows of Lake Iliamna were dropping down to snark the last eggs from the last moribund pink salmon. From 20 feet they'd chase down the Globugs Steve had tied that morning. We didn't have anything with which to weigh the fish that fried my reel, but it dwarfed the 12-pound silver I'd caught two days earlier. Rajeff's photo of it hangs on my office wall. Anglers who haven't fished the Kvichak won't believe me when I tell them it's not a steelhead.

That's how I got hooked on the Bristol Bay area of southwest Alaska. No place on earth is wilder or more beautiful or offers finer salmonid fishing. In the Kvichak, for example, you can catch all five Pacific salmon, rainbows, dollies, char and grayling. The rivers, lakes, mountains, valleys, tundra and forests of Bristol Bay are aptly called "America's crown jewels." I cannot get enough of them. But the day may not be far off when you and I will get no more because, if a small Canadian mining company with no track record and backed by Middle Eastern money of unknown origin gets its way, they will be ruined.

Some of the fish and wildlife will, of course, survive. Many of the topographical features will remain intact. But the essence and magic of the place will be destroyed utterly and irrevocably. The Bristol Bay area will no longer be wild and remote. It will become a populated, easily accessed, industrial-waste storage facility.

Even if the Vancouver-based Northern Dynasty Mines made a habit of keeping its word, its copious promises would mean nothing. This is because its modus operandi is to find and stake deposits, then hawk them to larger companies who do whatever they please. Having never developed a mine, Northern Dynasty proposes to strip-mine what it describes as the nation's largest gold deposit and second-largest copper deposit near Upper Talarik Creek and the lower Kaktuli river in the Nushagak and Kvichak river drainages, just south of Lake Clark National Park and Preserve and 15 miles northwest of Lake Iliamna. [For more information on the Nushagak River, see "Surviving The Nush" on page 24 of this issue.]

In addition to cyanide, with which gold is extracted from ore, the operation would release sulfuric acid, arsenic, lead, cadmium, zinc, mercury and sundry other toxins known to kill fish and wildlife, cause cancer and destroy nerve tissue. A witch's brew of these and other poisons would be held in a 20-square-mile lagoon consisting of former wild-salmonid habitat in what is called the "Ring of Fire," a volatile seismic zone beset by major earthquakes (including one in the spring of 2005) at the base of Mt. Iliamna, an active volcano, and flanked by two other active volcanoes. In fact, all the past and present volcanism make the site one of the world's richest sulfide mineralization areas, meaning that production of acids and toxic heavy metals would be way higher than at other strip mines.

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When the toxic-waste lagoons downslope from hard-rock mines fail, results are always catastrophic. So great is the threat to the Bristol Bay area that the DC-based environmental group American Rivers took the unusual step of including this land of many waters on its 2006 list of the nation's 10 most endangered "rivers."

Northern Dynasty has yet to seek permits, but already it has established a long record of disturbing actions, deceptive and false statements, contradictions, and broken promises. For example, it assured the public that it wouldn't be using cyanide. Then--when the environmental community pressed, pointing out that extracting gold from this kind of ore isn't economically feasible without cyanide--the company allowed that it would use cyanide after all but only the "vat process" and not the more dangerous "heap-leach process." It publishes such outrageous untruths as: "Mercury in wild salmon comes from the ocean, not from mining or other land-use practices."

After promising to "stay out of the Upper Talarik Creek [watershed] because it is sensitive fish habitat" (as if the rest of the proposed site were not), it promptly began drilling test holes in the watershed. With that, it applied for water rights to Upper Talarick, the better to divert flow into the artificial lake where it will store toxic mine waste. Northern Dynasty's promise of "no net loss of fish" sounded alarmingly like a plan to festoon Bristol Bay with hatchery stock. But when anglers and enviros protested, the company quickly backed off and assured all hands that it wouldn't be flinging around any rubber salmonids. However, it offered no reasonable or cogent explanation of how it intended to duplicate Christ's fish miracle.

