



November 26, 2013

Tamara E. Cameron
Chief, Regulatory Branch
US Army Corps of Engineers- St Paul District
180 Fifth Street East, Suite 700
St. Paul, MN 55101

Subject: Memorandum of Understanding and Concept of Joint EIS for Potential Mining Activity

Dear Ms. Cameron:

In response to Gogebic Taconite's (GTAC's) Preapplication Notice, our two agencies have had informal conversations and meetings to discuss the potential mine project and the environmental review process. We have also had conversations about what would be required for a joint federal/state Environmental Impact Statement (EIS).

We anticipate meeting with the company in early December to discuss a preliminary outline for an Environmental Impact Report (EIR) and to discuss data needs for a state EIS and permit application process. We hope that you and a representative from the U.S. Environmental Protection Agency (USEPA) will be able to attend these meetings.

Under s. 295.465(5), Wis. Stats., the Department is required to seek to enter into a memorandum of understanding (MOU) with any federal regulatory agency with responsibilities related to a potential ferrous mining operation. The MOU may cover, among other things, timelines, sampling methodology, and any other issue of mutual concern related to processing an application for a mining permit.

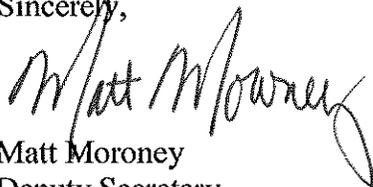
In the attached letter from GTAC, dated October 31, 2013, the company specifically inquires about the status of interagency discussions on an MOU related to processing a mining application. Pursuant to s. 295.465(5), Wis. Stats., the Department formally seeks to understand your interest in entering into an MOU that would outline issues of mutual concern related to the environmental review process for an application for a mining permit.

Under s. 295.53(4)(e), Wis. Stats., the Department is required to conduct its environmental review process jointly with any federal or local agency that consents to a joint environmental review process. As the lead federal agency for review of proposed mining activity, we will look to the US Army Corps of Engineers for guidance on any other federal agencies that may wish to be a part of an MOU or coordinated review process. Pursuant to s. 295.53(4)(e), Wis. Stats., the Department formally seeks to

understand your interest in entering into an MOU or agreement regarding a joint state/federal EIS for the project described in GTAC's preapplication notice.

Our goal is to coordinate with the US Army Corps of Engineers and other federal agencies wherever possible. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Matt Moroney". The signature is written in a cursive style with a large, sweeping flourish at the end.

Matt Moroney
Deputy Secretary

Attachment (1)



October 31, 2013

Mr. Larry Lynch
Wisconsin Department of Natural Resources
Division of Air, Waste and Remediation
P. O. Box 7921
Madison, WI 53707-7921

RE: Request for Pre-Application Meeting
Wis. Stat. § 295.465

Dear Mr. Lynch:

On June 17, 2013, Gogebic Taconite, LLC ("GTAC") filed its Pre-Application Notification of its intention to file an application for a mining permit under Wis. Stat. § 295.47. In addition to filing its Pre-Application Notification, pursuant to Wis. Stat. § 295.465, GTAC filed its Pre-Application description of its proposed mining project, pursuant to Wis. Stat. § 295.46. Pursuant to Wis. Stat. § 295.465(1), GTAC also provided notice to the U.S. Army Corp of Engineers ("ACOE") of its intention to file an application for a mining permit.

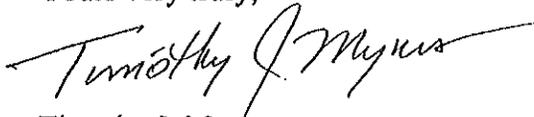
Pursuant to Wis. Stat. § 295.465(1), after receiving GTAC's Pre-Application Notification, the Department is required to hold at least one meeting with GTAC "to make a preliminary assessment of the project's scope, to make an analysis of alternatives, to identify potential interested parties, and to ensure that [GTAC] is aware" of the approvals GTAC will need for the mining project. Additionally, the Department is required to discuss with GTAC the environmental impact report ("EIR") GTAC will need to prepare and other information the Department will require to prepare an environmental impact statement ("EIS"), and all other information the Department will need for the application process. GTAC would like to commence the process of meeting with the Department during the week of December 2, 2013 and continuing thereafter with meetings to discuss the foregoing information that will enable the Department to provide GTAC with the information the Department is required to provide under Wis. Stat. § 295.465(2) within 60 days of the meetings held during December 2, 2013. Please provide a schedule for the week of December 2 for the meetings the Department would like to take place between the Department and GTAC to fulfill the requirements of Wis. Stat. §§ 295.465(1) and (2).

