



TREASURE STATE
RESOURCES ASSOCIATION
OF MONTANA

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TREASURE STATE RESOURCES ASSOCIATION NEWS
December, 2017

Merry Christmas and Happy New Year to All

Urgent Notice to Members: Sign Up today to take part in the joint MT. Chamber/TSRA “Business and Industry Showcase Event” – January 10, 2018 at the Civic Center in Helena, Montana

Sponsorship and booth/table display information is now available from: Stacye Dorrington at : Stacye@MontanaChamber.com Attend the Chamber’s full Business Days at the Capitol Event – Check out the Agenda and individual registration information under events at : <http://www.MontanaChamber.com>

Registration is now open for the Montana Chamber of Commerce Business Days at the Capitol – the state’s premier business networking event. As reported earlier, this year the Montana Chamber of Commerce and TSRA are partnering on a special showcase event featuring Montana’s business and industry sectors in conjunction with the Chamber’s Annual Reception and Banquet on January 10, 2018 at the Helena Civic Center.

Similar to TSRA’s Legislative Showcase held in legislative years, industry groups and individual members can highlight the work they do by sponsoring the event and bringing a booth or table display. There are different options available that incorporate tickets to the Reception and Banquet, or to other Chamber Business Day’s programs. Those include either a table display or a



booth depending on the level. This is a great opportunity to talk issues and share what you do with legislators, potential legislators and other business leaders. **Wonder who'll be there?**
Read on.

First, the following day is the opening of candidate filing for the 2018 Election. All sitting legislators are invited to attend. Potential legislative candidates are contacted via the political party offices and encouraged to register. All statewide elected officials are invited as well as the PSC members. **Second, the Montana Ambassadors and Leadership Montana Boards of Directors and the Board of Regents schedule their meetings to coincide with Chamber Days.** Not to mention the wide diversity of business interests across the state that regularly attend. Exhibitors will enjoy excellent networking and exposure as well as the ability to take part in the Banquet or other Chamber programming. **This is a night you won't want to miss.** Attention Association Members - Promote the Chamber's Business Days at the Capitol with your membership, share that information with the Chamber and receive additional benefits.

The Chamber has agreed to handle registration and sponsorship details. As noted above, individuals interested only in attending the Business Days program may register online at: <http://www.montanachamber.com> . Those interested in sponsoring will need to contact Stacye Dorrington at : Stacye@MontanaChamber.com to sign up and reserve booth or table display space. Sponsorship levels are outlined in the attached: [MT Chamber Business Days Sponsor Levels 2017.pdf](#)

This event sells out fast – whether you are interested in having a booth or display table or simply signing up for the Chamber program please ACT QUICKLY.

TSRA will continue to hold its “Legislative Showcase” in odd-numbered (legislative years). The next one is set for Tuesday, January 8, 2019 at the Radisson Colonial Hotel in Helena. In the meantime, we'd like to express our sincere appreciation to Webb Brown, President of the Montana Chamber of Commerce and his staff for their willingness to partner with TSRA to offer another great opportunity to promote the responsible use of our natural resources with legislators, potential legislators, and business leaders around the state.

Mark an “X” in the “Win” Column: EPA Drops Mining Clean up Rule

Source: US EPA

On December 1, 2017 the EPA Administrator signed a federal register notice to inform the public of EPA's decision on its proposed regulations for financial responsibility requirements applicable to hardrock mining facilities that were published on January 11, 2017. EPA has decided not to issue final regulations because the Agency has determined that they are not appropriate. This decision is based on EPA's interpretation of the statute and analysis of its record developed for this rulemaking. EPA has analyzed the need for financial responsibility based on risk of taxpayer funded cleanups at hardrock mining facilities operating under modern management



practices and modern environmental regulations, i.e., the type of facilities to which financial responsibility regulations would apply. That risk is identified by examining the management of hazardous substances at such facilities as well as by examining federal and state financial responsibility requirements. With that focus, the record demonstrates that in the context of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA, or Superfund) section 108 (b), the degree and duration of risk associated with the modern production, transportation, treatment, storage or disposal of hazardous substances by the hardrock mining industry does not present a level of risk of taxpayer funded response actions that warrant imposition of financial responsibility requirements for this sector. This determination reflects EPA's interpretation of the statute, EPA's evaluation of the record for the proposed rule, and the public comment received by EPA.