The Bristol Bay Times reports that Northern Dynasty's intense lobbying campaign includes paying all travel, lodging and food expenses for the local officials it fetches to Anchorage for its "community meetings" and then, on top of this, slipping each a cash-stuffed envelope (\$600 for a three-day meeting). According to documents obtained by Alaskans for Responsible Mining, Northern Dynasty has hired as a lobbyist one Duane Gibson--former top aide to Jack Abramoff, the convicted felon who bilked his clients out of an estimated \$66 million.

One of the few accurate statements I found in reams of company records is the following, from the 2004 Annual Report: "As Canadian citizens and residents certain of Northern Dynasty's directors and officers may not be subject themselves to US legal proceedings, so that recovery on judgments issued by US courts may be difficult or impossible." Not exactly an encouraging revelation when one considers that if these same Canadians get their way, they will severely damage American commercial and recreational salmon resources with respective values of \$100 million and \$77 million annually.

Even if the toxic waste could somehow be contained forever, the mine might still destroy Alaska's wild commercial salmon industry, whose image depends on a pristine Bristol Bay watershed. The mere suggestion of toxic contamination could make wild salmon uncompetitive with less expensive and non-seasonal farmed fish. In fact, salmon farmers can scarcely contain their glee over the impending damage to the Wild Alaska Salmon brand. Their industry association--Washington Fishgrowers--has even taken to plastering its Web site with banners announcing that "a massive open-pit gold mine, proposed upstream from Alaska's most productive sockeye salmon waters, could undercut the reputation for purity that has become wild salmon's key selling point."

Northern Dynasty, whose behavior is standard for the industry, is not the problem. The problem is that federal and state hardrock mining regulations (especially Alaska's) are lax and antiquated, designed for 19th century prospectors. It used to be that when you developed a mine in Alaska you

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had to put up a bond so that taxpayers wouldn't get stuck with the entire job of cleaning up your mess if you went bust. But two years ago the mining industry wrote a law for itself called the "corporate guarantee" which excuses companies from posting bond and instead requires a small token payment and a gentleman's agreement. Hardrock miners help themselves to the public resource basically for free, paying state royalties of less than one cent per dollar's worth of mineral extracted. (By contrast the oil industry must pay 20 cents on the dollar.) As a result Alaska's regulatory agencies are strapped for cash. But they've come up with a Mr. Bean-style solution: Allow the companies that require regulation to pay the state officials who regulate them, a cozy arrangement that has spawned the mine regulators' shibboleth of "Sure; go ahead." Mother Jones Magazine reports that Northern Dynasty has signed a legal memorandum pledging to contribute to the salaries of 13 state employees who oversee the permitting process and that, by the time the mine is completed, it will have shelled out \$700,000 to hire its own regulators. Then, to see if the mine meets federal muster, the US Environmental Protection Agency will consult the state regulators paid by Northern Dynasty.

Most states allow "mixing zones" in which industrial and municipal waste can be dumped into lakes and rivers, provided the resulting cocktail doesn't get too potent. At this writing Alaska is a notable exception, but Governor Frank Murkowski and the mining industry are working feverishly to fix this. Indeed, the future of hardrock mining in the Bristol Bay area is largely dependent on mixing zones. Northern Dynasty promises that it will contain all its waste, but even if its word meant something and even if containment were possible in the Ring of Fire, the company that purchases the site won't be bound by any commitment mouthed by Northern Dynasty.

It is hard to imagine something more hideous than this proposal for the heart of America's holy water. The 2.5-mile-wide, 1,700-foot-deep crater would be the biggest open-pit mine on the continent. The 20-square-mile toxic-waste lagoon would supposedly be contained by an artificial mountain, 750 feet high and half a mile wide at the base, wedged between two real ones. But Scott Brennan, campaign director for Alaskans for Responsible Mining, says the Pebble Mine could be just a subtle hint of things to come.

