Senate Environment and Natural Resources Committee Senate Bill 3 Public Hearing Feb. 6, 2017

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Presentation Overview

- 1. Regulations in effect without moratorium
- 2. SB 838 [2013]
 - Task force
 - Two-year restrictions
 - Five-year moratorium [Jan 2, 2016 Jan 2, 2021]
- 3. SB 3 [2017]
 - Changes to moratorium
 - Post-moratorium regulations
 - Changes to upland placer mining

Motorized In-water Placer Mining: Existing Regulations

- DEQ "700PM" general permit http://www.deq.state.or.us/wq/wqpermit/docs/general/npdes700pm/permit.pdf
- DSL general authorization for ESH water
 - Limits on nozzle diameter
 - Limit on amount of material moved
 - Other limits to protect habitat and water quality
- Individual permits needed for larger equipment and larger operations

Motorized in-water placer mining

Existing restrictions (DEQ's 700PM General Permit):

- Turbidity limit
- Avoid fish eggs, mussels and lamprey
- Protect banks and channel structure
- Oil/gas spill prevention measures
- Invasive species protections
- Limited to in-water work periods (ODFW)
- Display permit number on dredge

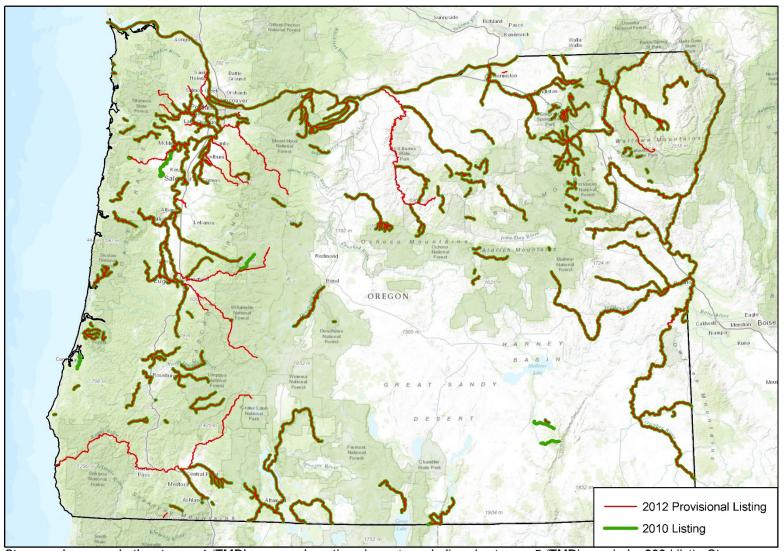
Motorized in-water placer mining

Existing prohibitions

- State scenic waterways
- Tribal reservations

General Permit not available for impaired waters (sediment, turbidity, toxics)

Streams Impaired for Turbidity, Sedimentation, and Toxics



Streams shown are both category 4 (TMDL approved or otherwise not needed) and category 5 (TMDL needed – 303d list). Streams listed for all toxics shown except for chlorine.

Motorized Upland Placer Mining: Existing Regulations

- DEQ "Water Pollution Control Facility" permit required for sedimentation pond
- Most operations covered by WPCF 600 general permit
 - No traceable discharge to groundwater or surface water
 - Don't disturb vegetation unless unavoidable; restore if disturbed
- Additional approvals required if pond > 20,000 sq. ft. or 5 ft. high.
- DOGAMI permit required if more than 5000 cubic yards of material or one acre of disturbance