After having received GTAC's Pre-Application Notification, the Department was required to "seek to enter into a memorandum of understanding ("MOU") with any federal agency with responsibilities related to the potential mining operation covering timelines, sampling metrology, and any other issue of mutual concern related to processing an application for a mining permit." Wis. Stat. § 295.465(5). Please let me know the status of the Department's contact with such federal regulatory agencies toward entering into an MOU. Pursuant to Wis. Stat. § 295.465(4), GTAC has met with representatives of the ACOE and will be having follow-up meetings. We would like to know the status of the MOU when we meet next with the ACOE.

To facilitate discussion at our meetings with the Department, I am enclosing an outline based on recent federal Environmental Impact Statement (EIS) formats. We believe it would be useful to discuss the attached outline for purposes of the Department preparing a joint EIS with the ACOE under an MOU between the Department and the ACOE. The information in the enclosed outline appears consistent with the information set forth in Wis. Stat. § 295.53 pertaining to the Wisconsin requirements for an EIR and an EIS for purposes of a mining project.

If you have any questions or concerns regarding this request, please contact me at your earliest convenience.

Yours very truly,

A handwritten signature in black ink that reads "Timothy J. Myers". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Timothy J. Myers
Engineer

Proposed EIR Format Based on Federal EIS Documents

Executive Summary

1.0 Introduction

- 1.1 Project Overview**
- 1.2 Purpose and Need**
- 1.3 About the Proposer**
- 1.4 EIS Purpose and Overview**

2.0 Government Approvals

- 2.1 United States Army Corps of Engineers**
 - 2.1.1 Section 404 Clean Water Act**
 - 2.1.2 Section 7 Endangered Species Act Consultation with U.S. Fish and Wildlife Service**
 - 2.1.3 Section 106 National Historic Preservation Act Determination for Historic Properties**
- 2.2 United States Environmental Protection Agency**
- 2.3 Wisconsin Department of Natural Resources**
- 2.4 Local Approvals**

3.0 Proposed Action and Alternatives

- 3.1 Existing Conditions**
- 3.2 No Action Alternative**
- 3.3 Proposed Action Alternative**
 - 3.3.1 Introduction**
 - 3.3.2 Proposed Project**
 - 3.3.2.1 Mineral Resources**
 - 3.3.3 Mine and Facility Plan**
 - 3.3.3.1 Waste Rock and Overburden Stockpiles**
 - 3.3.3.2 Haul Roads, Plant Access and Rail**
 - 3.3.3.3 Processing**
 - 3.3.3.4 Tailings Basin**
 - 3.3.4 Water Management**
 - 3.3.5 Air Emissions**
 - 3.3.6 Proposed Project Summary**
 - 3.3.7 Closure and Mine Land Reclamation**
 - 3.3.8 Project Schedule**
 - 3.3.9 Connected Actions**
- 3.4 Site Alternatives**
 - 3.4.1 Alternative Mine Pit**
- 3.5 Modified Designs or Layouts**

- 3.5.1 Plant and Pit Location on Site
- 3.5.2 Tailings
- 3.5.3 Stockpile Design and Location
 - 3.5.3.1 Design
 - Stockpile Concepts Considered*
 - Comparison of Concepts*
 - Conclusions of the Alternative Stockpile Location Analysis*

3.6 Modified Scale or Magnitude Alternatives

3.7 Past and Reasonably Foreseeable Actions in the Project Vicinity

- 3.7.1 Governmental Actions
- 3.7.2 Private Actions
- 3.7.3 Future Private Actions

4.0 Affected Environment and Environmental Consequences

4.1 Surface Water Resources

- 4.1.1 Water Levels
 - 4.1.1.1 Affected Environment
 - Lakes*
 - Streams*
 - 4.1.1.2 Environmental Consequences
 - 4.1.1.3 Monitoring and Mitigation
 - Monitoring*
 - Mitigation*
- 4.1.2 Fisheries and Aquatic Resources
 - 4.1.2.1 Affected Environment
 - Lakes*
 - Streams*
 - 4.1.2.2 Environmental Consequences
 - Lakes*
 - Streams*
 - 4.1.2.3 Monitoring and Mitigation
 - Monitoring*
 - Mitigation*

4.2 Wildlife Resources

- 4.2.1 Affected Environment
 - 4.2.1.1 Existing Conditions
 - 4.2.1.2 Existing Land Cover and Plant Communities
 - 4.2.1.3 Existing Wildlife
- 4.2.2 Environmental Consequences
 - 4.2.2.1 Proposed Action Alternative
- 4.2.3 Mitigation Opportunities
 - 4.2.3.1 Mitigation

4.3 Threatened and Endangered Species

- 4.3.1 Affected Environment
 - 4.3.1.1 Regulatory Framework
 - 4.3.1.2 Existing Conditions

