

From: [Wendy Miller](#)
To: [Rule Making](#)
Subject: Final of IDL Comment Submittal
Date: Thursday, August 13, 2020 2:36:17 PM

Hello Amy, Below is the rulemaking comment submittal. Thanks, Wendy

----- Forwarded Message -----

From: Jeremy C. Chou <jcc@givenspursley.com>
To: Eric Wilson <ewilson@idl.idaho.gov>; Mick Thomas (mthomas@idl.idaho.gov) <mthomas@idl.idaho.gov>
Cc: 'Wendy Miller' <wendolian5@yahoo.com>; Benjamin Davenport (bdavenport@mineidaho.com) <bdavenport@mineidaho.com>
Sent: Thursday, August 13, 2020, 01:14:34 PM PDT
Subject: FW: Final of IDL Comment Submittal

Eric and Mick,

Please consider the following as Keceph Mountain LLC's additional comments regarding rulemaking.

Please do not hesitate to call if you have questions or comments.

Many thanks,

Jeremy Chou

Dear Eric and Mick,

Thank you for clarifying in 20.03.02 that no application fee or financial assurance is required for exploration that is not a mining operation.

IDAPA 20.03.02.120.05 says, "Financial assurance will be a minimum of five thousand dollars (\$5,000) per acre unless the operator or the Department determine that the estimated reasonable costs of reclamation require a different amount. No financial assurance may exceed fifteen thousand dollars (\$15,000) for a given acre of affected land unless: the conditions in subsection 120.07 of these rules have been met." When the department is charging this much per acre, then it is vital the cost of reclamation is clear. During the 6/30/2020 rulemaking meeting, IDL again stated that the reclamation fees covered only the disturbed land and not the entire parcel.

Further with respect to this topic, "permitted area" in mining can be different than the disturbed area. "Permitted area" is not in 20.03.02 definitions. Simpler than defining "permitted area" and much better is to clarify by making the following changes in IDAPA 20.03.02.068.01:

The following base fee schedule will be used for all reclamation plan and cyanide closure plans and amendments to those plans. For plans processed under Section 069 of these rules, this base fee covers up to twenty (20) hours of staff time for review and processing. For plans processed under Section 070 of these rules the applicant may instead enter an agreement with the Department as described in Subsection 068.03 of these rules. The applicable acreage is based on the ~~permitted~~ **disturbed** area identified in the application, **which is measured by the land actually being disturbed rather than the entire parcel.**

Keceph respectfully believes these suggested changes will alleviate confusion and bring clarification.

During the rulemaking meeting on August 10, 2020, Mick helped explain there is one reclamation plan. Without the background of one reclamation plan, 20.03.02.070.01 can easily be understood to be two reclamation plans especially since approval by the state is required even if you got approval from a federal agency.

With one reclamation plan, the agencies make sure that what they want as requirements is received. When duplicative requirements are imposed to mining companies, they slow the permitting process causing less production and less royalties for the state. By reducing duplicative requirements, mining companies produce more which means more royalties to the state, and these royalties have the ability to make far more for the state than rent and fees.

IDL's 2018 Annual Report:

Mineral lease: 165

\$2.3 million in Royalty

\$78,583 in Rent + Fees

IDL's 2019 Annual Report:

Mineral Leases: 142

\$1.3 million in Royalty

\$101,300 in Rent + Fees

An example was in the last 20.03.02 meeting where it was mentioned DEQ and the state having the same requirements in an area. The more duplicate requirements the slower the permitting process. The permitting process already probably last years and is cumbersome long. The slower the permitting process causes less production in mining and less royalties for the state.

The federal agency functional definitions and the states definitions for reclamation and operating plans is different. The federal governments operating plan has a subset of reclamation. The State is basically opposite in that the reclamation plan has a subset of operating plans. These two completely different structures along with how they function is set up to increase duplication and cause confusion. I would encourage IDL to consider how IDL can change the structure/models to provide efficiency, clarity, and less duplication with the agencies especially the federal agency.

How many mining permits are actually approved on the first submittal in Idaho? Most of the time anyone's mining/reclamation plans is not approved on the first go around, and then there

is even more expenses, time, and effort to the company that is incurred because of it.

On average, how many times does it take mining companies to go back and forth to be approved? How many years typically for approval in Idaho? It has taken Midas Gold, an Idaho company, 4 years so far for a gold mine and they are still waiting approval. What is the typical time that Idaho approves mining operations, and how does it compare with other states?

As I am sure IDL knows, Idaho has tremendous potential in the area of mineralization and it has not near reached it's potential. There is no way a small operator or individual can provide all the stuff (studies, baselines, plans) IDL wants without lots and lots of money most people do not have available. The only thing small company's or an individual will be able to do is exploration, but it will be extremely rare for mining or selling products with the extensive, costly permitting process. Who wants to explore if they can't get the benefit of their exploration? It immensely loses the potential for smaller miners in ID to have large discoveries that bring huge royalties for the state, produces lots of jobs, and needed mineral resources for the United States.

With respect to written public comments on 20.03.02 obtained from the Internet, Idaho Bucket miner, Alan Gilda, made comments on 7/10/2020 and 7/24/2020. These comments made valuable points about how 20.03.02 is currently detrimental to individuals and small mining businesses. Why doesn't Idaho provide an option for the individuals and small operators like the neighboring states do? Please incorporate Alan's comments into 20.03.02.

IDL has to do little work for the very large amount of money IDL receives from mining royalties. Therefore, it is worth the state's effort to include the smaller mining companies as well as make the permitting process have less duplication and greater efficiency. I believe there are solutions to help the mining companies and in turn the state's royalties. I would encourage you to consider these solutions.