



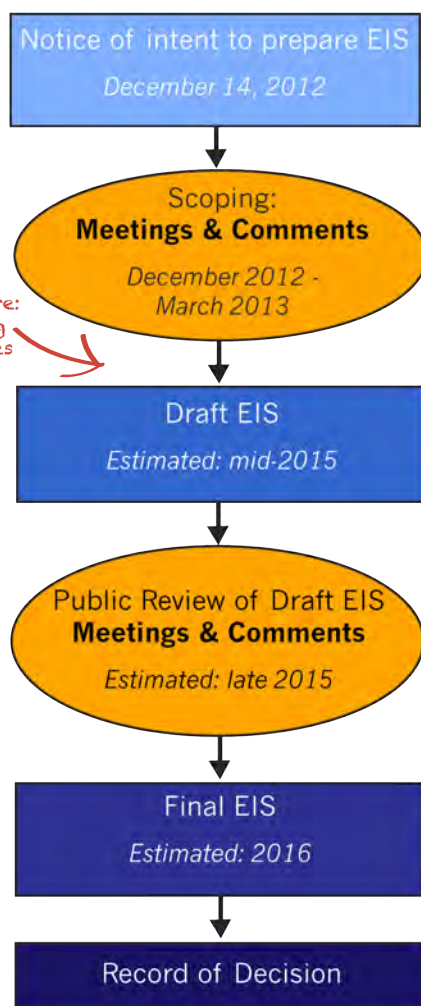
US Army Corps of Engineers Donlin Gold Project EIS

Newsletter #3 • July, 2014 • Development of Alternatives

This is the third in a series of U.S. Army Corps of Engineers newsletters about the Donlin Gold Project Environmental Impact Statement. The Corps mails these newsletters to federal, state, and local agencies; elected and appointed officials; Alaska Native tribes and corporations; other interested organizations; and individual citizens, to inform people about the EIS and to ask for participation in the process.

For all EIS newsletters, or more information, visit the EIS website: www.DonlinGoldEIS.com

Steps in EIS Process



In this issue...

The U.S. Army Corps of Engineers (Corps) is preparing an Environmental Impact Statement (EIS) to analyze the impacts of issuing permits for an open pit, hardrock gold mine, which would be located 10 miles north of the village of Crooked Creek, Alaska.

The EIS process began in late 2012, and is scheduled to conclude in 2016. This newsletter summarizes the range of alternatives the EIS will analyze, and how the Corps has developed them.

The EIS not only analyzes the project as proposed by Donlin Gold, LLC, it also takes a close look at different ways the project could be carried out (alternatives), in order to compare potential impacts on the environment and communities. Using a five-step process that began with the issues raised during scoping, the Corps developed a range of alternatives for analysis. Scoping occurred in 2013 – see Newsletter #2 for a summary of the results.

Development of Alternatives

In the alternatives development process, the Corps considered the project's large geographic footprint, the three primary components (mine site; transportation infrastructure; pipeline), and the comments from the public, stakeholders, and agencies during scoping.



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Comment from TEK Workshop:

"In my language, all animals have a name (moose, beaver, and caribou). The only thing that's called "the food" is the fish. When people say, the food is here, they mean, the fish is here."

