

USACE Media Teleconference 5-24-18

John Budnik (**JB**): Before we get started I would like to conduct a quick roll call just so we know who else is on the line. I am just going through the list in order of your guys' RSVP to the media advisory sent out.

Stephen Lee Bloomberg Environment (**SL**)

Becky Bohrer Associated Press (**BB**)

Elwood Brehmer Alaska Journal of Commerce (**EB**)

Margie Bauman Fishermen's News / Cordova Times (**MB**)

Mariah Oxford Pebble Watch (**MO**)

Avril Lill KDLG (**AL**)

Without further ado, I will turn it over to Shane McCoy to read an opening statement. After his statement, I will run through the list again for questions. We will do a format of one question and one follow-up question.

SM: Good morning ladies and gentlemen, thank you for taking the time today to discuss the District's regulatory review process. My name is Shane McCoy. I am the program manager reviewing the Pebble Limited Partnership Department of Army permit application. As you guys are aware, the project determined to require an environmental impact statement (EIS) level-of-analysis and the Alaska District regulatory program is the lead federal agency for the development of the analysis.

The purpose of today's teleconference is to provide media members a general status update on where the process is in regards to the Pebble Project EIS, as well as making ourselves available to answer your questions about the program in Alaska. I would like to take this opportunity to remind everyone that your best source of information in as real time as possible is the project EIS website: www.pebbleprojecteis.com. Items such as the permit application, scoping package, data and studies being reviewed for the analysis, comments received and more can be accessed on the website. Future documents as the process continues will be uploaded there as well.

Currently, the Alaska District team is in the middle of the public scoping period which began on April 1 and will conclude on June 29. As many of you are aware, nine public scoping meetings were held between April 9 and April 19. At those meetings we had approximately 914 people that signed in to participate in person at the meetings. From those meetings the Corps received about 139 written comments submitted, 137 submitted online during the meeting times and locations, and 277 oral comments. In total, the meetings generated about 553 comments. The Corps continues to receive

comments via the EIS website, email and postal services. Comments not received directly through the website are also made available on the EIS website.

As the public scoping period continues, the Corps' regulatory team and cooperating agencies are working with the third-party contractor, AECOM, on the development of the draft EIS document. Currently, the focus is on Chapter 1: The Purpose and Need; Chapter 2: Alternatives; and Chapter 3: The Affected Environment. The Corps will be making available to the public a draft scoping report that provides an overview of the comments received that will help inform the alternatives, issues of concern, and potential mitigative measures during the development of the draft EIS.

At this time, I will open it up to questions and comments.

SL: I was wondering if you could comment on the 553 comments. Was there anything in the comment that struck you particularly or anything surprising?

SM: This is Shane. The 553 comments that we received during the public meetings have been very insightful in the fact that many of the commenters were local to the area where the proposed project is close to. Many were very specific with regards to land use and cultural use as well as other activities that the people in vicinity of the project felt important to be analyzed in this process.

SL: Was there a theme in these comments that you guys detected and are paying particular attention to?

SM: Sure, so as I think it's generally understood, many of them specific to the Bristol Bay fisheries, water quality and land use. None of those were really surprising but they continue to be reiterated during the scoping period.

BB: Shane, you mentioned the draft summarizing the comments being released – what is the timeline for doing that?

SM: So, the draft scoping report is actually in my office right now being reviewed. The final scoping report won't obviously be concluded until the end of the scoping period, 29 June. The draft report will be posted on the project website later this week, tomorrow, for people to take a view as well as distributed to the cooperating agencies.

BB: Do you feel that the time set out for the scoping period is adequate or do you anticipate the Corps revisiting that issue and looking whether additional time is needed to receive substantive comments?

