

# Mining Times

## Executive Director Tom Hopgood

The summer has seen lots of activity at the Montana Mining Association. Our Annual Meeting on May 29 and 30 at Fairmont Hot Springs was well-attended and generated much needed revenue for the Association as well as the Mine PAC. Thanks to all of those who made it a success!

We continue to be actively engaged in the deliberations of the Water Policy Interim Committee, the Environmental Quality Council and the Nutrient Working Group. An item added to our plate is the governor’s Sage Grouse Advisory Council. The Council is devising a plan to protect sage grouse habitat in Montana in an effort to avoid having sage grouse listed as an endangered species under the Endangered Species Act.

Last week I made a presentation to the Conference of Western Attorneys General titled “Green Mines are Gold Mines.” The talk was well-received and a copy is being posted to our website. We remain politically active by making early bird PAC contributions to those legislators who were particularly helpful to the natural resources industries in the recent legislative session.

With former Gov. Schweitzer opting out of a run for the US Senate, the field is wide open. Several republicans as well as democrats have announced their interest in running for the office.

The MMA’s committees are working through the summer, developing ideas for consideration as part of the Association’s ongoing Strategic Planning process. The next Strategic Planning session is set for September 11 and 12. The Planning Session will be held in conjunction with the quarterly MMA board meeting.

### Upcoming Meetings:

- August 7th– Education 10 AM (conference call)
- August 8th– Safety and Health 9 AM (Conference call)
- August 12th– Legislative 9 AM (Red Lion)
- August 12th– Environmental 10:30 AM (Red Lion)
- August 12th– Sage Grouse 1pm (Red Lion)
- August 15th– Membership 2pm (Conference Call)
- September 11-12th– Vision Planning (TBD)

### Special points of interest:

- > 2013 Annual Meeting Wrap Up
- > 63rd Legislative Session Summary
- > Committee updates

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## 2013 Annual Meeting WRAP -UP

The 2013 MMA Annual Meeting has officially come to an end and with that surveys went out to all members asking for feedback on their experience this year. We have received wonderful responses and have received some really nice suggestions on how to better next year's annual meeting. It will be hard to out do the numbers we had this year but we are committed to making next year's experience even better.

This year's attendance approached 300 and with 39 vendors we are excited about the potential to see more involved next year. Golf had 100 plus participants and the tour had 40 plus participants.

Next year's exhibitors will have the potential to exhibit outside or inside and also have the ability for "large" equipment to be brought in.

This year the MMA Education Committee was able to present 2 of the 3 winners of the 1st MMA Essay Contest their prizes and the audience was able to enjoy hearing those essays read aloud by the writers. (To get a copy of the essays please see the 2013 MMA Magazine). Kristen Piippo of Drummond and Siri Pederson of Lewistown were invited to bring their family with them to enjoy a nice dinner and a night at Fairmont for their accomplishments.

Featured Speaker Michael Silver ended the MMA Annual Meeting with his talk on Critical Metals & American Jobs in the 21st Century. He was well received by those in attendance and he stated he had enjoyed getting to meet and listen to the MMA's updates and learn more about mining in Montana. His talk is available on the MMA website, [www.montanamining.org](http://www.montanamining.org).

Planning has already started for the 2014 Annual Meeting which is slated for May 29-30 at Fairmont Hot Springs. Golf Tournament will again be held at Old Works Golf Course.

With the number of attendees this year we are looking to have entertainment next year as well as a featured speaker.

If you have any suggestions for the MMA on how to improve the annual meeting please contact the office at [info@montanamining.org](mailto:info@montanamining.org).

We hope to see all of you at the 2014 Annual Meeting and look forward to another great year ahead of us.

### Golf Winners at the Annual Meeting

1st Place Team: Jared Senn, Eric Stromsodt, Bobby Johnston and Vince Scartozzi

2nd Place Team: Paul Lammers, Dennis Morelock, Robert Neihart and Ryan Morris

3rd Place Team: Dustin McGillvray, Jim Spanos, Chad Jefferson and Tom Carter

Closest to the Pin 1st Shot on 4 hole: Nate Lester

Closest to the Pin 1st Shot on 17th Hole: Bob Johnston

Closest to the Pin 2nd Shot on 8th hole: Tom Sullivan

Closest to the Pin 2nd Shot on 2nd Hole: Jim Spanos

Closest to the Pin 2nd Shot on 12th Hole: Robert Neihart

Closest to the Pin 2nd Shot on 16th Hole: Chad Jefferson

Closest to the Pin 3rd Shot on 6th Hole: Skyler Willard

Closest to the Pin 3rd shot on 15th Hole: Nathan Kutil

Shortest Drive Men: Charles Stabb

Shortest Drive Women: Lori McCurry

Longest Drive Men: Bob Jacko

Longest Drive Women: Lori McCurry

Longest Putt on 5th Hole: Sam Graham

Longest Putt on 18th Hole: Robert Neihart



## Report of 2013 Montana Legislature

By Tammy Johnson and Tom Hopgood

Montana's citizen legislature is a hardworking bunch of folks, devoting significant hours and commitment to a marathon 90-day session during which the body reviews and makes decisions on well over 1000 pieces of legislation. The MMA thanks all 150 members of the Montana Legislature and the legislative staff for their dedication and resolve.