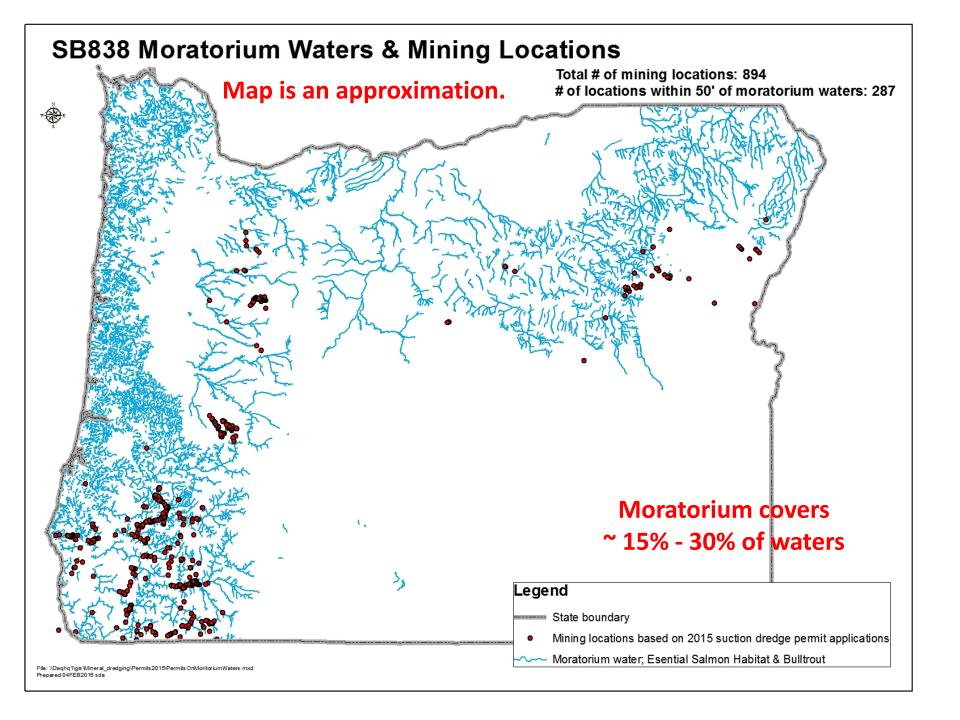
SB 838 [2013]

- Established Governor's task force to propose a revised regulatory framework
 - Consolidated regulatory process
 - Effective compliance, monitoring and enforcement
 - Adequate fee structures
 - Conditions to protect water quality and recover species
 - Addresses social concerns
 - Prohibitions in federal designated areas, scenic waters, state parks, habitat essential to recovery and conservation of salmon, steelhead, lamprey and mussels

SB 838 [2013]

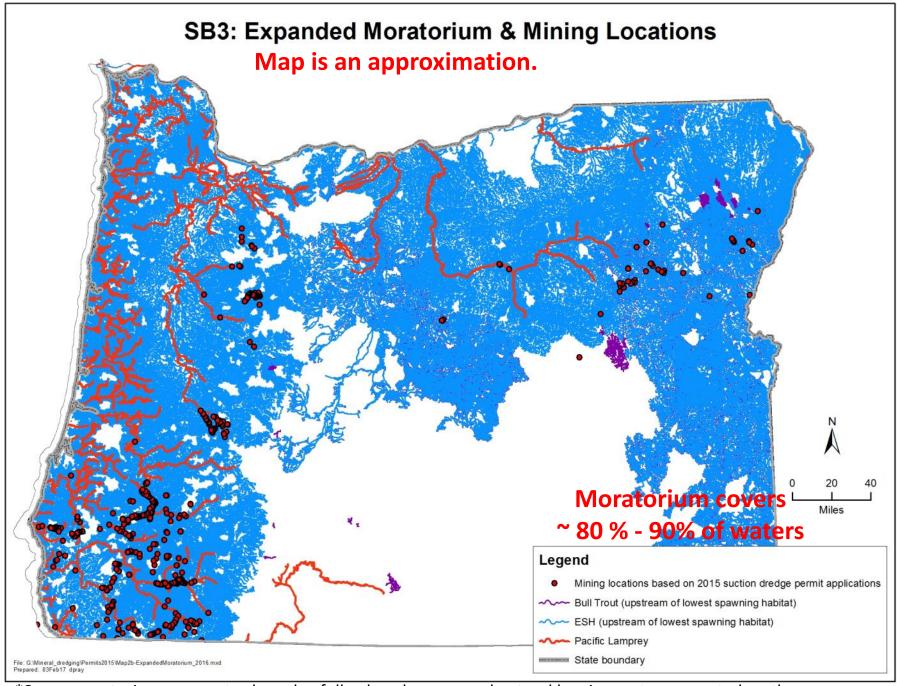
Moratorium (Jan 2, 2016 – Jan 2, 2021)