SM: Thank you, Becky. We are a learning organization and one of the items that we have been very proactive is the dissemination of information. Upon receipt of the application on 22 December and then having determined that it was complete by January, we made it publically available for everyone on our Corps website as well as we sent a copy of it to the communities closest to the project. We extended the public

scoping period to 90 days with understanding that the information available for comment will have been available to the public – as well as anyone else – for well over 100 days. So we do believe that the public scoping period is adequate.

EB: Good morning, Shane. Curious about the changes to the project plan that Pebble submitted earlier this month. Did Pebble submit detailed engineering blueprints that were submitted with the initial plan for the change? Would you characterize that as a major change?

SM: You have seen everything we have received from Pebble. We are anticipating more detailed plans by the end of next week. However, everything that they proposed to date is a reduction in the actual proposed impacts to aquatic resources or navigable waters. The Corps does not believe these are major changes other than that it is a reduction in scope.

EB: Do you expect it to change the project timeline at all? What looks like significant changes to the tailings storage facility would seem to necessitate thorough additional review.

SM: What's the question?

EB: Do you expect it to slow the EIS process?

SM: Currently, we are sticking to the schedule that has been proposed. Now, do understand that scoping absolutely informs the alternatives and data that we will need to analyze. A hard schedule has not been proposed because scoping period is still open and we have not done a total data gap analysis. That being said, I will reiterate that right now we are on the same timeline as we put out previously.

MO: I have some similar questions about the changes to the plan. But, I am curious about how the public stays up to date when these changes happen. I know the process is iterative, so the project plan might change several times over time. You state that you have a draft scoping summary already done, but if there are changes in the middle of it what is your strategy to making sure the public is aware of these changes?

SM: Part of what we are doing here today is absolutely that – helping inform the public via the press and any available means. You will hear me reiterate every time we are on this that the best source for real time information is the project website: www.pebbleprojecteis.com. It is instances where we sit down with the media and other avenues is our best efforts to be as proactive in keeping the public engaged to real time events as possible.

MO: In your opinion, do you think any of the changes that have been submitted would affect someone's scoping comment. If they have made a comment already, should they be looking at this and make a new comment potentially?

SM: Can you reiterate that?

MO: In order to make a substantive comment during the scoping process, the public is advised to understand the plan in a detailed way. If the plan keeps changing, should we be advising people to look at it again and submit another comment each time that it changes?

SM: You can advise people exactly how you want, but I will always say that the comments that we receive will help inform our scope of analysis for the development of the EIS.

MO: Is there a way that you guys can request AECOM to put the date on the documents to the project library so that we can easily see what is new?

SM: Sure, and just so that you guys are aware, on the homepage there is a 'What's New?' But, I will absolutely we can put a date on what's uploaded. The public homepage website should have a 'What's New?' as they upload information and data available for the public. Yeah, I can make that happen.

AL: I understand there will likely be a lot of alternatives proposed, but is it likely that after scoping is finished that Pebble will continue to update their project plan?

SM: Our process is iterative. So, as we go through the process of identifying alternative and potential impacts or potential benefits, projects will always continue to evolve.

AL: So the public has this chance to comment during the public scoping period and the next opportunity will be at the Final EIS?

SM: No. It will be at the draft EIS stage. So, really right now we're soliciting information from the public to help inform our alternatives, potential mitigation or all of that kind of stuff, at which point when we have gone through that process of evaluating those we will publish the draft EIS and again there'll be another public comment period and meetings to be held. That will be the next opportunity for the public to actually comment on the document and the proposals.

SL: I am wondering what it costs to do this EIS. I assume there is a fee that Pebble has paid. Do you have those numbers?

SM: With regards to the development of an EIS, there is a cost. The functionality of it is there's a third-party contractor with an interdisciplinary team that is developing and writing the EIS with the help of cooperating agencies. The Pebble Limited Partnership has entered into an agreement to pay those costs. Now it should be completely understood that all of the work being done by the third-party contractor is at the direction of the Corps, not Pebble. It is Pebble's responsibility to pay for the development and we have agreed upon a scope of work for the third-party contractor. However, they do not

have any influence on what is actually being requested or required of the third-party while they develop the impact statement. Does that make sense?