The decision not to issue final regulations will address the concerns of those federal and state regulators and members of the regulated community who commented that the proposed requirements were unnecessary and would, therefore, impose an undue burden on the regulated community. This decision will provide assurance to state regulators who were concerned that the proposed requirements would be disruptive of state mining programs. This decision also will address the information provided by the insurance industry regarding the lack of availability of financial instruments that meet the requirements of CERCLA section 108 (c) (2). This decision is based on the record for this rulemaking, and does not affect the process for site-specific risk determinations, or determinations of the need for a particular CERCLA response, at individual sites, nor does this decision affect EPA's authority to take appropriate CERCLA response actions. Decisions on risk under other environmental statutes would continue under those statutes. This final rule is the Agency's final action on the proposed rule.

In a December 2, 2017 Associated Press article written by Matthew Brown, U.S. EPA Administrator Scott Pruitt affirmed that modern mining practices and state and federal rules already in place adequately address the risks from mines that are still operating. (Editor's note: Comments submitted by the MT. Mining Association, the Montana DEQ and TSRA pointed to Montana's rigorous statutory requirements that already regulate mining operations.)

Requiring more from mining companies was unnecessary, Pruitt said, and "would impose an undue burden on this important sector of the American economy and rural America, where most of these jobs are based"... The Obama-era rule was issued last December under court order after environmental groups sued the government to enforce a long-ignored provision in the 1980 federal Superfund law...National Mining Association President Hal Quinn said the Obama proposal resulted from environmentalists using litigation to force the government into what he said was an unnecessary rule. "Today's action show that reason can prevail," Quinn said.



Bills Protecting Montana Coal Advance

Source: Office of MT Representative Greg Gianforte November 30, 2017

Washington, D.C. – Today the House Committee on Natural Resources passed two bills, one which included an amendment from Montana Congressman Greg Gianforte, that reassert Congress’s role to regulate coal instead of an unelected regulatory regime.

“Bills that will protect Montana jobs, our communities, and affordable electricity from federal overreach today passed the House Natural Resources Subcommittee,” Gianforte said.

“For eight years, the Obama administration consistently worked to undermine Montana coal – whether it was a last-minute moratorium on coal leasing or having Washington bureaucrats employ flawed metrics to promote its anti-coal agenda, “ Gianforte said. “Unfortunately, we’ve seen how this approach has played out in Montana. It has jeopardized our jobs and threatened our communities.”

“The bills passed today will help Montana turn a corner from the war on coal. The bills provide greater certainty to coal miners in our state, including for the more than 2,200 Montanans with coal mining jobs, “ Gianforte said.

H.R. 1778 requires congressional approval of any order by the Interior Secretary imposing a moratorium on coal leasing on federal lands. Congress must act within 30 legislative days after the proposed order is received by Congress.

The *Transparency and Honesty in Energy Regulations Act of 2017, H.R. 3117*, prohibits the use of ambiguous metrics in environmental rulemakings, such as determining the social cost of carbon, social costs of methane, and social cost of nitrous oxide.

Gianforte offered an amendment to H.R. 3117, which was adopted, that focuses the suggested assessment on the actual project rather than conjecturing on the upstream and downstream effects. The amendment requires any use of the social cost of carbon metric to exclude the indirect cumulative effects and instead focus exclusively on the proposed action.

Daines Urges EPA to Prioritize Montana in Superfund Sites Selection

Source: Office of Senator Steve Daines December 4, 2017

U.S. Senate – U.S. Senator Steve Daines today sent a letter to U. S. Environmental Protection Agency (EPA) Administrator Scott Pruitt urging him to ensure Montana is represented in the Administrator’s Top Ten List of Superfund sites that will receive the Administration’s utmost



attention. (Editor's Note: Earlier this year Administrator Pruitt released an EPA Superfund Task Force report that included a number of action items, including prioritizing the "top ten" sites requiring attention.)

