



June 18, 2019

The Honorable Wayne Ogle  
President, Kenai Peninsula Borough Assembly  
144 North Binkley Street  
Soldotna, AK 99669

Dear Assemblyman Ogle:

It was recently brought to our attention that the Kenai Peninsula Borough Assembly has been asked to send a resolution, 2019-038, to the U.S. Army Corps of Engineers (USACE) regarding the Draft Environmental Impact Statement (DEIS) for the Pebble Project. Prior to taking such a formal step with the USACE, we would respectfully request you hear a full project briefing or receive additional information about the project.

The Pebble Limited Partnership (PLP) filed a permit application with the USACE in late 2017 and are near the end of the public comment period for the DEIS.

PLP's proposed plan would likely have a significant economic and revenue footprint within the Kenai Peninsula Borough (KPB). Our current plan has a port and transshipment facility, with an associated access road on the west side of Cook Inlet, a 180-mile gas line from the Kenai Peninsula across Cook Inlet to our proposed mine site, and a compressor station near Anchor Point. Construction costs for this infrastructure will be significant and they will form part of the borough tax base for several decades through mine operations and closure. The Pebble Draft EIS notes that the KPB has a property tax rate of 4.7 mils (Pebble DEIS, p 4.3-9), which could result in nearly half a million dollars of revenue for a hundred million dollars in assessed property value. Furthermore, the DEIS notes that a majority of the estimated 600 jobs that would be filled at the mine by employees from outside the surrounding communities would come from Anchorage or Kenai (Pebble DEIS, p 4.3-6). PLP anticipates operating regular flights (up to four a week) between Kenai and Iliamna throughout the project life. This would provide ready access to highly paid mining jobs for many borough residents.

Engineering and survey work in support of the pipeline over the last two summers was based out of Homer with a significant investment in boat rentals and other support services. PLP anticipates that the need for these services will continue and expand as the project advances.

The specific resolution in front of the assembly pertains to bears. The Pebble team is aware of the issue and has incorporated many best management practices into our planning and project design. We will have a general wildlife safety mitigation plan to minimize human-wildlife interactions. We will also have a specific plan for the planned port at Amakdedori and for the transportation corridor.

On the road corridor from the south shore of Iliamna Lake we do not believe the traffic density is high enough to present a barrier to the free passage of wildlife across the road. At larger anadromous creeks that are likely to have a higher level of bear traffic, including the Gibraltar River and Amakdedori Creek, have bridged crossings that will provide free and secure passage for bears and other wildlife moving along the water way. The Pebble



project will include design features and procedures to protect personnel and wildlife, specifically bears, but also moose, caribou, and other wildlife at Amakdedori Port and along the transportation corridor.

A few additional points for your consideration:

- Our review of research and data shows that there are relatively few vehicle accidents involving bears. The Pebble road would have one truck approximately every twenty minutes. KPB residents are familiar with the widespread presence of brown bears along the far more heavily trafficked Stirling Highway and the Alaska DOT traffic incident database includes three brown bear incidents since 2013.
- Our planned port facility at Amakdedori is approximately twelve miles from the McNeil River bear viewing sites with Chenik Mountain and Chenik Head between them assuring people would not be able to see the port site from the bear viewing areas (to use an Anchorage analogy it is approximately the same distance from the Port of Anchorage to Potter Marsh).
- In analyzing state of Alaska land use permits related to bears around our planned transportation corridor, none were for bear viewing. Only one permit, which is for bear hunting, is active in the area. PLP's operating plans will include provisions for coordination with other land users, including hunters and guides, to minimize potential interactions through the guiding seasons.

We understand the range of issues and concerns our project has generated. Every step of the way we have noted the criticality of co-existing with other industries. We appreciate the Kenai Peninsula Borough Assembly interest in our project and welcome future opportunities to share details of our plans with you.

Respectfully,

Tom Collier  
CEO, Pebble Limited Partnership