"The site only accounts for about ten percent of the mining claims that have been staked out there on state land," Brennan told me. "And around that land the US Bureau of Land Management plans to open up millions of its acres currently closed to mining. In the long term, that's an even greater threat to the integrity of the fishery." At least eight other mining companies have staked claims in the Bristol Bay area, and they are intently watching what happens on the Pebble site. If Northern Dynasty gets a green light, they'll move in, too.

Former pro hockey player Brian Kraft, who owns the Alaska Sportsman's Lodge on the Kvichak River four miles down from the lake, is especially irked by the mantra from closet mine proponents that goes like this: "I'm waiting for the facts to come out in the Environmental Impact Statement before I make any judgments." "My question," says Kraft, "is what facts will come out that are going to show this project can be done in one of the most environmentally sensitive areas on earth? An EIS is a procedural process; it doesn't tell anyone if a mine will or won't contaminate. Water will have to be treated forever. There are right places and wrong places for mines, and this is the wrong place."

Tim Bristol, Trout Unlimited's Alaska program director who four years ago put me on some gorgeous Tongass National Forest steelhead, told me this: "One thing that hasn't been talked about is the influx of people. It's a sparsely populated country. The workers will hunt and fish; that puts a lot more pressure on the resource, too. And all the access concerns folks more than the mine itself--a 100-mile

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road from the west side of Cook Inlet, along the western shore of Lake Iliamna, to the Pebble deposit. On the one hand Northern Dynasty is saying, 'Wait and see. We haven't applied for permits. You really need to reserve judgment.' But on the other, they're passing judgment themselves, proclaiming that there's never going to be any impact on fish. I think it's a two-way street when it comes to 'wait and see.' This is a bad place for a mine, especially this kind of a mine. Frankly, based on history of the mining industry, I don't want to wait and see."

Nor do I. We lack the space here for any comprehensive history of this sort of mining, but here are five typical examples:

Red Dog zinc and lead mine, northwest Alaska, still in operation. Zinc contamination reached 600 times the health standard. Operator Teck Cominco has been cited for 134 separate permit violations. Five years ago the National Park Service reported concentrations of toxic metals along the haul road as high as the most polluted industrial sites in Eastern Europe. Despite estimates that reclamation and water treatment will cost \$100 million, the company has posted a bond of only \$11 million.

Zortman-Landusky gold and silver mine, north-central Montana. Extensive surface and groundwater contamination. More than a dozen cyanide-waste spills, including 52,000 gallons that poisoned drinking water supplies. (A mine employee reported the spill after he detected the smell of cyanide in his home tap water.) Serious acid drainage to aquatic habitat occurred when sulfide ores were extracted. In 1998 Zortman-Landusky Mines filed for bankruptcy, sticking taxpayers with \$33 million in reclamation costs. Effluent treatment will be required in perpetuity.

Summitville gold mine, in the San Juan Mountains of south central Colorado. The company, Galactic Resources Limited, went bankrupt in 1992. Cyanide, heavy metals, and acid runoff from disturbed sulfide-bearing deposits of the sort that abound in Alaska's Ring of Fire caused a massive fish kill in Terrace Reservoir and sterilized 17 miles of the Alamosa River of aquatic life. Cleanup of this Superfund site will cost taxpayers a minimum of \$235 million.

Grouse Creek gold and silver mine, central Idaho adjacent to the largest wilderness complex in the contiguous US. In 1993, still in construction phase, it caused a major landslide, burying 100 yards of critical habitat for federally listed chinook salmon, steelhead and bull trout. Less than a year later the tailing impoundment sprang a leak. Operator, Hecla Mining, was cited for 250 toxic pollution violations. The Forest Service was obliged to post signs along Jordan Creek: "Caution, do not drink this water." In 1999, with a toxic lagoon breach imminent, the Forest Service issued a "time critical removal action." The bond posted by Hecla was \$7 million, which has left taxpayers with a cleanup cost of \$53 million for this Superfund site.