"With 17 National Priorities List (PL) sites and one proposed NPL site in Montana, including some of the most expansive in the nation, there is a clear need for at least one Montana site to be among those to which you will pay utmost attention, " wrote Daines.

Daines wrote: *Among Montana's most severe Superfund sites is the Butte/Silverbow Creek Area. With a Record of Decision for the Butte Priority Soils Operable Unit (OU) dating back to 2006, and the OU still without a consent decree for cleanup, this site serves as a strong example of one in Montana that would benefit from inclusion on your list ... I recognize that with the number of Montana sites nearly double the length of your forthcoming list, not every Montana site will be included. Regardless, I urge your continued commitment to finding more expeditious – while simultaneously environmentally and healthily protective – remediation solutions to all Superfund sites in Montana, along with the listing of at least one among your Top Ten...*

Forest Plan Updates –Custer Gallatin National Forest – Weigh in on Wilderness and Wild and Scenic River Inventory

Source: Citizens for Balanced Use December Newsletter

As part of the Forest Plan revision process, the Wilderness and Wild and Scenic River inventories have been released and are available for review on the Custer Gallatin Forest website:

<https://www.fs.usda.gov/main/custergallatin/landmanagment/planning>

The draft inventory identified 1,117,543 acres or 37% of the forest for potential Wilderness designation. The Wild and Scenic River inventory includes 60 rivers (or segments) as meeting the eligibility criteria. Both bring significant access and land use restrictions if included in the final forest plan (scheduled for completion in 2019). While, Congressional action is necessary to formally establish a Wilderness area, those lands **recommended** for designation will be managed as though they had been approved. The same applies to the Wild and Scenic River corridors.

In other words, it's important to pay attention to this forest planning process and what is included in the final plan. Check out the areas being considered and take time to offer your comments. Comments can be submitted to: <mailto:cgplanrevision@fs.fed.us>

Remember, these are your national forests too.



Speaking of Wilderness...

According to a recent Billings Gazette editorial, Montana Senator Steve Daines is working to couple potential legislation to withdraw over 30,000 acres of public lands in the Paradise Valley near Yellowstone National Park from mineral development with the release of about 500,000 acres of lands currently designated as Wilderness Study Areas (WSA's) in Montana. Based on experience with the North Fork Protection Act approved by an earlier Congress, the proposal to withdraw lands from mineral development may have a greater chance of timely passage if it is part of a larger public lands management package. The Senator's office reports they have received "countless" letters and email from county commissioners, concerned motorists, mountain bikers and others requesting that WSA's be released since the Montana Legislature requested Congress to act in 2015.

Editor's Note: The Montana Congressional delegation has been asked by a large contingent of businesses, area residents, and local government leaders to protect the Paradise Valley area from mineral development, fearing it could impact their livelihoods. TSRA expressed opposition to withdrawing lands on the Custer Gallatin National Forest from consideration for mineral development in an earlier public comment period conducted by the Forest Service. We believe the stringent regulatory processes governing mining exploration and any subsequent development should be allowed to "do their job" as opposed to a blanket withdrawal.

MT Clean Air Act Advisory Committee (CAAAC) to Look at DEQ Budget/Fee Structure

During the recent meeting held November 16, 2017, CAAAC members were advised the DEQ could be asking for input on proposals to change the current fee structure as early as the next meeting. At present, the Air Quality Bureau is funded approximately 15% by federal grants, 5% from general fund, and 75 – 80 % from fees tied to permitting and compliance activities for permitted sources. The Bureau has to meet other federal requirements that extend beyond those directed at permitted facilities, but no revenue stream associated with those activities aids in maintaining their operation. To address the state's recent budget challenges, the Bureau absorbed an approximate loss of \$230,000 that was met by eliminating one FTE in administrative support and reducing some grants to counties. Overall costs have been reduced via vacancy savings and by identifying other efficiencies in the operation of the Bureau such as streamlining the way they permit smaller sources (crusher and screen operations – potentially concrete and batch plants) through a registration program. At present, agency resources are at a level that provide for adequately managing the permitting program without over burdening larger sources of emissions and should not impact activities at this time. However, it is an area to monitor.