While one might assume that specific pieces of legislation dealing directly with mining are the sole focus of those who advocate on behalf of this great industry, there are many pieces of legislation that must be watched and reviewed. The breadth of the issues is wide and includes such matters as local land use processes, business equipment tax rates, the corporate tax structure and rates, tax abetments or reductions for pollution control equipment, water usage, quality and availability, eminent domain, worker's compensation, economic impact statements, safety training, environmental review, climate change and the list goes on (and on, and on...). The MMA and member companies tracked over 70 specific bills throughout the session and reviewed over 2000 introduced and un-introduced legislative requests.

The MMA had active and engaged legislative/environmental committees which steered the ship and provided great information and technical knowhow. The MMA legislative executive committee was nimble, responsive, and knowledgeable. Certain people deserve to be singled out for a public thank you for their exceptional work throughout the process. Those include John Beaudry, Stillwater Mining Co; Mark Thompson, Barrick Golden Sunlight Mine; Doug Parker, Hydrometrics.; Terry Grotbo and Doug Rogness, Newfields; Greg Gannon, Holcim; Paul Lammers, Revett Minerals; K.D. Feeback, Gough, Shanahan, Johnson and Waterman; Ted Antonioli, Robin McCullough, and Gene Nelson. Without these individuals' willingness to work on the crafting of legislation, patient explanations, service to the committees and overall leadership, the MMA would not have fared as well as it did.

So how did the MMA fare? As is typical, there were high points and low points but overall, pretty well. We were able to protect the previous session's gains and did not see the erosion of our ability to permit operations and the Montana Environmental Policy Act was not tinkered with. Some gains were made in overall business climate with the passage of several tax bills which should have positive effects. Onerous propositions were defeated, and in some cases, the status quo was maintained.

The Montana Mining Association's Legislative Committee identified a few areas of Montana law that did not serve the industry well and sought changes to existing law. One such area was the need to allow for the temporary leasing of small quantities of water to be used for short periods of time to primarily assist with exploration drilling. An amendment was prepared and offered to HB 37, a bill brought at the request of the Department of Natural Resources and Conservation and sponsored by Bill McChesney (D) Miles City, which would allow a temporary change of use of a water right through a lease. The amendment sought to obtain the ability to change a point of diversion where the temporary lease was for a quantity not to exceed 35 gpm and/or 10 afy, provided the lessor obtained written waivers from intervening water holders, the point of diversion was on the same surface water source, and was located as close as reasonably practical to the existing point of diversion.

Unfortunately, the MMA amendment was soundly rejected. As holders of water rights, we respect, and attempted to preserve, the integrity of the system with our legislation. The Association sought to acknowledge the ownership of the water, agree to pay for a temporary lease of water, but request the ability to temporarily change the point of diversion, with no harm to any water right holder for very small amounts of water for short periods of time. This remains an important issue for our members and the MMA will continue the conversation during the interim with the appropriate committees and through dialogue with the DNRC and water right holders. Perhaps there will be an opportunity to resolve this issue in a future legislative session. In spite of our amendment being rejected, the MMA continued to support HB 37. There is benefit to other natural resource industries and possibly a small benefit to mining.

Discussions surrounding a second important issue for mining began during the summer of 2012 but evolved substantially during the legislative session. The issue is whether or not increase or decrease in flow of state waters should remain regulated under the

## Report of 2013 Montana Legislature (cont.)

states non-degradation statutes. Ultimately, after meeting with many interested parties and regulatory agencies, SB 347 developed and was introduced. SB 347 continued to evolve at every juncture, being amended in the Senate Natural Resource Committee, on the Senate floor, and in the House Natural Resource Committee. SB 347 provides that flow is not significant under Montana's non-degradation statutes and rules, provided that either a valid water right for beneficial use is held, or that the change in flow does not significantly harm a fish population. The revisions to statute did not change laws and rules with regard to discharges. Senator Chas Vincent (R) Libby, was the sponsor SB 347 and did a tremendous amount of work trying to bring everyone together on this issue. SB 347, would have declared that flow, in and of itself, is not a pollutant. The bill was ultimately vetoed by Gov. Steve Bullock. The veto was sustained by a post-session poll of legislators.

Upon the adjournment of the 63<sup>rd</sup> Montana Legislative Session, our work does not end. Several interim committees will take up important issues for Montana's mining industry. Ensuring the present and future ability of the membership to operate in a responsible and profitable manner requires year-round diligence. It has been a pleasure to serve the industry throughout the legislative session and we look forward to continued engagement and attentiveness in the months to come.

### Committee Updates

#### **Membership Committee:**

The Membership Committee has had a great 2013 and we are starting to see a lot more participants in this committee. The committee started a challenge at the end of 2012 to see which Producer Member could sign up as many employees as they could. The Membership Committee is proud to announce that Holcim-Trident (US) has won that challenge and will be treated to a luncheon sponsored by the MMA. At this time Holcim has signed up 71 out of 78 employees at their plant. Congrats to Holcim!!!