Plants

Animals

4.3.2 Environmental Consequences

4.3.2.1 **Plants**

4.3.2.2 **Animals**

4.3.3 Mitigation

4.3.3.1 **Plants**

4.3.3.2 **Animals**

4.4 Water Quality

4.4.1 Wastewater

4.4.1.1 **Affected Environment**

Regulatory Framework

Sanitary Wastewater

Process Wastewater and Water Treatment

4.4.1.2 **Environmental Consequences**

4.4.1.3 **Monitoring and Mitigation**

Monitoring

Mitigation

4.4.2 Surface Water Runoff.

4.4.2.1 **Affected Environment**

4.4.2.2 **Environmental Consequences**

4.4.2.3 **Mitigation Opportunities**

4.4.3 Erosion and Sedimentation

4.4.3.1 **Affected Environment**

4.4.3.2 **Environmental Consequences**

Mine Pit

Stockpiles

4.4.3.3 **Mitigation Opportunities**

4.5 Groundwater Resources

4.5.1 **Affected Environment**

4.5.2 **Environmental Consequences**

4.5.3 **Monitoring and Mitigation**

4.6 Wetlands

4.6.1 **Affected Environment**

4.6.1.1 **Existing Conditions**

4.6.1.2 **Regulatory Framework**

4.6.1.3 **Wetland Classification System Descriptors**

4.6.1.4 **Wetland Functional Assessment Methodology**

4.6.1.5 **Summary of Wetland Functional Ratings**

4.6.2 **Environmental Consequences**

4.6.2.1 **Proposed Action Alternative**

Potential Direct Impacts

Potential Indirect Impacts

4.6.3 **Monitoring and Mitigation**

4.6.3.1 **Mitigation of Direct Wetland Impacts**

4.6.3.2 **Monitoring and Mitigation for Indirect Impacts**

4.6.3.3 **Monitoring and Mitigation for Temporary Impacts**

4.7 Wild Rice

4.7.1 **Introduction**

- 4.7.2 **Wild Rice as a Resource**
 - 4.7.2.1 **Chippewa Indian Cultural Value**
 - 4.7.2.2 **Economic Value**
 - 4.7.2.3 **Environmental Value**
 - 4.7.2.4 **Preferred Habitat and Life Cycle**
- 4.7.3 **Regulatory Framework**
- 4.7.4 **Affected Environment**
- 4.7.5 **Environmental Consequences**
- 4.7.6 **Monitoring and Mitigation**
- 4.8 **Stationary Source Air Emissions**
 - 4.8.1 **Emissions Inventory and Calculation of Emissions**
 - 4.8.1.1 **Affected Environment**
Existing Conditions
 - 4.8.1.2 **Environmental Consequences**
 - 4.8.1.3 **Mitigation Opportunities**
 - 4.8.2 **Fugitive Dust Control**
 - 4.8.2.1 **Affected Environment**
Fugitive Dust Emissions Control Plan
Tailings Basin Fugitive Dust Observed Impacts
 - 4.8.2.2 **Environmental Consequences**
Proposed Action Alternative
Tailings Basin Fugitive Dust Predicted Impacts
 - 4.8.2.3 **Mitigation Opportunities**
 - 4.8.3 **BACT Review**
 - 4.8.3.1 **Affected Environment**
 - 4.8.3.2 **Environmental Consequences**
 - 4.8.3.3 **Mitigation Opportunities**
 - 4.8.4 **MACT Compliance**
 - 4.8.4.1 **Affected Environment**
 - 4.8.4.2 **Environmental Consequences**
 - 4.8.4.3 **Mitigation Opportunities**
 - 4.8.5 **Class I Area Impacts Analysis**
 - 4.8.5.1 **Affected Environment**
 - 4.8.5.2 **Environmental Consequences**
 - 4.8.5.3 **Mitigation Opportunities**
 - 4.8.6 **Class II Area Impacts Analysis**
 - 4.8.6.1 **Class II Modeling Methodology**
Nearby Facility Emission Sources
Background Concentrations
 - 4.8.6.2 **Affected Environment**
 - 4.8.6.3 **Environmental Consequences**
 - 4.8.6.4 **Mitigation Opportunities**
 - 4.8.7 **Mercury Emissions/Mercury Balance/TMDL Implementation Plan Compliance**
 - 4.8.7.1 **Background**
 - 4.8.7.2 **Mercury Emission Rates from the Proposed Project**
 - 4.8.7.3 **Environmental Consequences**
 - 4.8.7.4 **Mitigation Opportunities**

- 4.8.8 Human Health Risk Assessment
 - 4.8.8.1 Methodology
 - 4.8.8.2 Environmental Consequences
 - 4.8.8.3 Risk Assessment Uncertainties

