

## MINUTES

### REGULATORY POLICY SUBCOMMITTEE COMMITTEE ON MICHIGAN'S MINING FUTURE

Virtual Teams Meeting

November 12, 2020, 1:00 pm – 3:00 pm

#### **Roll Call**

Sean Hammond – present

Jim Kochevar – present

Jerry Maynard – present

Kirk Lapham – present

Adam Wygant – present

Hal Fitch – present

#### **Guests**

Horst Schmidt – present

Sue Hanf, Michigan Aggregates Association

Mike Cornelius, Michigan Oil and Gas Association

The meeting began at 1:03 p.m. with roll call.

#### **Mining Industry Perspective**

Sue Hanf, representative for Michigan Aggregates Association (MAA), gave an overview of MAA's concerns relating to state regulatory policy.

One of MAA's concerns are discharge limits under the NPDES program for chloride and sulfate. We try to be compliant with established limits and other permit limits as well. Getting down to levels in the permit are challenging. EGLE is considering new standards. Aggregate producers do not add any chemicals in their water removal and processing, but chloride and sulfate have high natural background concentrations in some areas of the state, particularly southeast Michigan. There are no economically feasible control methods, and even if they could reduce the concentrations in their discharges, it would result in a problem with disposal of the resulting waste stream.

Another issue is limits on hydrogen sulfide (H<sub>2</sub>S) in discharge water. H<sub>2</sub>S occurs naturally in the ground water in some areas. This is mainly a limestone mining issue. There are some control measures available, but the volume of the discharge water makes it difficult to treat for H<sub>2</sub>S.

Another issue for MAA is wetlands. MAA holds regular meetings with the Department of Environment, Great Lakes, and Energy (EGLE). Each EGLE inspector has different interpretations of wetlands. They aren't protected wetlands. How do you make wetland determination in existing farmlands? Is there historical any wetlands on farmland? How

do they determine if there is? Trying to get local extraction permits can be difficult for townships or cities. “Incidental wetlands” may be created by the mining operation, then pose a problem because some EGLE staff treat them as protected from later development or expansion for mining. Different inspectors have different interpretations. EGLE is drafting guidance for inspectors. Another concern is potential wetlands on existing farmland. Sometimes an aggregate producer wants to develop a new mine on existing agricultural land that is exempt from wetland restrictions, and then may have to undergo a wetland determination.

MAA’s third concern is over local permits. It can be very difficult to get a local permit in some jurisdictions due to local opposition to the proposed mining operation. The subcommittee discussed Senate Bill 431, which is an attempt to address this issue. It appears the bill will be taken up soon by the full Senate.

### **Review Draft Meeting Minutes of October 1, 2020, Meeting**

Sean Hammond moved to accept the October 1, 2020, meeting minutes, and Adam Wygant seconded the motion. The subcommittee approved the minutes of the October 1, 2020, meeting.

### **Review of Subcommittee Report Outline**

Hal asked if subcommittee members had any comments on the Subcommittee Report Outline Draft 1. He noted that Kirk Lapham had previously commented that we should be clear as to the meaning of “balanced regulations” in Section 1.c. of the draft—i.e., that it means balanced with respect to allowing for reasonable development while protecting the environment, health, safety, and welfare. No subcommittee members had additional comments on the draft.

One of the issues identified to be addressed in the report is “comparison to requirements in other states” – Section 1. j. An in-depth comparison would require more time and resources than the subcommittee has. The role of the subcommittee is mainly to identify related issues; we may not be in a position to make direct comparisons or recommendations. The Michigan iron industry representatives could probably compare Michigan with Minnesota—the only two states with iron production. Hal noted there are other sources—like the Fraser Institute—that can be referenced for purposes of comparisons.

Dam safety is a general issue of interest right now. It is quite relevant for mining operations, and can be treated as a subcategory of Section 1 in the report.

Jim mentioned that he didn’t get a representative for a presentation on iron mining and wondered if people were still interested. Jim is comfortable in representing the industry. Maybe we could do a comparative with Minnesota. Jim could touch on all areas of mining and compare and contrast. We have an older statute with 631 and I would like to know how it compares with Minnesota. Does Michigan need an upgrade? If we had a new mine come online, to say it’s on par with 632 would be inaccurate.

Does Fraser ranking/report get in with Michigan with iron and nonferrous? It is not split out between ferrous and nonferrous mining. Jim will check on this and get back to the committee. This has never come up before. If we had a new permit, what would people think? Iron mining is different than sulfide mining.

**New Business**

None.

**Future meeting dates**

The next meeting of the subcommittee is December 10, 2020, from 1:00-4:00 p.m. Sean Hammond is in the process of lining up presenters from the environmental community and local government. Jim Kochevar said he could line up additional industry representatives if the subcommittee needed additional input. It was noted that we may discover we need additional information as we progress in the report-writing phase.

The subcommittee agreed on an additional meeting date of January 20, 2021, at 1:00 p.m.

**Public Comments**

None.

**Adjournment**

The meeting was adjourned at 1:52 p.m.