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Testimony

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Mr. Chair and Members, thank you for the opportunity to testify today. My name is Julie Padilla, and I serve as the Chief Regulatory Officer for Twin Metals Minnesota.

Twin Metals Minnesota (Twin Metals) is a Minnesota company focused on the development, construction, operation and closure of a modern underground copper, nickel, cobalt and platinum group metals mining project in northeast Minnesota near Ely and Babbitt. To date, Twin Metals has invested over \$530 million in exploration, drilling, environmental studies and engineering; all to deliver a mine plan that reflects our commitment to be a model for future mining in the region. In 2021, the Twin Metals Project was ranked as a top 10 global copper project and a top 10 global nickel project.

The Twin Metals Project brings the promise of a significant number of long-term jobs as well as environmentally responsible economic development in the region. In 2019, Twin Metals executed a Project Labor Agreement with the Iron Range Building and Construction Trades Council, committing to union labor for the construction of the Twin Metals Project. Once operational, the mine will provide long-term job opportunities supported by wages that sustain families in an area that has experienced economic decline for the past several decades.

Twin Metals spent a decade ahead of formally submitting its mine plan to regulators to ensure that what we were bringing was a model mine for the future, incorporating best available technology. We got smaller, more sustainable, and more efficient. The mine plan we submitted in December of 2019 represents a mine sensitive to the area in which we propose to operate.

The project is designed with a host of built-in, proven environmental protection measures. Twin Metals will use dry stack tailings management, considered the best and most environmentally friendly tailings technology in the industry, which means there is no need for a tailings basin or any related dams, and therefore, no potential for a dam failure. Mining underground at depths between 400 and 4,500 feet and use of dry stack tailings management allows the project to minimize the surface footprint, sized at 1/10th of a traditional open pit mine with similar production capacity and conventional tailings. Ore crushing will occur underground, and the mining operation will process 20,000 tons of ore per day, with a mine life of 25 years.

Due to the unique geology, the mining and processing methods Twin Metals will use, and the storage of waste rock underground, **there will be no potential for acid rock drainage.** The mine will not discharge process water and is designed to not require discharge of contact water.

Water used in the mineral concentration process will be reused on site. The project is on track to become a net zero operation through its incorporation of an electric mining fleet, use of renewable energy and the potential for mine ventilation heat recovery. The company is also advancing research and testing work to implement a carbon sequestration program through its tailings.

The Twin Metals Project targets the minerals within the Maturi deposit, part of the Duluth Complex geologic formation in northeast Minnesota. It is the largest undeveloped copper-nickel deposit in the world. The project ranks among the top 10 copper and nickel projects in the world because of its potential to meet the needs of the future and its value compared to other mines in development globally.

The responsible development of the Duluth Complex is critical in advancing several of our nation's most pressing public policy issues, such as tackling the climate crisis — green energy relies enormously on these minerals — bolstering national security, shoring up domestic supply chains and creating American jobs. The Duluth Complex contains approximately 95% of U.S. nickel resources, 88% of its cobalt, 75% of its platinum group metals and about a third of its copper.

Northeast Minnesota is poised to become a global leader in the sustainable extraction of these raw materials that are fundamental elements of the technologies and infrastructure needed to address our nation's priorities, under the highest environmental standards in place.

The Withdrawal Proposal requested by the United States Forest Service (USFS) should be canceled. It contravenes law and long-standing policy and is not supported by science. It also completely contradicts several of the administration's priorities, such as bolstering long-term national and economic security through a resilient supply chain, addressing the climate crisis and creating American jobs.

The Withdrawal Proposal, if successful, will impede the country's ability to achieve the administration's highest priority goals, which are to put the United States on a path to achieve net-zero emissions economy-wide by no later than 2050, and to immediately act to strengthen American supply chains promote economic security, national security, and good-paying, union jobs here at home. Rather than wasting public time and dollars on analyzing an ill-conceived mining ban, the federal government should focus its resources on gaining the knowledge needed to ensure that critical minerals can be obtained from northeast Minnesota through modern mining techniques in a manner protective of the Boundary Waters Canoe Area Wilderness (BWCAW). The opportunity for the federal government to do that is available today through a thorough environmental review of the Twin Metals project proposal that is already on the table.

Potential environmental impacts of any mining project vary greatly based on the unique geology, surrounding environment and mine management and operations. It is inappropriate to make assumptions without a full analysis of a specific mine plan and materials characterization program. To do so would set a dangerous precedent based on politics, versus science and fact.

The Withdrawal Proposal does not take into consideration currently available science and decades of environmental review, agency decision making, and past practice, which demonstrate that mineral development is a desired condition within the Superior National Forest outside of the BWCAW and the state and federal mineral buffer zones. The Withdrawal Proposal ignores the USFS's own statements regarding how best to understand potential impacts of projects. In 2005, addressing the National Forest Management Act (NFMA), the USFS stated:

Over the course of implementing NFMA during the past 25 years, the agency has learned that environmental effects of projects and activities cannot be meaningfully evaluated without knowledge of the specific timing and location of the projects and activities. See 70 Fed. Reg. 1023, 1031 (Jan. 5, 2005) (emphasis added).

Rather, the Forest Service “can most efficiently and appropriately evaluate and analyze the environmental consequences of an array of potential projects and activities when those matters reach the status of a proposal.” *Id.* at 1041 (emphasis added).

What is distinctly different today than in 2017 when the USFS last attempted a mineral withdrawal in the area is the BLM and USFS have a specific proposal from Twin Metals to analyze, which according to the USFS, is the most effective and appropriate way to determine potential project impacts.

A project-specific review would better serve the public interest than a generic environmental assessment done on speculative and hypothetical circumstances. The most powerful and accurate review will be produced by review of the Twin Metals Project, which is already in the scoping process at the state and federal levels.

Twin Metals does not assert that all potential mining projects in the region should be approved without thorough analysis. Each mine proposal should go through the rigorous and well-established regulatory review process to assess its potential impacts and to determine whether it can meet all regulatory standards.

No project, whether it is a copper-nickel mine, a taconite mine, or any other type of development, is allowed to degrade the Boundary Waters under current law. A rigorous and thorough environmental review and permitting process should be followed to ensure that any project can meet that standard. We continue to expect to be granted that opportunity. That is the only way to both meet our future domestic mineral needs as well as protect the environment. Thank you for your time today.