One option for future consideration is seeking additional general fund support for the program - something that hasn't been tried since 2009.



DEQ also reported they had submitted the progress report on Regional Haze to EPA on November 14, 2017 and are currently laying the groundwork for the next planning cycle (2018 – 2021). Montana may adopt the Federal Implementation Plan into a State Implementation Plan in order to have more flexibility in its administration. Some concerns for accounting for the impacts from international influences and wildfire smoke are already being addressed.

DEQ is also planning to hold a Source Test Protocol Workshop near the end of February, 2018.

EPA Action Letter Regarding Nutrient Variance Raises Concerns for Private Dischargers

The U.S. EPA recently provided the Montana Department of Environmental Quality with an action letter concerning the updated Circular DEQ-12B (June 2017 Edition “Nutrient Standards Variances”). Of concern is EPA’s determination that economic demonstrations rationalizing the eligibility of private-sector dischargers for the state’s general nutrient variance were inadequate, even though it was the same information that was provided when the general variance was authorized three years ago. They did, however, sign off on the general variance for public facilities.

This determination has serious implications for private dischargers where applying even the most rigorous (and expensive) technology will not meet the current standards for nutrients. At the urging of the Montana Mining Association, the Montana Petroleum Association and TSRA, MT DEQ Water Quality Division Administrator Tim Davis sent a letter (November 16, 2017) to the EPA requesting reconsideration of its determination. To quote:

DEQ believes EPA should reconsider its rejection of the private sector analyses DEQ has provided. Fundamentally, it is EPA’s lack of guidance on how to derive a private-sector cost threshold that has led to the use of the methods DEQ applied in 2017 to assess private sector impacts. These methods were considered adequate in 2014 (at initial adoption of Circular DEQ-12B), and no new EPA guidance on economic impacts has been forthcoming; therefore, DEQ believes that the same basic DEQ methods should be acceptable today...

It is unclear when EPA will provide a response. In the meantime DEQ will be holding a meeting of the Nutrient Work Group on Friday, December 15th from 9:00 am. to Noon at the Lee Metcalf Building (1520 E. 6th Avenue), Room 111 in Helena to further discuss the implications of the EPA Action Letter.



Montana Mine Tailings Storage Laws Ahead of the Game

Source: Montana Standard December 3, 2017 Guest View By: Tammy Johnson, Montana Mining Association

The Associated Press recently reported that a United Nations environmental program (UNEP) is arguing for better protections against mining disasters, particularly relating to pollution from material storage sites. In the last decade, according to the report released by the UNEP, there have been nearly 40 significant mining incidents, the majority of which related to failed storage facilities for mine tailings.

Montana, a state wherein mining has occurred since territorial days, is a step ahead of the game. During the 2015 legislative session, the state enacted the most rigorous and cutting-edge regulation in the western states, and perhaps the world, on tailings storage facilities associated with current and future mine operations.

Mine tailings are uneconomic remains that result from the milling process, and are conventionally stored in large impoundments like the one which breached in British Columbia in 2014 at the Mount Polley open pit mine. No such occurrence with a large impoundment has ever happened in Montana's more than 100 years of mining, yet the Montana Mining Association (MMA) had the foresight to facilitate a bill which would cement a substantial list of new requirements into law, ensuring that Montana's impoundments remain safe long into the future.

The new requirements guarantee that tailings storage facilities are designed using the most advanced practices and technologies available, requiring ample review and approval of design, operation, maintenance, and closure by expert engineers ahead of construction.

"Senate Bill 409 is the advent of a new era of mining in Montana, where industry proposes standards progressive in concept, comprehensive in scope and definitive in responsible management of tailings storage facilities," said Mark Thompson, MMA President and Manager of Environmental Affairs at Montana Resources.

By providing for adaptive management of tailings storage facilities, utilizing the best engineering practices and recommendations, the law ensures that the future of Montana mining prioritizes environmental integrity alongside of economic development.

