Written Testimony for Mark Niver House Transportation and Infrastructure Committee Subcommittee on Water Resources and Environment October 23, 2019

I am submitting the following testimony regarding the proposed Pebble Mine project in Bristol Bay, Alaska's headwaters. This project is irresponsible and jeopardizes a thriving renewable industry, including my livelihood and that of my three sons. I am deeply concerned with how the Trump Administration is handling the Pebble project's permitting process. The process has been rushed since day one and ignores well-documented science showing that the Pebble Mine would cause irreversible harm to Bristol Bay's salmon fishery. I ask that you and your colleagues do everything in your power to stop this corrupt permitting process from moving forward and that you not allow this administration to destroy the world's largest wild salmon fishery and with it 14,000 American jobs.

My Bristol Bay fishing career started in my teens when I worked for Kachemak Seafoods in Togiak. I soon after moved to Alaska during college to take a job in the Prudhoe Bay Oil Field where I just recently retired as a Plant Operator. I supplemented my oil job on the "North Slope" by commercial fishing in Bristol Bay with my father and three brothers. After fishing with them for a few seasons I decided that this was a fishery I wanted to invest in and I bought my own fishing boat and permit.

Commercial fishing in Bristol Bay is not easy and it requires a substantial amount of investment and long-term commitment. Today, a driftnet permit costs on the average of \$185,000 with a fishing boat costing on average \$250,000. While this initial investment can be daunting for new fishermen, it's one worth making thanks to Bristol Bay's strong runs and high market price. This fishing season, my one boat harvested \$650,000 worth of salmon.

For me and many others, fishing in Bristol Bay is a family endeavor and that's part of what makes it so special. It's also generational and you often have multiple generations fishing together. I raised my three boys on my fishing boat; they started to come out with me when they were ten years old. Commercial fishing taught them how to work hard and solve problems on their own. Today, they continue to fish and have also started their own seafood company, Surrender Salmon, selling more than 100,000 pounds of Bristol Bay salmon fillets to markets in the Midwest. It's a good living that they are proud of. As their father, I'm proud to know that they will continue fishing after my time is over, and perhaps their future children and grandchildren will do the same.

Bristol Bay is the largest and most valuable wild salmon fishery left in the world. In 2018, Bristol Bay saw a record-breaking return of 62 million sockeye salmon, 43 million of which were sustainably harvested by the commercial fishery<sup>1</sup>.

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<sup>&</sup>lt;sup>1</sup> Alaska Department of Fish & Game: www.adfg.alaska.gov

In an average year, Bristol Bay's salmon fishery contributes roughly 50% of the world's sockeye salmon and generates \$650 million in income and \$1.5 billion in economic activity<sup>2</sup>. The commercial fishery in Bristol Bay has existed for over 130 years and today provides more than 14,000 jobs, including 8,000 fishing jobs<sup>3</sup>.

At a local level, Bristol Bay's salmon fishery is an economic engine for the region. It employs 1,567 regional resident workers, provides 4,217 total average regional jobs, and generates \$220 million in total regional labor income<sup>4</sup>. These jobs and income are significant since they are renewable and will be available to local residents so long as Bristol Bay's salmon populations remain productive and are able to support a commercial fishery.

The economic impacts of Bristol Bay's salmon fishery extend well beyond the Bristol Bay region, making it an invaluable part of our nation's renewable economy. It sustains service and support industries such as boat builders, engine mechanics, and fishing gear manufacturers as well as other industries in the seafood supply chain, including distribution, retail, and food service. Bristol Bay is especially important for the Pacific Northwest given the hundreds of permit holders, seafood processors, and seafood distributors that are based in Washington and Oregon. The Puget Sound region in particular has deep ties to the Bristol Bay fishing industry given that the majority of Bristol Bay's major seafood processors are based in the Seattle area and a substantial percentage of Bristol Bay's salmon products are shipped to Seattle for reprocessing and distribution to other markets around the country and world<sup>5</sup>.

