



October 7, 2024

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

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

To whom it may concern,

On behalf of the Tucson Metro Chamber of Commerce, I would like to submit this letter in support of the above referenced amendment to the existing Aquifer Protection Permit for the South32 Hermosa project in Santa Cruz County. The Tucson Metro Chamber represents 1,400 businesses in Southern Arizona, that together employ over 150,000 workers, and is committed to shaping an environment where businesses thrive and our community prospers. We emphasize the role of mining in Southern Arizona as a past, present and future ingredient to that, and support the critical work of our member South32 Hermosa as vital in creating mineral and energy security.

The proposed amendment will allow for the expansion of the existing tailings facility, which is needed to allow the project to begin its operations, which will bring significant economic benefits to the county and surrounding regions. Moreover, the project will also lessen 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 should be granted for the following reasons:

- South32 is designing and building this project to high modern standards that are highly protective of the environment;
- The project is highly regulated, with the groundwater protection permit being only one of many permits needed for the facility to operate;
- The facility is in good compliance with the current permit, based on the May 2024 inspection report included on the ADEQ project webpage;
- The proposed changes to the permit are narrow and focused, with the primary change being an expansion of the size of the existing lined, dry stack tailings facility;
- The tailings generated by the project will be filtered (also known as dry stack). Where feasible, that technology offers numerous benefits compared to traditional tailings storage facilities. These benefits include significant water conservation and limited seepage potential, a vastly reduced footprint, easier reclamation, and greater stability;
- In addition to filtered tailings, the tailings facility will be lined, further protecting groundwater quality;

- South32 has designed the tailings facility in a manner that meets ADEQ requirements, but also evolving global standards as outlined by the International Council on Mining and Metals¹;
- It is also important to note that the regulated facilities will include discharge control measures which go beyond prescriptive measures typically employed by ADEQ or legally required;
- The amendment suggests increasing, at the company's request, the frequency of monitoring of surface water discharges (monthly rather than quarterly);
- The amendment calls for an increase in the number of piezometers to monitor the tailings facility and the associated collection pond;
- The amendment calls for an increase in required financial assurance;
- ADEQ allowed extensive public participation in the process, including a 45-day formal public comment period to evaluate the amendment, an informational public meeting in Patagonia, and the formal public hearing at the conclusion of the comment period.

Because the facilities authorized by the amendment will be designed and built to the standards stated above, and because the amended permit will include other stringent environmental protections, the amendment should be granted.

Thank you for the opportunity to comment on this important permit amendment.

Sincerely,



Zach Yentzer
Vice President of Business Advocacy
Tucson Metro Chamber

¹ International Council on Mining and Metals - Global Industry on Tailings Management: <https://www.icmm.com/en-gb/our-principles/tailings/global-industry-standard-on-tailings-management>