– Evelyn Thomas, Crooked Creek

Summary of Alternatives Currently Under Consideration

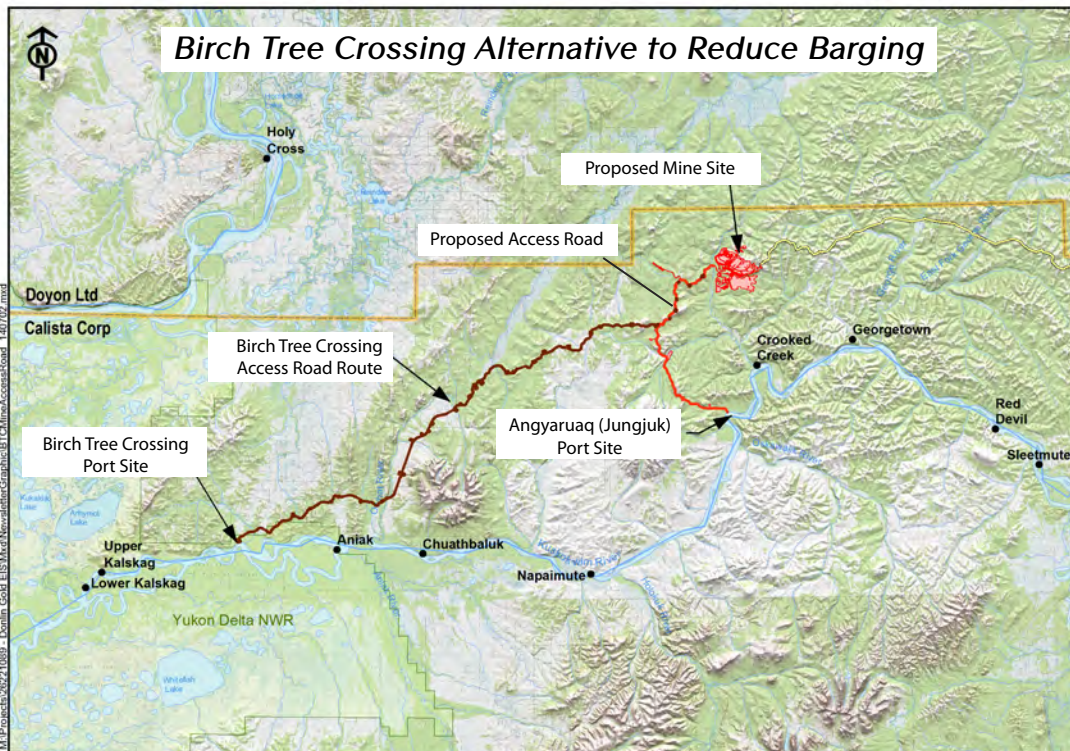
This summary describes alternatives that are currently being considered. Drafting an EIS is a continuous process of analysis and refinement; **please note that some of these alternatives may change before the Draft EIS is released.** The information in this newsletter is provided to give all interested parties a sense of the range and scope of alternatives under consideration.

No Action Alternative: The Corps is analyzing a No Action Alternative. This means that the required permits would not be issued and the project would not be undertaken. The No Action Alternative applies to all three components of this project. There would be no mine site development, no transportation facilities, and no pipeline.

Proposed Action: The Proposed Action is the project as proposed by Donlin Gold, LLC: an open-pit, hardrock gold mine in Southwest Alaska, 10 miles north of the village of Crooked Creek. The project as proposed would include a port near Angyaruaq (Jungjuk) Creek on the Kuskokwim River, barge terminal facilities in Bethel, a 30-mile road from the barge landing to the mine site, a 5,000-ft airstrip, and a 315-mile buried natural gas line running from Cook Inlet. (See insert.)

Reduced Barging Alternatives: These would limit the number of barges traveling on the Kuskokwim River, or shorten the distance the barges would travel. A diesel pipeline alternative would eliminate barging of diesel fuel. LNG-powered ore trucks to move rock within and from the pit could

reduce the volume of diesel fuel barging. Another potential alternative would move the port site from Angyaruaq (Jungjuk) downriver to Birch Tree Crossing, eliminating about 69 miles of barging on a more narrow portion of the Kuskokwim River. These alternatives potentially address concerns that barging could affect fish passage, disrupt subsistence activities, cause safety issues, and increase erosion along the river.



Mine Site Alternatives: These look at: various tailings disposal methods; waste rock storage locations; and allowing treatment and disposal of excess contact water at the mine site. These alternatives address concerns that the project could degrade water quality, generate acid mine drainage, or affect more wetlands than necessary.



Comment from Scoping Meeting:

"One of the major concerns that I have is the barge traffic... The water level is always different each year. And some years we have very low water... I've seen barges that are stuck upriver, and they are using backhoes to pull themselves up. And those issues need to be addressed by the EIS process."

– Sam George, Akiak

Pipeline Route Alternatives: An alternative route for crossing the Alaska Range, the Dalzell Gorge Route, provides a contrast to the Threemile Creek/Jones River segment of the proposed alignment. (See map below.) Different pipeline routes could have different impacts on resources. Analysis of these alternatives will address wetlands, geohazards, and protection of the Iditarod National Historic Trail.