As other salmon fisheries in Alaska face cyclical declines, Bristol Bay's salmon fishery is more important than ever. In 2018 thanks to its record-high returns, Bristol Bay contributed 38% of Alaska's entire 2018 salmon harvest and 48% of its total estimated ex-vessel value<sup>6</sup>. Its abundance allows it to provide financial stability for seafood processors, fishermen, and other businesses and is a pillar for the entire Alaska seafood industry.

For over a decade the Pebble Mine has been casting a shadow of uncertainty over my livelihood and Bristol Bay's entire fishing industry. I first learned about the proposed Pebble Mine in 2006 and the more I learned about the project the more concerned I got. Nowhere in Alaska or the world have we ever had a mine of this type and size located in a place as ecologically sensitive and pristine as Bristol Bay. As the late U.S. Senator Ted Stevens once said, "it is the wrong mine for the wrong place."

It's extremely troubling that the Trump Administration would push this project forward despite its well-documented risks and despite the 14,000 jobs at stake. Bristol Bay's salmon fishery is a renewable economic engine, and one that cannot be replaced. What is especially troubling about the current permitting

<sup>&</sup>lt;sup>2</sup> Knapp et al. University of Anchorage: Institute of Social and Economic Research. April 2013. *The Economic Importance of the Bristol Bay Salmon Industry*.

<sup>&</sup>lt;sup>3</sup> Wink Research and Consulting, 2018. Economic Benefits of the Bristol Bay Salmon Industry.

<sup>&</sup>lt;sup>4</sup> Wink, Economic Benefits

<sup>&</sup>lt;sup>5</sup> Knapp et al., *The Economic Importance* 

<sup>&</sup>lt;sup>6</sup> Alaska Department of Fish & Game: www.adfg.alaska.gov

process is the U.S. Army Corps of Engineers' Draft Environmental Impact Statement (DEIS). The Army Corps' DEIS is fatally flawed and fails to accurately portray the ecological impacts that the proposed Pebble project would have on the Bristol Bay watershed and its wild salmon populations. Ultimately, this is because the DEIS is based on a false project scope and duration even though the Army Corps itself says in the DEIS that expansion of the project is "reasonably foreseeable." In addition, the DEIS downplays many of the direct and indirect impacts outlined in the EPA's 2014 peer-reviewed Bristol Bay Watershed Assessment, which concluded that "large-scale mining in the Bristol Bay watershed poses significant near- and long-term risk to salmon, wildlife and Native Alaska cultures," according to former EPA Regional Administrator Dennis McLerran. The discrepancies in the DEIS and the EPA Bristol Bay Watershed Assessment are concerning and raises questions about the scientific integrity of the DEIS.

Of particular concern to myself and Bristol Bay's commercial fishermen are the following information gaps and inaccuracies in the DEIS regarding potential impacts to Bristol Bay's fish and fish habitat:

- The DEIS grossly underestimates Pebble's potential impacts and bases its analysis on a false project scope and duration, leading to inaccurate conclusions in the DEIS about future changes in the number of returning salmon available for harvest. The Army Corps' estimations are not supported by the best available science and analysis, specifically when it comes to the impacts of changes in water temperature and traces of copper on aquatic life.
- The risk of a potential tailings dam failure, which would be catastrophic for the Nushagak River one of Bristol Bay's most productive salmon river systems. The Army Corps has yet to conduct a thorough, long-term assessment of a potential tailings dam failure and its impacts, which is inexcusable given other recent tailings dam failures and the threats that such a failure could have to the communities and industries that are downstream. Because of these risks, Bristol Bay's drift net permit holders took it upon themselves to hire independent earth scientist, Dr. Cameron Wobus, to model potential tailings dam failure scenarios and their potential impacts. His analysis found that it is likely that Pebble's tailings material would reach Bristol Bay<sup>7</sup> and reinforces that a tailings dams failure at the Pebble project would have far reaching and long-lasting impacts on the Nushagak River drainage and deserves further analysis by the Army Corps and Pebble Limited Partnership.
- The DEIS does not include a post-operation reclamation plan or wastewater treatment plan. We understand that this is due to the fact that the Pebble Limited Partnership has not submitted this information to the Army Corps or the State of Alaska, which we find unacceptable and questionable given that

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<sup>&</sup>lt;sup>7</sup> Lynker Technologies, LLC. 2019. A Model Analysis of Flow and Deposition from a Tailings Dam Failure at the Proposed Pebble Mine.

this is standard practice in the industry. Because this project will require treatment and monitoring <u>in perpetuity</u>, this information must be made available in the DEIS for the public to review and comment on.