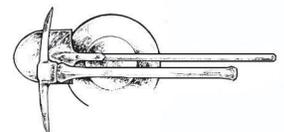
This committee has also requested each producer turn in a top 20 vendor list. The producers that turned in their vendor lists were then asked to send a letter to those vendors that were not members of the MMA encouraging them to join the MMA. At this time the Troy Mine has been very successful in getting new members to the MMA. The Membership Committee will be revisiting this project in the Fall and making another letter of request to these vendors.

The Membership Committee also completed another part of their Strategic Goal in developing a membership directory. The Membership Directory was distributed in May to all current members of the MMA and was given out to those in attendance at the Annual Meeting. This directory will be revisited yearly and produced every other year. If you have a suggestion for this directory or would like another copy please let the office know at [info@montanaming.org](mailto:info@montanaming.org).

#### **Education Committee:**

First a big thanks to past Committee Chair Deb Shea for all her work and inspiration of getting the Education Committee off to a great start the past couple of years. In June, the Committee nominated and gained approval from the President and Board of Directors for Greg Gannon to be the new Committee Chair.

The Education Committee has been focused on the four main projects that were defined in the 2011 Strategic Planning Session. Those four projects are the MMA website, Ambassador Program, Essay Contest and traveling footlockers. The website was updated in 2012 and continues to be a shining star. The Ambassador Program has been a great success in serving as a tool for the industry to promote our important business. The first annual Essay Contest took place last year with over 250 eighth grade students state wide participating. The top three contestant's articles are published in the 2013 magazine. Be sure to check these out if you have not already. In July, the Education Committee is meeting with the State Historical Society to define goals for the traveling footlockers. We look forward to the Vision Planning Session scheduled in September to further define actions and/or activities for the Education Committee



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## Committee Updates (cont.)

to address.

The Education Committee membership includes Mark Cole, Tad Dale, Tammy Johnson, Tom Hopgood, Bruce Vincent, Bruce Gilbert, Gene Nelson, Greg Gannon, Jeannie Winstrom, Jill Johnson, John Beaudry, Julia Gwinn, Laura Feist and Lisa Boettcher. If you are interested in getting involved with the Committee please let Laura know.

### **Environmental Committee:**

Members of the MMA Environmental Committee continue to actively engage with DEQ and other stakeholders regarding the numeric nutrient water quality criteria. Members participate in both the Nutrient Working group as well as the Non-Degradation Subcommittee. Numeric nutrient criteria and particularly their application under the non-degradation provisions have the potential to severely limit new mining in Montana. The 2011 legislature provided relief from nutrient limits established below the limits of technology for existing dischargers, but according to DEQ, this relief does not extend to new or expanded dischargers that would be subject to a non-degradation review. At present DEQ appears to be committed to working with MMA and other industry groups, but no clear remedy has yet been identified. DEQ has requested a tour of a potential new mine site that would be adversely affected by these regulations. Butte Highlands JV has graciously offered a tour and we are currently trying to schedule this tour for members of the Non-Degradation Subcommittee.

Montana Department of Fish Wildlife and Parks is poised to adopt rules that would attempt to manage Greater Sage Grouse and prevent their listing under the Federal Endangered Species Act. The Northwest Mining Association as well as other industry and activist groups have been tracking and commenting on this process. Laura Skaer, Executive Director of the Northwest Mining Association, was invited to speak to the MMA Environmental Committee. Because of the enormous outpouring of interest from MMA's entire membership as well as the membership of other industry groups, the talk was opened up to all interested members. Currently this meeting is scheduled for August 12<sup>th</sup>, to be held at the Red Lion Colonial Hotel in Helena, MT, from 1:00 p.m. to 5 p.m.

### **Safety and Health Committee Update**

The Safety and Health Committee was proud to award certificates and plaque's at the 2013 MMA Annual Meeting in May in Fairmont. This year's Safe Work Practice Awards were presented to: Plaque winners: Underground – East Boulder; Large Surface – Barrick and Imerys ; Small mine – Barretts and Graymont ; Sand and Gravel- Helena Sand and Gravel. Certificate winners: Troy Mine; Montana Resources; Ash Grove; Stillwater Nye Mine. We were proud to see all the mines and companies take time to fill out the application and return it to the MMA.

This year's safety speaker was Josh Savit with Predictive Compliance. He spoke on May 29<sup>th</sup> in Fairmont and was well received by all those in attendance. Josh earlier that day had been at Golden Sunlight giving a speech to the employees of GSM. Josh' speech was in regards to The Real Cost of Compliance, A 360 Degree View. If you would like more information on Josh's speech please contact the office and Laura would be happy to assist you.

The Safety Committee has taken the summer off and will be gearing up again starting in August with monthly meetings and quarterly on site meetings. To get more involved in this committee contact the office at [in-fo@montanaming.org](mailto:info@montanaming.org).

If you would like to become more involved with the MMA please contact the office or send an email to [info@montanaming.org](mailto:info@montanaming.org).

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