



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

August 7, 2013

The Honorable Sam Kooiker
Mayor of Rapid City
300 6th Street
Rapid City, SD 57701

The Honorable Jerome "Jerry" Wright
Rapid City Alderman
2105 4th Avenue
Rapid City, SD 57702

Gentlemen,

Thank you for your letters asking about uranium mining in South Dakota and for the invitation to attend a Rapid City Public Works Committee meeting. Currently, the only proposed uranium mine in South Dakota is Powertech's Dewey-Burdock project near Edgemont. At this time, we have no other pending applications for mining or exploration of uranium elsewhere in South Dakota.

As you may know, the South Dakota Department of Environment and Natural Resources (DENR) is currently involved in contested case hearings on all state permit applications submitted by Powertech. Because this places DENR essentially in litigation over these state permit applications, the Office of Attorney General has advised us it would not be proper for DENR staff to speak about these permits outside of the official contested case hearings and, therefore, we cannot accept your invitation. However, this does not mean you and other interested citizens will not have the opportunity to listen to all sides and learn the facts about the proposed project, to include any potential impacts to Rapid City's water supply.

The Board of Minerals and Environment is the permit issuing authority for Powertech's large-scale mine permit while the Water Management Board is the permit issuing authority for its state water rights and ground water discharge permit. Due to the public interest in the proposed Powertech project, both boards have scheduled the contested case hearings on the Powertech permit applications to be held in Rapid City to make it easier for citizens who live West River to attend. While the state hearing schedules continue to evolve, so far the hearings are scheduled as follows:

- Board of Minerals and Environment will begin the mine permit hearing on September 23 at 8:30 a.m. through September 26 at the Best Western Ramkota Hotel in Rapid City.
- Board of Water Management will begin the water right and ground water discharge permit hearings at 8:30 a.m. on October 7 through October 11 at the Ramkota Hotel.
- Board of Water Management will reconvene October 28 through November 1 if needed at the Ramkota Hotel in Rapid City.
- Board of Minerals and Environment will tentatively resume the mine permit hearing for a second week in Rapid City if needed.

As you can see, the boards and all parties to these hearings are making a significant investment to hold these hearings West River to build complete administrative records for final board actions, whatever those may be. Because it is expected both ground water quality and quantity issues will be fully vetted during these hearings, we encourage Rapid City officials and members of the public who have an interest in the proposed Powertech project to attend. We have booked meeting rooms at the Ramkota to hold about 200 people. If not, both the audio and minutes will be posted on DENR's web page at <http://denr.sd.gov/boards/schedule.aspx> after the hearings.

You should also know the state permits are not the final decision on the project. The U.S. Nuclear Regulatory Commission (NRC) and the U.S. Environmental Protection Agency (EPA) will be the primary agencies that regulate Powertech's proposed project. The NRC carries out its responsibilities through its licensing process and the EPA through its underground injection control permits. Due to the importance of the federal regulatory agencies in this case, DENR has made it easy for people to follow the federal permitting processes and the various hearings by consolidating links to all permit applications submitted by Powertech to not only DENR, but also to NRC and EPA on our website at <http://denr.sd.gov/Powertech.aspx>. Links to the Environmental Impact Statement completed by the NRC are also located there.

It is through these hearings that the merits and impacts of the proposed Powertech uranium mine will be evaluated and measured against the applicable laws and rules. Potential risks will be identified by the permit issuing authorities and appropriate conditions will be put in place to ensure our citizens and natural resources are protected if the permits are approved. Hope to see you or your staff at the hearings, and thank you again for your letters.

Sincerely,



Steven M. Pirner, P.E.
Secretary

c: Dustin Johnson, Governor's Chief of Staff
Matt Konenkamp, Governor's Senior Policy Advisor