SL: It does. So, in other words, Pebble pays AECOM but they do not direct their work.

SM: Absolutely.

SL: What is the cost and how much of it has already been paid?

SM: We have monthly status updates provided by AECOM, reviewed by the Corps and submitted to Pebble. So, it's a monthly billing schedule.

SL: What is the amount?

SM: With regards to the total amount, I'm not certain that can be disclosed. That is a contract between the applicant and the third-party. If you'd like to inquire with Pebble, please feel free.

SL: So you can't disclose how much of it has been paid?

SM: I would have to run it through my Office of Counsel first.

SL: I can take it you can't disclose how much of it has been paid and how much of it is still outstanding?

SM: We initiated the contract on March 3...I'm sorry, February 3.

JB: Did you get that correction?

SL: February 3?

SM/JB: Yes.

EB: It is my understanding that Pebble applied with the FAST ACT steering council to have mining and, specifically, this project be made part of the FAST ACT expedited environmental review process. That council held an April 30 meeting to review Pebble's application – is that something you folks have been following? Are you aware Pebble has applied for this? If so, how might it or may not impact your work and the schedule you've laid out?

SM: Elwood, you're referring to the FAST-41 dashboard...is that correct?

EB: Yes.

SM: Right now I am not tracking it at all. It is not on the dashboard. Like I said, we are still on the path on the schedule that we have posted and made public.

EB: Were you aware of the meeting?

SM: No. I wasn't.

MB: Would Pebble be required to specifically inform the Corps if they had engaged in such actions as applying for the FAST ACT?

SM: No, it's not a requirement.

MB: That's pretty interesting. Can you request that they do that?

SM: It would not affect my review right now and I would not request. It is not required under the statute.

MO: Early on in the process, I was able to interview Sheila Newman about the drafting of the EIS document and she said that all of the scientific information that would be considered would need to be validated. So, I am curious how that process happens especially since you are looking at having a draft EIS by the beginning of next year.

SM: Certainly. Part of forming an interdisciplinary team is to have them review all information available including the data and have it validated. An additional checks in that is to have our cooperating agencies, who have special expertise and jurisdiction by law, participate in the development of the analysis. So, an independent interdisciplinary team is the first step, and the second step is also the Corps. The Corps will do its own analysis as well. Does that make sense?

MO: Yes it does. I did notice a few new documents on the Pebble Project EIS library are information requests from AECOM through the Corps to Pebble, which is interesting – I can see three right now – is this the extent of any data gaps that have been noticed already?

SM: No. I was unaware that there were three requests for information posted on the website. I will double check that, but no, there have been a series information requests sent to the applicant and responded to by the applicant. Well over 30 right now.

MO: Will all of those be posted?

SM: Yes.

EB: How many people are working on the EIS in total between the Corps and AECOM?

SM: Good question, Elwood. I would have to go back through and take a look at everybody at AECOM. I don't have that number off the top of my head. I will say this as far as the Corps, I am the main point of contact. However, we have a matrix team. So, as information comes in – for lack of a better term – and we need to create large teams, we have had up to six to eight people at any given time working on the project from the

Corps. Currently, there are approximately two and half to three people in the Corps. Again, it's hard to characterize because I am using different people for different aspects of the review. So, it wouldn't be their full time workload but part of their workload is definitely dedicated to this project.

EB: If you have a ballpark of what AECOM...

SM: I don't want to guess, I'm sorry.

EB: All right. Thank you. I understand. That's fine.

JB: I think everyone is tapped out on questions for now, but again, we really appreciate you joining us today. Hopefully, you've gained a greater understanding of the process and the path forward. The public affairs office, myself in particular, that's John Budnik, is a good point of contact if you need any further assistance. Please don't hesitate to give me a call or send me an email. Without further ado, that concludes today's conference call. Enjoy the rest of your days.