- Applies in rivers above lowest extent of spawning habitat
 - In rivers containing ESH or bull trout spawning habitat
 - Except where populations not found due to natural or lawfully placed barrier
 - Estimated to apply to 15% 30% of waters
- Applies up to 100 yards perpendicular to ordinary high water line, if activity will disturb vegetation in a manner that may impact water quality
- Does not apply if operation has DOGAMI permit



SB 3: Proposed Changes to Moratorium

- Adds lamprey habitat
- Includes all tributaries to moratorium waters
- Estimated to apply to 80% 90% of waters
- Makes violation of the moratorium a Class A violation
- Removes upland placer mining from moratorium beginning Jan 2, 2019.



^{*}Some moratorium segments above lawfully placed or mapped natural barriers not represented on the map.

SB 3: Future Suction Dredge Regulations (2021)

- Consolidated permit issued by DEQ (Removal-Fill and Water Quality)
- Application review process
- Authority for OSP to write citations
- Invasive species check stations

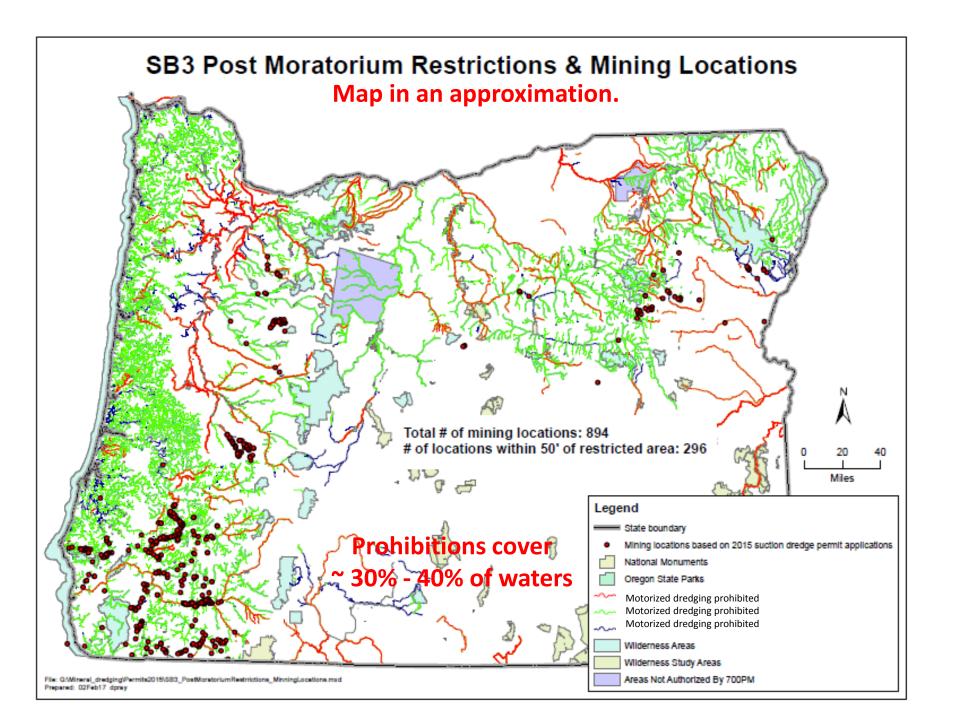
SB 3: Future Suction Dredge Regulations (2021)

Prohibitions, including

- Biological resource habitat (ESH, bull trout, lamprey, freshwater mollusks)
- State parks, tribal lands, federal wilderness, etc.
- Impaired waters (sediment, turbidity, toxics)
- Estimated to apply to 30% 40% of waters

