

To Whom It May Concern,

Norton Sound Economic Development Corporation (NSEDC) is a Community Development Quota organization representing 15 member communities, including Nome, and more than 8,700 people in the Norton Sound/Bering Strait region of Alaska. As part of its Fisheries Research and Development department, NSEDC operates numerous salmon monitoring, research, and rehabilitation projects that assist the Alaska Department of Fish and Game in the management of subsistence, sport, and commercial fisheries, as well as restoration of salmon runs and habitats that have been previously impacted by mining activities.

NSEDC strongly opposes the granting of a discharge permit for IPOP's Bonanza Channel Placer Project for a number of reasons. Primary among these are negative and irrevocable impacts that the proposed mining and discharge plan would have upon the submerged aquatic vegetation (SAV), including eelgrass, that support wildlife in Safety Sound. Additionally, the timing of the applicant's permit request for discharge from actual mining is premature as they have yet to identify the ore body to be mined nor the makeup of the material to be discharged.

IPOP's planned activity will eliminate submerged aquatic vegetation due to bathymetry changes in Safety Sound and the Bonanza Channel, which the DEC must consider in accordance with CFR 40 part 230.77. This elimination of critical habitat—through both excavation and the resultant discharge of tailings—will push out dabbling waterfowl, rearing salmon, and other species within the estuarine community. The Bonanza Channel provides essential freshwater habitat for a variety of organisms. Altering the bathymetry will potentially increase salinity levels, which could negatively impact forage species.

Throughout their mining plan, IPOP claims that altering the existing bathymetry in Safety Sound will improve the habitat for wildlife. Biologically, the important habitat falls within three- to six-foot-deep waters. This is sufficiently deep to prevent freezing to the bottom, but still within reach of feeding swans, geese, wading crane, and ducks. The mining plan proposes to fill much of the area to less than one-foot water depth, which would freeze solid in the winter and would therefore not support aquatic vegetation. Freezing of the rhizomes of the SAV kills them. This results in minimal vegetation in waters under two feet of depth.

If IPOP's plan is allowed to proceed, the only plant or animal refugia in the proposed mining area over the winter would be a seven-foot-deep channel for ease of boat and adult salmonid movement. The channel, however, is too deep to be utilized by foraging birds and has only a fraction of the area of the current prime habitat. The filling of the area would permanently reduce the area where birds forage, and salmon and saffron cod rear. Furthermore, depositing excess material to create sandbars and alter intertidal channels will increase predator accessibility to birds that nest on the existing islands.

While we believe the certain and irreversible impacts to aquatic habitat and the wildlife that depend on it are sufficient grounds to deny the discharge permit, it is also worth noting that IPOP has not produced sufficient information to justify the issuance of a permit. IPOP has failed to locate the ore body, thus making it impossible to describe the discharge from the potential mining portion of the project. Prospecting efforts have failed to conduct any sampling in the past two seasons. The absence of such critical information will cause the permit to be poorly

informed. It would be inappropriate to grant a discharge permit for any and all mining activities without any preliminary data collection from prospecting activities to define the content, toxicity and extent of the discharge. Other placer mines in the area have produced tailings which have leached toxic levels of arsenic and iron. The nature and makeup of the tailings to be discharged from IPOP's proposed project need to be defined before DEC could consider permitting them to be placed back into the estuary.

NSEDC strongly opposes the granting of a discharge permit for any of IPOP's proposed activities and appreciates the opportunity to comment on the matter. Any issuance of a permit would be contrary to the State of Alaska's duty to protect its aquatic and wildlife resources, especially those which are depended upon for subsistence uses by the resident population of the region.