



Southern Arizona Leadership Council

October 4, 2024

ADEQ
Groundwater Section
1110 West Washington Street,
Phoenix, AZ 85007

Re: Comment on South32 Hermosa Aquifer Protection Permit amendment, Permit No. 512235

To Whom It May Concern:

On behalf of the Southern Arizona Leadership Council (SALC), I am writing in support of the above referenced amendment to the existing Aquifer Protection Permit for the South32 Hermosa project. SALC's 160 CEO and executive business members seek to improve our region and state through economic vitality and opportunities which lead to improving the quality of life for our communities. We feel strongly that this project is critical for the future of our region's economic prosperity and to support the increasing green energy and national security demands of our country.

The South32 Hermosa project will create unparalleled economic benefits for Santa Cruz County. Hermosa will provide an initial investment of more than \$1.7 billion locally, an estimated \$14 million infusion of tax funds annually, and creation of more than 1,600 jobs that pay on average two and a half times the current average household income in Santa Cruz County. Moreover, the project will reduce the United States' significant reliance on foreign suppliers for zinc and manganese—both of which have rightfully been deemed critical minerals by the federal government given their importance to the energy transition and national security.

The amendment to expand the existing dry stack tailings facility should be granted for several reasons. South32 is designing and building the project to standards that protect the environment, with demonstrated compliance in its most recent ADEQ inspection. The dry stack tailings greatly reduce water consumption, limit seepage potential, have a reduced footprint, and are lined, which further protects groundwater. Modeling transparency, South32 is requesting monthly rather than quarterly surface water discharge monitoring and is giving greater financial assurance. Further, the amendment should be granted as the facilities will be designed and built to the highest standards and will include other stringent environmental protections.

On behalf of SALC, I strongly encourage you to approve the proposed Aquifer Protection Permit amendment to Permit No. 512235. Thank you and you can contact me at tmaxwell@salc.org with any questions or to discuss this issue in more detail.

Regards,

Ted Maxwell
President & CEO
Southern Arizona Leadership Council