Gilt Edge gold and silver mine, west central South Dakota, in drainages of municipal water supplies for the Black Hills. Operated from 1988 to 1996 by Brohm Mining, the mine poisoned Strawberry and Bear Butte creeks with cyanide, and acid runoff wiped out fish in Ruby Gulch Creek. The \$6 million reclamation bond didn't even cover a year's worth of reclamation and treatment costs for this Superfund site.

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Maybe the best perspective on the Pebble Mine proposal comes from the most radical, anti-environmental, pro-development conservatives in America. Consider, for example, the recent spleen-venting by David Keene, chairman of the American Conservative Union, in *The Hill*, the newspaper for and about the US Congress: "The so-called environmental movement has proved itself hostile to increased energy use or production, regardless of its source. . . . Instead, they tell us, we should scale back, give up our SUV's, abandon the suburbs and accept restrictions on our lifestyle. . . . To accomplish this, the do-gooders who run the movement have built themselves a multibillion-dollar empire of advocacy groups that rely on fear to raise money."

With all the standard invective and clichés, Keene goes on to pummel the vile and ubiquitous enviros for opposing oil drilling in the Arctic National Wildlife Refuge. And then he makes charges that, while also false, are utterly fascinating and revealing: "Meanwhile, they [the enviros] have largely ignored what could be a real threat to the Alaska they claim to be so dedicated to saving. The Alaska of our dreams may not be found on the mud flats that hide the oil we so desperately need, but it can be found in the Bristol Bay watershed, where streams flow into Lake Iliamna and provide the habitat in which some 40 percent of the state's Pacific salmon breed, where the world's largest moose and brown bears are to be found alongside streams harboring the largest and scrappiest trout on the continent. . . . The environmental lobby hasn't gotten involved because it senses there is more money to be raised attacking our addiction to oil and SUV's and the people who run the oil companies than by taking on an obscure Canadian mining operation that may actually be putting the Alaska of our dreams at risk."

Then there are the admonitions of Sen. Ted Stevens (R-AK), one of the angriest and shrillest anti-environmentalists in Congress whose typical response to people questioning slap-dash development is to scream "Liar," and who, until now, never saw a mine he didn't like. Listen to Stevens, as quoted by Alaskan media: "If this was some essential commodity that we absolutely had to have to run our economy, it would be a different matter; and even then I would want to have a lot better attention being paid to the environmental process. But this one, I just don't like it. . . . We really don't know what's happening with the reproductive capability of those streams out there. . . ."

"I'm not going to change, and I hope people will listen to us. That resource is an enormous resource not just for the Native people but for the Bristol Bay run, and it ought not be tampered with by a gold mine. . . . If that makes me a turncoat from being an extreme developer, so be it. . . . They [Northern Dynasty] are hiring people from all over the place to criticize me, to fly back to Washington to talk to everybody about my opposition to this mine. . . . My old friends in the mining industry. . . are ready to put a red-hot poker to my throat."

Shortly before he died in 2005 Jay Hammond--former Alaska governor and scarcely a better friend to the environment than the current one--published this "clarification" in the *Kodiak Daily Mirror*: "I had said I could think of no place in Alaska where I'd less rather see the largest open pit mine in the world than at the headwaters of the Kaktuli and Talarik Creek, two world-class fishing streams and wild salmon spawning areas. . . . There is a location where I'd even less wish to see such a mine: right in the middle of our living room floor at Lake Clark."

Job-starved as they are, loud opposition issues from more than 70 percent of local residents and, in the form of strongly worded resolutions, from most municipalities and native corporations and councils.

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All this bile from all these unlikely sources leaves me energized and hopeful. Finally, Scott Brennan, of Alaskans for Responsible Mining, makes an especially salient point: "This is anything but a done deal. To go forward the project would require enormous subsidies as well as permission to convert salmon habitat to industrial-waste storage facilities. There's a tremendous opportunity for people who care about this part of the world to get involved. It's still early in the processes."

As Steve Rajeff and I slip-slid down the Kvichak, years before anyone had heard of the Pebble deposit, I remember telling him that "it will take them a long time to wreck all this." Maybe I was right.