The inadequacies in the Army Corps' assessment of potential impacts to fish and habitat impedes the Army Corps from accurately assessing the magnitude of Pebble's socio-economic impacts, including changes to the value and marketability of Bristol Bay's salmon and the subsequent impacts these changes would have on the well-being of Bristol Bay's commercial fishermen, businesses, and support industries. The Army Corps erroneously assumes that the total value of the fishery is based solely on the volume of fish harvested and value per pound of salmon. This assumption is wrong and does not factor in the influence that marketing, public perception, and quality can have on fish value. In addition, the Army Corps also makes a sweeping assumption in its DEIS that a change in market reception of Bristol Bay's salmon is not likely to occur (DEIS 4.6-2). This assumption is illfounded and is in direct contrast to the Pacific Seafood Processors Assocation's conclusion that, "we know from past experience, that actual or perceived damage to the purity of the waters or fish of the Bristol Bay region would harm the marketability of Alaska salmon,"8. Thus, even if there is not a catastrophic environmental disaster at the proposed Pebble Mine site, just the public's perception of an open-pit mine in Bristol Bay's headwaters will damage the Bristol Bay and greater Alaska seafood brands. The DEIS completely dismisses these risks and its subsequent impacts on the thousands of businesses that purchase and sell Bristol Bay salmon, including seafood distributors, retailers, and restaurants.

The DEIS does not account for the hundreds of millions of dollars in investments made by Bristol Bay's permit holders and seafood processors, nor does it evaluate the potential impacts that the Pebble project could have on the value of these investments and assets. As stated previously, many fishermen invest hundreds of thousands of dollars to participate in the Bristol Bay commercial fishery, requiring loans that depend on a consistent supply of salmon and strong market prices. Any loss in fishing income would create financial hardship for these fishermen.

Over the last year and a half, Bristol Bay's fishermen have taken precious time away from fishing to write and submit comment letters to the Army Corps during both the Scoping and Draft EIS comment periods. We have yet to see the Army Corps address our concerns and questions, including our request for a more rigorous tailings-dam failure assessment. Instead it appears that this Administration has already decided the outcome and is simply going through the motions. That's not how a permitting process should work, especially in Bristol Bay where the world's largest wild salmon fishery is at stake. The integrity of this permitting process has been compromised and I have no confidence that the concerns and

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<sup>&</sup>lt;sup>8</sup> Pacific Seafood Processors Association, June 2017, *Position on the Pebble Mine Project*.

interests of Bristol Bay's fishermen will be factored into the Army Corps' final permitting decision.

As someone who spent their career working in the oil industry, I am not antidevelopment. Far from it. I fully support development of our natural resources, but only when it's done responsibly and based on the best available science. We have one shot to do this permitting process right in Bristol Bay - there is no where else with a salmon fishery this valuable and productive. To allow the Pebble Limited Partnership to drive this permitting process in spite of science and the will of Alaskans goes against our country's own best interests, violates the National Environmental Policy Act, and jeopardizes more than 14,000 renewable jobs. This permitting process should be testing Pebble's assumptions and promises, not taking the Pebble Partnership at its word. We deserve a rigorous permitting process that's transparent, rigorous, and based on the best available science and information.

I have been fighting to save my livelihood - and my sons' livelihoods - from the Pebble Mine for over a decade and will continue to do so until Bristol Bay is protected. I'm increasingly concerned under this current Administration that this permitting process is a runaway train with nothing stopping the Army Corps from rubber stamping the Pebble Partnership's permit application in just a matter of months. That is why I am here, to ask for your help and leadership. Please do everything you can to stop this flawed process from moving forward any further. Allowing the Trump Administration to permit this project would be an economic disaster for our country and Bristol Bay's thousands of commercial fishermen.

Thank you for your attention and consideration.

Mark Niver Bristol Bay drift net permit holder, F/V Surrender Wasilla, Alaska