

Kennecott Eagle Minerals

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April 7, 2009

Mr. Harold R. Fitch, Chief
Office of Geological Survey
Michigan Department of Environmental Quality
Post Office Box 30256
Lansing, Michigan 48909-7756

Dear Mr. Fitch:

Subject: Waiver of Permit Processing Time

As you know, Kennecott Eagle Minerals Company (“Kennecott”) has applied for a non-ferrous metallic minerals permit under Part 632 of the Michigan Natural Resources Environmental Protection Act (“NREPA”) for the Humboldt Mill. Kennecott has also applied for permits under Parts 31 (discharges to surface water), 55 (air emissions) and 301 (fill) of NREPA in conjunction with the project.

Section 63205(15) provides that if a person submits “an application for a mining permit and one or more other permits” under NREPA, then the Department “may process the permits in a coordinated fashion.” MCL § 324.63205(15). Section 63205(15) further provides that the mine permit applicant may “waive any required timelines” under Section 63205(4)-(9) to facilitate the coordination. *Id.* Section 63205(4)-(9) includes the deadline for making a proposed decision on the mine permit application.

The Department’s requests for clarification, dated February 25, 2009, of the mine permit application highlights the inter-relatedness of the applications. In fact similar information requested has already been provided other MDEQ divisions as part of the application process for the other permits. Specifically, questions H12, H13 and N1 all dovetail with issues that will be evaluated in conjunction with the Department’s review of Kennecott’s air permit application. Similarly, questions B11, B12, B13, I1 and I2 regard issues that will be evaluated in conjunction with Kennecott’s Part 301 Inland Lakes and Streams permit application. Questions B1 through B10 concern aspects of the wastewater treatment system, and those discharges obviously relate to the NPDES permit application. In short, the need for coordination of the above mentioned permit applications is self-evident.

With this letter, Kennecott waives the deadline set forth in Part 63205(7) for the making of a proposed decision on the mine permit application that Kennecott submitted on December 26, 2009 until June 19, 2009. During this time, the Department will be able to carefully review and evaluate Kennecott’s response to the requests for clarification submitted by the Department to

Mr. Hal Fitch
Michigan Department of Environmental Quality
April 7, 2009
Page 2

KEMC in January and February. This waiver does not extend the review time beyond June 19, 2009.

In accordance with Part 63205(15), this waiver will provide sufficient time to facilitate the Department's coordinated review of the Part 31, Part 55 and Part 301 permit applications. More specifically, extending the deadline for making a proposed decision on the mine permit application to the statutory deadline for making a decision on the air permit application will allow the Department ample time to review Kennecott's answers to all the Department's questions. Once the proposed decision on the mine permit is made, the Department may process the permit from that date forward in accordance with the deadline specified in Section 63205(8)-(9).

Should you have any questions about this waiver please don't hesitate to contact Vicky Peacey or me at 906-486-1257.

Sincerely,



Jon Cherry
General Manager

cc: Mr. Joe Maki, MDEQ
Gene Smary, Warner Norcross and Judd
Steve Donohue, Foth Infrastructure & Environment
Vicky Peacey, Kennecott Eagle Minerals Company
Alicia Duex, Kennecott Eagle minerals Company

File: EC-Humboldt-MPA-Corres to MDEQ

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