State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
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August 13, 2013

Timothy J. Myers, Engineer
Gogebic Taconite, LLC
402 Silver Street
Hurley, WI 54534

Subject: Review of Bulk Sample Plan Response Submittal

Dear Mr. Myers:

The Department of Natural Resources has completed its review of the *Bulk Sample Plan Response to Comments* dated July 28, 2013, submitted by Gogebic Taconite, LLC, on July 30, 2013. In accordance with s. 295.45(3), Stats., the Department is required to identify, in writing, all approvals that will be required before bulk sampling may be initiated and any information the Department needs to issue a decision relating to bulk sampling approvals.

As indicated in previous correspondence, it will be necessary for you to obtain a storm water permit. Based on the information submitted, we have determined that coverage under the State's General Discharge Permit for Construction Site Storm Water Runoff (General Permit # WI-S067831-4) will be required prior to initiating bulk sampling activities. As part of the application, a detailed site-specific construction site erosion control plan and storm water management plan in accordance with Section 3 of the General Permit and ss. NR 216.46, 216.47, and NR 151.121 to 151.128 Wis. Adm. Code, must be submitted The application and supporting materials should cover the proposed bulk sampling sites, staging areas and all potential access routes which may be used as part of the bulk sampling process.

Based on information provided in the response, the proposed bulk sampling activity will not require wetland or waterway permits. However, should the scope of the activity change such that it would result in a discharge of dredged material or fill material into a wetland, separate Department approval would be required. For example, work to "improve" your roadways with aggregate, install culverts, use the blade of a bulldozer or install timber mats in wetland areas would require Department approval.

An estimate of air emissions was included as part of the response. The estimate is based on the original bulk sampling plan which relied on blasting as the means of recovering the samples. A supplemental air emission estimate reflecting the proposed sampling procedures must be developed and submitted in order for the Department to reach a final regulatory determination regarding the need for an air permit or exemption. The estimate should consider all reasonable sources of emissions from the bulk sampling plan as currently envisioned and should include sources related to blasting if you intend to collect samples using the non-blasting option augmented with limited blasting.

Following are specific additional issues identified in the review of the response document:

1. The cover letter and the response document do not provide consistent estimates of the amount of material to be sampled. The cover letter indicates about 2,400 tons will be removed from three sites,

while the response (response # 1) indicates 4,000 tons will be removed. Similarly, in one part of Response 1, it is stated that "a target of 400 tons from each member horizon is required…" while further in the response it states "each site will remove approximately 800 tons of material…" Please clarify the anticipated amount of material that will be removed in total and from each site.

2. It is not clear whether the bulk sampling activity will be conducted at Site 3a or not. The introductory description of the non-blasting option suggests that Site 3a would not be needed if the non-blasting option is used but Site 3a is mentioned in Response 1 and Response 2, regarding the intended blasting details for the various sites. Will Site 3a be used?
3. Response #1 indicates that the bulk sampling sites will be graded to allow for drainage of groundwater or accumulated precipitation or drainage. Plans for this drainage must be incorporated into the application coverage under the storm water permit.
4. Response #4 describes two staging areas to be used for material storage and loading. Will the areas be operated simultaneously? In preparing these sites, what measures will be taken to salvage topsoil? Since one of the sites is located east of Moore Park Road, describe safety measures that will be implemented in relation to crossing the road. The staging areas and drainage control features must be described as part of the storm water permit application.
5. The response to Comment #5 suggests that since material from the Yale Member is not intended to be sampled, concerns regarding the presence of sulfide-bearing rock are not an issue. The original request for information was addressing sulfide-bearing rock in a broader sense. The Yale Member was cited as an example, but sulfide minerals could occur in other units as well. Please outline measures that will be taken if the bulk sampling activities encounter materials with visible sulfide mineralization.
6. Response #8 refers to the wetlands delineation report. Figures 3 and 4 from that report are of poor resolution and are difficult to read. Please submit better quality versions of figures 3 and 4.
7. The air emissions estimate included with the response indicated that a diesel-powered generator would be used on the site. Your future submittal should include documentation that the generator is classified as a non-road engine, for purposes of air emissions.
8. Response #10 suggests that asbestiform minerals are unlikely to be present in the material removed as part of bulk sampling. While not widespread in the Mesabi Iron Range, asbestiform minerals are nevertheless present. Given the low estimated emission rates, release of asbestos should not be an issue with bulk sampling; therefore, we are not requiring additional identification or characterization at this point. However, if the project progresses to the point where a mining project is proposed or contemplated, a more systematic evaluation of the potential for asbestiform minerals may be needed. Since you will handle a significant volume of material if you bulk sample, we recommend you take the opportunity to evaluate the material you handle for the presence and characterization of grunerite and other similar amphibole minerals.
9. The response document provides a proposed route and basic description of Access Road 6. Describe the extent of clearing, road base improvement and topsoil removal necessary for construction of the road. Drainage features associated with the new road must be thoroughly described in the storm water application package.

Please contact me if you have any questions concerning the information requested.

Sincerely,

Lawrence J. Lynch

Lawrence J. Lynch, P.G., Hydrogeologist
Hazardous Waste and Mining Section
Bureau of Waste & Materials Management