Restrictions

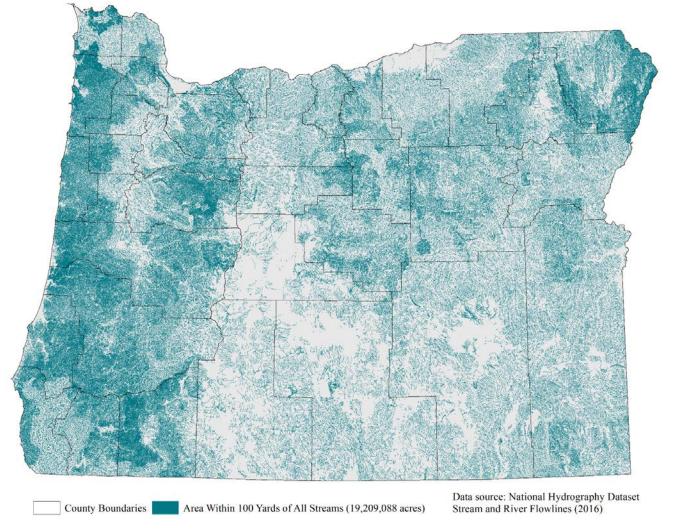
- Social conflicts
- Distance between operations
- Culture resource protection



Current Permit Requirements Current SB 3 Large-Scale mines Operating permit Operating Permit required required **Small-Scale mines** Exclusion certificate Operating permit required for "upland" required placer mines (new class of placer mines) Exclusion certificate required for aggregate mines

Upland Placer Mines

Defined as all precious metal placer mines that are located within 100 yards of the line of ordinary high water of any Oregon stream AND that use motorized equipment of greater than 6 horsepower for site preparation or excavation



Operating Permit Requirements and Costs

Minimum permitting costs are approximately \$10,000-\$15,000, including:

- Application fee at least \$1,750
- A surveyed site map required at least \$3,000
- Reclamation security required at least \$5,000
- Local land use approval required Costs range from \$100s-\$10,000+
- Additional permits, studies, plans may be required
- Permit application review process by agencies and tribal governments
- Permit conditions to protect land, water, biologic and cultural resources
- Reclamation required
- Annual renewal fee of \$850, production fee

Exclusion Certificate Requirements and Costs

- \$80 application fee
- \$150 annual renewal fee
- Annual production report must be submitted
- No conditions imposed
- No reclamation required



Enforcement: Large-Scale Placer Mines

For placer mines with Operating Permits, current enforcement tools include:

- Notice of Violation
- Suspension Order
- Notice of intent to recover security
- Closure and reclamation of site*
- Criminal penalties, with fines up to \$10,000*
- Civil penalties, up to \$10,000 per day*

*These tools have been rarely used, if ever

Changes proposed by SB 3

No changes to enforcement tools for large-scale placer mines

Enforcement: Small-Scale Placer Mines

For placer mines that fail to apply for or renew an exclusion certificate, current enforcement tools include:

- Notice of Violation
- Suspension Order
- Criminal penalties, with fines up to \$10,000*
- Civil penalties, up to \$10,000 per day*

*These tools have been rarely used, if ever

Changes proposed by SB 3

Adds enforcement tools for "upland" placer mines:

- Class A violation for failure to obtain Operating Permit
- Class A violation for failure to observe operating hour restrictions

Summary: Changes Proposed by SB 3

Permit Requirements

Operating Permits

- Operating Permits <u>would be</u> required for "upland" placer mines
 - All precious metal placer mines within 100 yards of the line of ordinary high water on any stream, AND
 - That use motorized equipment of greater than 6 horsepower for site preparation or excavation.

Exclusion Certificates

- Exclusion Certificates <u>would not</u> be required for placer mines
- Exclusion Certificates would be required for small-scale aggregate mines that fall below thresholds for obtaining an operating permit

Enforcement Tools

Adds enforcement tools for "upland" placer mines:

- Class A violation for Failure to obtain Operating Permit
- Class A violation for failure to observe operating hour restrictions

