COPPER-NICKEL MINING IN MINNESOTA

A STATUS REPORT

by

Jaane Koerner-Moore, CPGS
and
Ernest K. Lehmann, CPGS

The Regional Copper-Nickel Study

The regional copper-nickel study is done. The Minnesota State Planning Agency, which has coordinated the work and is now (July 1979) doing the final technical edit of the reports, expects to submit the reports to the environmental Quality Board and the Legislature by the end of August. The most visible result of this three-year four-rallion-dollar effort will be 36 final reports, but the most valuable result will be the base-line data and the first-line reports upon which future Environmental Impact Statements can build.

The copper-nickel study will not decide and the reports make no recommendations, whether copper-nickel mining will be done in Minnesota. That was not its intent. Rather it is a broad-scale regional study of the probable economic, social, and environmental effects of mining. As such, the study has dealt with hypothetical mining operations and with economic, social, and technical assumptions. Some of these assumptions may be challenged during the period of public comment upon the reports; for instance, in discussing the smelting of copper-nickel concentrates, the study assumes that traditional smelter technology would be used, an assumption which may be outdated by recent advances made in Japan.

No proposals to develop mining operations are now before the EQB, but it is expected that AMAX will make such a proposal soon after the regional study is accepted. The EQB would then designate an agency, probably the Department of Natural Resources, to study the proposed site and to prepare an Environmental Impact Statement. The data gathered for the regional study will be available to the DNR, but additional data gathered at the site would be necessary. The decision to allow or prohibit the mining operation would be based on the EIS.

The AMAX Project

AMAX is now the only company actively studying the feasibility of mining copper-nickel ores in Minnesota. The company has completed its 1700-foot exploratory shaft near Rabbit Island and has mined large samples of ore underground for testing. The drilling and other on-site work, other than an environmental monitoring program, are also completed. AMAX is now evaluating the technical, environmental, and economic information amassed during this Phase I of their project, and the decision on whether or not to go ahead with Phase II will be made late in 1979. Phase II, which is not yet planned but which will probably begin in 1980, would take four years or more; favorable results and a decision (1983 at the earliest) to mine would lead to mine and plant construction, which would take an additional three or four years. The sooner possible commercial ore production would be in 1986.

Phase I of AMAX’s project has consisted of defining the size, grade, and mineralogy of the deposit and of testing the beneficiation characteristics of the ore (that is, the amenability of the ore to processing into concentrates). The concentrates are then sent to the smelter for extraction of the metal values. Phase II will be focused on the metallurgical characteristics of the ore; extensive testing of large samples will be necessary because the copper-nickel mineralization is unusual. The metallurgical techniques which will be used have been characterized as “pioneering” by a company spokesman. Phase II will also continue the environmental studies begun during Phase I.

The AMAX deposit is very large, larger than was anticipated, and, while the company says that no snags have been encountered in exploration thus far, the deposit’s size and unusual mineralogy was spreading its evaluation over a longer time than was expected.

The INCO Project

A spokesperson for INCO stated that their copper-nickel exploration near Ely had been “long abandoned” and had been completely inactive since mid-1977. INCO decided at that time that the prospect was not an economic one; the decision was based on many factors, including the “extensive environmental costs” of pursuing it to production. INCO does, how-

(Continued on page 2)
Copper-Nickel Mining (Continued from page 3)

ever, still have mineral leases in effect at the project site.

Copper-Nickel Lease Sales

The last sale of leases on state lands for copper-nickel exploration and mining was held in the early 1970s. Since that time, a moratorium on all permits, leases, etc., has been imposed by the Environmental Quality Board;

this moratorium was to be in effect until the Regional Copper-Nickel Study was completed. Now that that study is in its final stages, the Department of Natural Resources is asking the EQB for clearance to hold a lease sale before the end of 1979; there is considerable industry interest in such a lease sale, and the DNR wants to hold the sale before company funds for 1980 are committed elsewhere. Ninety days' notice of a sale is required and the DNR prefers that the sale be held in late November. Therefore, if a sale is held, announcement will be made during August.

Mine-land Reclamation Regulations

Public hearings on the DNR's proposed regulations on mine-land reclamation will probably be held the second week of October. The proposed regulations are addressed primarily to iron-ore and taconite mining. The DNR states that they wanted to have in hand the final results of the copper-nickel study before proposing regulations specifically for copper-nickel mine-land reclamation.

Uranium Exploration

Although not related to copper-nickel exploration and mining activities, it is perhaps appropriate to comment on the much-publicized uranium exploration in Pine and Carlton Counties. These activities are not taking place near the Boundary Waters and there is no geological reason to suppose that they will. The exploration in Pine and Carlton Counties is based upon the geological similarities between that area and that of the Athabasca deposits in Canada. This similarity does not extend into the Boundary Waters region.