4.9 Land Use

- 4.9.1 Affected Environment
- 4.9.2 Environmental Consequences
- 4.9.3 Mitigation Opportunities

4.10 Cover Types

- 4.10.1 Affected Environment
- 4.10.2 Environmental Consequences
 - 4.10.2.1 Cover Types
 - 4.10.2.2 Farmland Soils
 - 4.10.2.3 State and County Forest Lands
- 4.10.3 Consequences
- 4.10.4 Mitigation Opportunities

4.11 Visual Impacts

- 4.11.1 Affected Environment
- 4.11.2 Environmental Consequences
- 4.11.3 Mitigation Opportunities

4.12 Infrastructure and Public Services

- 4.12.1 Affected Environment
- 4.12.2 Environmental Consequences
 - 4.12.2.1 Roadways
 - 4.12.2.2 Railroads
 - 4.12.2.3 Gas Pipeline
 - 4.12.2.4 Electrical Transmission Lines
 - 4.12.2.5 Water and Sanitary Sewer Services
 - 4.12.2.6 Socioeconomic Impacts on Infrastructure
- 4.12.3 Mitigation Opportunities

4.13 Socioeconomics

- 4.13.1 Affected Environment
 - 4.13.1.1 Population Trends
 - 4.13.1.2 Minority and Low-Income Populations
 - 4.13.1.3 Employment Trends
 - 4.13.1.4 Economic Development
- 4.13.2 Environmental Consequences
 - 4.13.2.1 Proposed Action-Related Impacts
 - Economic Development Impacts*
 - Tax Revenue Impacts*
 - Demand for Public Services*
 - Minority and Low-Income Populations*
 - 4.13.2.2 Cumulative Effects
 - Employment Impacts*
 - Housing Impacts*
- 4.13.3 Mitigation Opportunities
 - 4.13.3.1 Proposed Project-Related Impacts

4.13.3.2 Cumulative Effects

4.14 Amphibole Mineral Fibers

4.14.1 Affected Environment

4.14.1.1 Existing Conditions

4.14.1.2 Mineral Fibers Study

4.14.2 Environmental Consequences

4.14.3 Mitigation Opportunities

5.0 Cumulative Effects TBD

5.1 Surface Water Resources

5.2 Wild Rice Resources

5.3 Threatened and Endangered Species and Species of Concern

5.4 Wetlands

5.5 Water Quality

5.6 Air Quality

6.0 Agency Roles and Responsibilities

6.1 EIS Participant Roles

6.1.1 Wisconsin Department of Natural Resources

6.1.2 U.S. Army Corps of Engineers

6.1.3 U.S. Environmental Protection Agency

6.1.4 U.S. Fish and Wildlife Service

6.1.5 Federally Recognized Indian Bands

6.1.6 State Historic Preservation Office

6.2 Clean Water Act Section 404 Permitting

6.3 Public Participation

6.3.1 List of Agencies, Organizations and Individuals to Whom Copies of Mitigation Opportunities

6.3.1.1 Cover Types

6.3.1.2 Farmland Soils

6.3.1.3 State and County Forest Lands

6.4 Geologic Hazards and Soil Conditions

6.4.1 Affected Environment

6.4.2 Environmental Consequences

6.4.3 Mitigation Opportunities

6.5 Solid Wastes, Hazardous Wastes, and Storage Tanks

6.5.1 Affected Environment

6.5.2 Environmental Consequences

6.5.2.1 Solid Waste and Hazardous Waste

6.5.2.2 Storage Tanks

6.5.3 Mitigation Opportunities

6.6 Traffic Impacts

6.6.1 Affected Environment

6.6.2 Environmental Consequences

6.6.3 Mitigation Opportunities

6.7 Odors, Noise, and Dust

6.7.1 Affected Environment

6.7.2 Environmental Consequences

6.7.3 Mitigation and Monitoring Opportunities

6.8 Historic Properties

6.8.1 Regulatory Framework

6.8.2 Affected Environment

6.8.3 Environmental Consequences

6.8.4 Mitigation Opportunities

6.9 Federal Trust Responsibilities to Indian Tribes

6.9.1 Regulatory Framework

6.9.1.1 Federal Trust Doctrine

6.9.1.2 Treaties and Treaty Rights

6.9.2 Affected Environment

6.9.2.1 Resources Important to the Chippewa Indians

6.9.3 Environmental Consequences

6.9.3.1 Resources Important to the Chippewa Indians

6.9.4 Mitigation Opportunities

6.10 Designated Parks, Recreational Areas or Trails

6.10.1 Affected Environment

6.11 Environmental Report Are Sent

7.0 List of Preparers

8.0 References