TSRA 2018 Annual Meeting - Early Bird Sponsorship Available

TSRA's 2018 annual meeting will take place at the newly renovated Copper King Hotel & Convention Center in Butte, Montana on **June 20– 21st, 2018**. The TSRA Golf Scramble will be



played at the Butte Country Club. The scramble will be held on the afternoon of June 20th. TSRA's "official" annual meeting will be held the following day, June 21th along with a full program. Please add those dates to your calendar for 2018 and watch for registration information early next year.

To offer the most timely and useful information to attendees, TSRA relies on the companies and individuals who help sponsor our annual meeting. At the request of some of our members, we are including an **"Early Bird" Sponsorship Option with the payment of 2018 Membership Dues**. Those electing to sign up early will enjoy a 5% discount on the cost of sponsorship and the benefits that accrue to those helping lay the foundation for a quality program. Information about sponsorship levels will be included with your dues invoice.

TSRA 2018 Dues Will Be Sent This Month

Yes, it's that time of year again. No, not just the time to eat too many Christmas cookies. It's also the time when TSRA members are asked to renew their annual membership. As reported earlier, the TSRA Board of Directors has adopted a modest dues adjustment for 2018 that reflects the impact of increases in the CPI (cost of doing business). Invoices will be emailed mid-December and as noted above, for your convenience renewal information will include a voluntary option to be an early sponsor of the TSRA Annual Meeting at a reduced cost. TSRA appreciates the support and participation of our members and invites anyone who has question to please contact Peggy Trenk at 406-443-5541 or ptrenk@tsria.net

Upcoming Events/Dates

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| December 12-14, 2017 | MT. Stockgrowers Association Annual Convention & Trade Show
Double Tree & Northern Hotels, Billings, MT |
| January 8-9, 2018 | Water Policy Interim Committee
State Capitol, Helena, MT |
| January 10-11, 2018 | MT Chamber of Commerce Business Days at the Capitol
Great Northern Hotel, Helena, MT*
* Joint MT. Chamber/TSRA Business and Industry Showcase
is Wednesday, January 10 th at the Helena Civic Center |
| January 16, 2018 | Energy & Telecommunications Committee
State Capitol, Helena, MT |
| January 17-18, 2018 | Environmental Quality Council
State Capitol, Helena, MT |



March 12-13, 2018	Water Policy Interim Committee State Capitol, Helena, MT
March 13-14, 2018	Revenue and Transportation Interim Committee State Capitol, Helena, MT
March 16, 2018	Energy and Telecommunications Committee State Capitol, Helena, MT
March 21-22, 2018	Environmental Quality Council State Capitol, Helena, MT
May 2-3, 2018	Revenue and Transportation Interim Committee State Capitol, Helena, MT
May 17-18, 2018	Energy and Telecommunications Committee State Capitol, Helena, MT
May 21-22, 2018	Water Policy Interim Committee State Capitol, Helena, MT
May 30-31, 2018	Environmental Quality Council State Capitol, Helena, MT
June 20-21, 2018	Treasure State Resources Association Annual Meeting Copper King Inn, Butte, MT
July 10-11, 2018	Revenue and Transportation Interim Committee State Capitol, Helena, MT
July 19-20, 2018	Energy and Telecommunications Committee State Capitol, Helena, MT
July 23-24, 2018	Water Policy Interim Committee State Capitol, Helena, MT
July 25-26, 2018	Environmental Quality Council State Capitol, Helena, MT
September 10, 2018	Energy and Telecommunications Committee State Capitol, Helena, MT



September 10-11, 2018 Water Policy Interim Committee
State Capitol, Helena, MT

September 12-13, 2018 Environmental Quality Council
State Capitol, Helena, MT

September 13, 2018 Revenue and Transportation Interim Committee
State Capitol, Helena, MT

November 19, 2018 Revenue and Transportation Interim Committee
State Capitol, Helena, MT

If you don't want to receive the TSRA Newsletter, please let me know. If you want to share with others in your company or organization, please do so. The mission of the Treasure State Resources Association is to promote and enhance the Montana Way of Life through responsible resource development.