TETTEGOUCHE PARK PLAN APPROVED

In May legislative approval was granted for issuance of $48 million in bonds for the acquisition and development of parks, trails and wildlife areas. The measure included the establishment of a new park, a scenic 4,700 acre tract on Lake Superior near Silver Bay, which was one of the top priorities for environmentalists during the session. Tettegouche, an Algonquin Indian word meaning "Retreat".

(Continued on page 4)
ALEXANDER RETAINED AS DNR COMMISSIONER

In February Governor Al Quie announced that he would retain acting commissioner Joseph Alexander, who had been appointed by Governor Rudy Perpich the previous July. Alexander is a 22-year veteran of the DNR and has strong support among DNR rank-and-file. Robert Andringa, a top aide to Quie, said that it took the governor considerable time to decide upon retaining Alexander because a task force set up to screen candidates for the job ranked William Aultfather, a top U.S. Fish and Wildlife Service official in Bismarck, as its first choice among finalists for the post. The committee’s second choice was Harold Anderson, who teaches forestry at Yale University. Alexander has clearly indicated his support for motors in the BWCA.

MINNESOTA WANTS MOTORS

Minnesota’s Department of Natural Resources announced in April that the state is going to embark on a federal court case challenging the jurisdiction of the federal government over waters in the BWCA. A spokesman for the DNR said that the lawsuit would be designed to clear up the question of whether the state or the U.S. Forest Service has authority to regulate motorboats and other activities on certain BWCA lakes.

The DNR was asked to initiate the lawsuit by the Boundary Waters Conservation Alliance, a group of northeastern Minnesotans who had unsuccessfully opposed the Fraser-Vento-Anderson bill of 1978. As former Governor Elmer Andersen wrote in the Sun Newspapers, “Every organization and person in the state concerned with the preservation of the Boundary Waters Canoe Area through controlled use should write or call the Governor’s office and local legislators and urge that the legal action suggested by DNR Commissioner Alexander be dropped. It cannot result in anything but trouble over an issue that has been resolved and should be allowed to rest.”

BOUNDARY WATERS ALLIANCE INITIATES BWCA LEGAL FIGHT

Ben Wallis, Jr., of San Antonio, Texas, representing the Alliance, in July petitioned a U.S. District Court judge in Washington, D.C. for a temporary restraining order to stop implementation of the 1978 BWCA legislation. The plaintiffs asserted that the BWCA law, which restricts the use of outboard motors in the BWCA, unconstitutionally denies northern Minnesotans their rights to own, control and dispose of their property without unreasonable restraint. This suit also claims that the BWCA law violates the right of handicapped individuals to travel freely on northeastern Minnesota lakes.

Judge Harold Greene rejected the motion, ruling that the connection between the BWCA legislation and an economic downturn in Ely had not been fully made. Other legal requirements for a restraining order did not exist. Subsequently attorney Wallis filed a dismissal notice on the suit.

On August 2 the suit was refiled in Duluth. August 8th U.S. Magistrate Patrick McNulty denied the order noting that Wallis and the Alliance group had failed to show that anyone’s life or property was immediately jeopardized by the 1978 BWCA law. An attorney for the Alliance group said, “It only amounts to a sparring match between the parties before the big fight.” Observers at the hearing said that lawyers Charles Dayton, Stephen Snyder and Brian O’Neill, representing environmentalists, completely outclassed Wallis at the hearing, after they were allowed to intervene in opposition of the plaintiffs.

Groups represented by the environmental attorneys include Friends of the Boundary Waters Wilderness, the Sierra Club, the Izak Walton League, the Minnesota League of Women Voters, Minnesota Rovers, Wilderness Inquiry II, Minnesota Environmental Control Citizens Association, the Minneapolis St. Paul, and Duluth Chapters of the National Audubon Society, the Minnesota Ornithologist’s Union and the Wilderness Society.

GRAND SLAM

BWCA and CCVP

In January 1979 State Senator Doug Johnson of Cook introduced a bill in the State legislature to create a “Citizens Advisory Committee” for the BWCA Wilderness, which would be weighted with citizens from northern Minnesota. Senator Johnson said, “It’s important that people do not take up their effort to gain more motorized recreation in the BWCA.”