Alternatives Development Process

- Step 1: Identify Scoping Issues
- Step 2: Identify Screening Criteria
- Step 3: Address Concerns through Options
- Step 4: Screen All Options
- Step 5: Create Action Alternatives

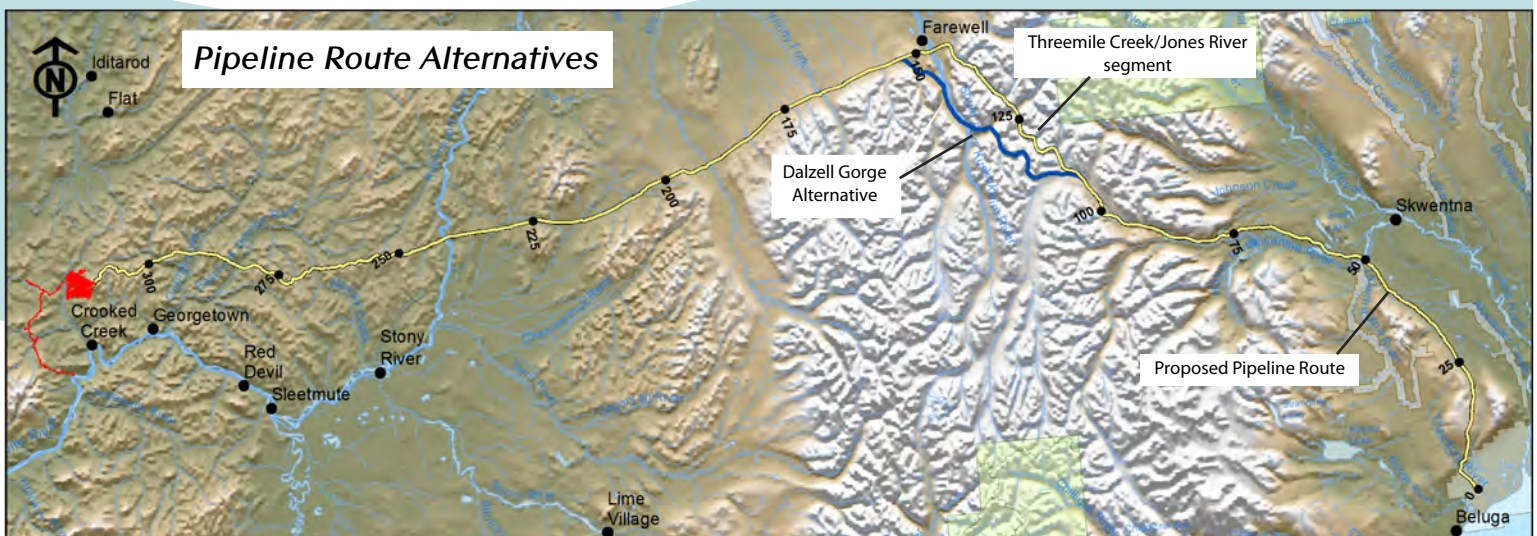
Step 1 of the alternatives development process identified the issues raised in scoping and then considered project designs that would reduce key impacts.

Step 2 developed the criteria for screening each option. To narrow the range of options considered, criteria were grouped into three screening areas: purpose and need; feasibility; and environmental impacts.

Step 3 identified options for addressing concerns raised during scoping. A number of excellent options or features were brought forward during scoping by members of the public, especially those local to the proposed project area. Other options came from the Donlin Gold, LLC's consideration of design alternatives and from input by technical experts.

Step 4 used the criteria from Step 2 to screen all the options. This helped to eliminate options that would not meet the Corps' determination of purpose and need, that were not feasible, or that would not reduce environmental impacts over similar options.

Step 5 incorporated the options that passed screening into *Action Alternatives* for analysis in the EIS.



What Happens Next?

The Corps will release the Draft EIS, which will describe the potential impacts associated with the No Action, Proposed Action, and a set of other Alternatives. The Draft EIS will address direct, indirect, and cumulative effects consistent with the Corps' legal mandate. The Draft EIS will also analyze a range of mitigation and monitoring measures to protect public health, water quality, wildlife, and subsistence resources.

After the Draft EIS is published and available to read, the Corps will hold a series of public meetings—specifically to listen to comments on the Draft EIS. The next newsletter will provide dates and times of these meetings, and this information will also be posted on the EIS website:

www.DonlinGoldEIS.com

The Corps encourages you to get in touch with comments or questions about the project at any point in this process, but the release of the Draft EIS is the best time to provide detailed feedback. The Corps expects to release the Draft EIS in mid-2015, and will actively seek further public comment at that time.

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US Army Corps of Engineers
Donlin Gold Project EIS



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