



Sagebrush Ecosystem Program

Qualitative Analysis of the Gold Bar Mine Mitigation Plan

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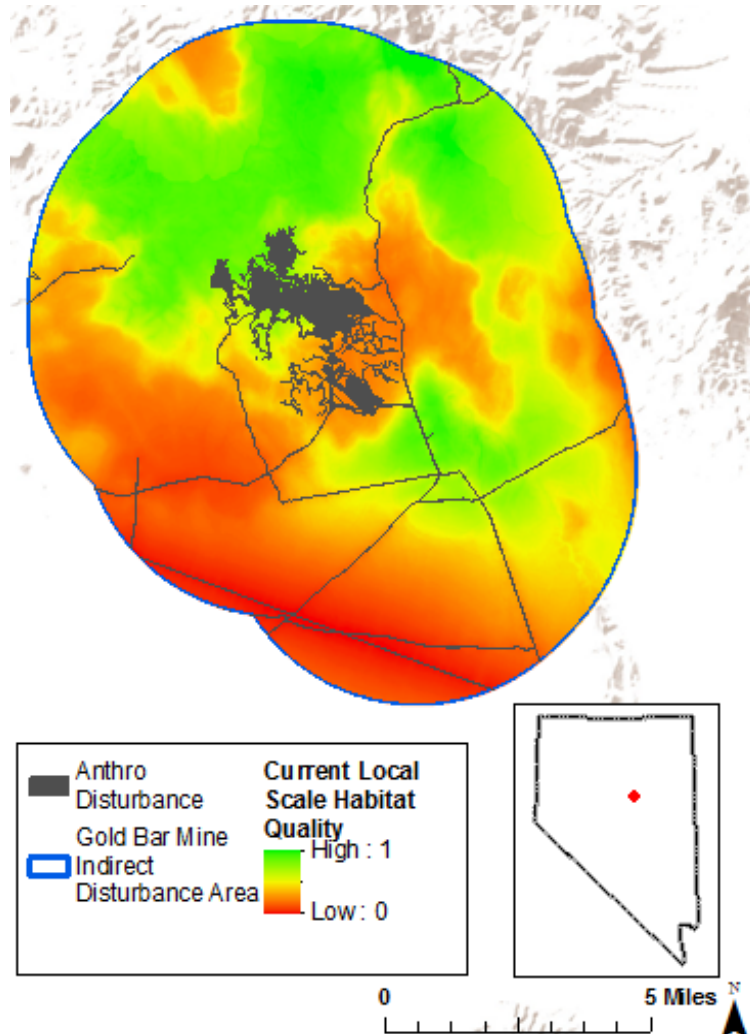


Review

- SEC requested SETT to analyze a proponent driven mitigation plan (PDMP) project compared with the CCS.
- While biased, our intent was to remain as objective as possible during the review.
- Gold Bar was selected because they didn't fully evaluate the CCS in the DEIS.
- Availability of both PDMP and CCS data.



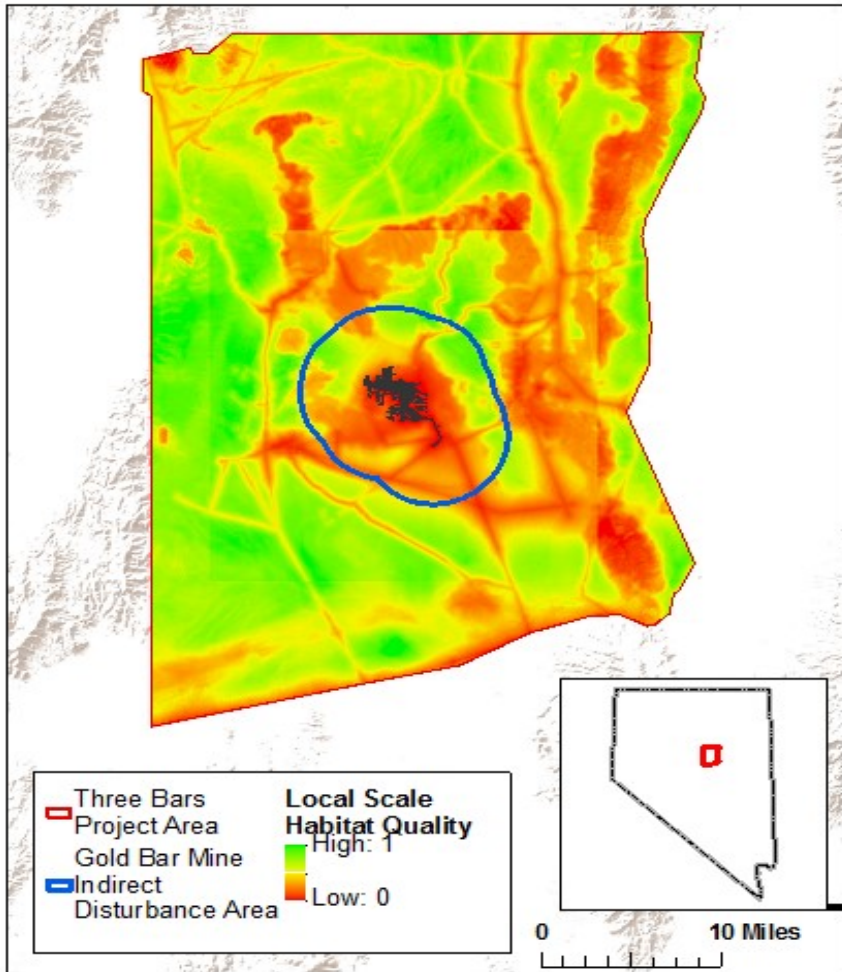
Overview and Impacts



- ~400 Acres of inactive non-reclaimed mine disturbance, activated
- 889 Acres of new direct disturbance
 - 734 Acres of post project restoration to pre-project conditions
 - ~155 Acres of direct disturbance not mitigated



Analysis PDMP



- 750,000 Acres
- 2,394 Acres mitigated (restoration/protection)
 - 768 Acres PHMA
 - 1,626 Acres GHMA
- No estimate of credits generated
- Siting of projects unknown



Analysis PDMP

Potential Mitigation Actions

- Manual and mechanical treatments to remove pinyon-juniper
- Targeted grazing
- Biological control
- Prescribed fire
- Seeding and planting
- Firewood cutting
- Streambank stabilization and channel restoration
- Activity fuels disposal

Credit Potential

- Significant potential for credit generation
- Good habitat conditions within the site
- Good potential to achieve uplift in degraded sites
- Good composition of seasonal habitats
- Existing disturbances nearby
- Amelioration of threats



PDMP Unknowns

- How net loss/gain is measured
- Siting of activities
- Combination of activities to be implemented
- Contingencies to address risk are not defined
- Identification and quantification of success
- Limited or no information on durability, financial assurances, and redundancy (intentional/unintentional loss protection)



Credit System

- Accounts for 69,300 acres of indirect disturbance
- Temporary and permanent loss
- ~6,200 Debits
- 12,000-18,000 acres of enhancement/protection
- Quantifiable metrics (functional acres)
- Durability (contracts, management plans, etc.)
- Financial assurances required (maintenance monitoring, reversals)
- Redundancy defined (Reserve Account)



Conclusion

- Inconsistency of not considering CCS due to the lack of credits currently available, while allowing mitigation over the next 6 years
- Promote using the HQT to derive quantifiable metrics
- Work towards ensuring no net loss or conservation gain
- Continued discussions and collaboration with BLM and project proponent