The bill was withdrawn in late April as a result of citizen pressure, but on May 18th the BWCA Citizens Committee was tackled on a state park bonding bill in the Minnesota Senate. The senate bill appropriated $60,000 from the general fund for the Citizens Committee, available until June 30, 1981. It called for the committee to consist of 17 members selected on the basis of three each from St. Louis, Cook, and Lake counties, and eight residents residing outside the three counties, appointed by the Governor.

According to the bill, “The advisory task force shall conduct meetings and research into matters related to the establishment and operation of the Boundary Waters Canoe Area, and shall make such recommendations to the United States Forest Service and to other federal and state agencies concerned, regarding operation of the area, as the advisory task force deems advisable. A copy of each recommendation shall be filed with the legislative reference library.”

W.J. McCabe
Duluth, Minnesota

(Continued on page 4)
Grand Slam (Continued from page 3)

Environmentalists were amazed that the bill was resurrected in the last hours of the session after it had been successfully opposed and finally withdrawn in the House. They objected to a state-created, state-funded committee, politically geared, to reopen the battle to motorize the boundary waters wilderness.

Citizens Committee on Voyageur Park Receives Full Funding

The Citizens Committee on Voyageurs National Park received funding of $100,000 for the 1980-81 fiscal year. In addition, the committee may obtain up to $25,000 from private sources.

The Citizens Committee had received considerable scrutiny from legislators and it appeared that in this session funding would be drastically curtailed. The committee had been under attack as a special interest advocacy group receiving substantial state funding. Powerful House member Irv Anderson of International Falls, however, prevailed. The funding level has nearly tripled the past appropriation of the committee because the committee lost other funding sources. Environmental groups urged Governor Quie to move toward balancing the Citizens Committee. Wilderness News readers should watch the results of both the BWCA and the Voyageurs Park committees because tax dollars are paying for the lobbying.

HISTORICAL NOTE

In May of 1976 while winter was at last loosening her grip on the canoe country, a group of men and women met for supper at Tobies Cafe at Hinckley to discuss strategies for combating Congressman Oberstar’s proposal to carve away 400,000 acres of wilderness from the BWCA.

Congressman Oberstar had lighted the fire. Hardly could he or the small band assembled at Tobies that March evening foresee how the fire of BWCA debate would spread from the canoe country through Minnesota to national prominence. Who could visualize the 31-month portage ahead which would lead to the floor of the U.S. Senate? The debate would engulf politicians and leave several floating in its wake.

Maintaining the BWCA borders at one million acres, logging and mining were the March, 1976, issues. The group at Tobies could not imagine the significant motorboat protection and additional BWCA acreage which would be achievable in the months which lay ahead.

The Friends of the Boundary Waters Wilderness set out from Tobies to recruit much needed environmental allies. In the course of the months ahead 50,000 letters would be written to Senate and House members. It was to be the best organized environmental campaign ever to be waged in Washington. Contributions of more than $100,000 would be needed. There would be hearings in Ely, St. Paul and Washington requiring expert testimony on timber, mining, recreation, scientific research, and economic effects. The Friends organization would expand beyond all possible dreams. National media would follow their mounting success.

In the forefront would be Bud and Fran Heinseman, Chuck Dayton, Dick Flint, Dan Engstrom, Darby Nelson, Don Fraser, Bruce Vento, Phil Burton, Melissa and Al Watson, and Erika Sitz. Behind them would be more than 20,000 supporters.

Yes, the Friends ranks formed, closed and advanced. On Sunday, October 15, in the halls of the U.S. Senate, their years of tireless work in behalf of the canoe country culminated in major victory. History will write that this was exactly three years to the day when Congressman Oberstar sparked the procession of events by introducing his NRA, motorize-the-wilderness bill.

Tettegouche Park (Continued from page 2)

is appropriate for the proposed park’s 4,700 acres of woods, streams, hills, and lakes.

Central to the park is a 3,400 acre tract which has been owned and protected by John deLaittre. As reported in “Wilderness News-Winter 1979”, the land had been optioned by the Nature Conservancy in March of 1978. The new park will incorporate the 3,400 acre tract, the 706 acre Baptism River State Park and 600 acres of tax-forfeit land. Tettegouche will be a welcome addition to Minnesota’s state parks, preserving for all the people a region of unusual beauty.

Wilderness News
Published by Quetico-Superior Foundation
2400 First National Bank Building
Minneapolis, Minn. 55402

President ............... Frederick Winston
Vice President ........... Charles A. Kelly
Ast. Secy.-Treas. .......... Walter E. Pratt

DIRECTORS

QUETICO-SUPERIOR FOUNDATION
c/o DOROTHY DORSCHNER
2108 FOSHAY TOWER
MINNEAPOLIS, MINN. 55402
RETURN REQUESTED

Wilderness News