



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY


REGION 10

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JAN 16 2009

MEMORANDUM

SUBJECT: Region 10 Mining Financial Assurance Strategy

FROM: Elin D. Miller
Regional Administrator 

TO: All Region 10 Office Directors

Attached is the Region 10 Mining Financial Assurance Strategy that was developed to improve financial assurances for the new and operating mines and for mine site cleanups in Region 10. The Strategy provides background information that describes why financial assurance is important for the mining sector and describes specific cross-programmatic action items that the Region will implement to improve financial assurances. The action items utilize existing tools and potentially new tools and include a strong collaboration component to meet the Strategy goals.

The Strategy was developed by the Region 10 mining Team. If you have questions about the Strategy, please contact Patty McGrath, Regional Mining Coordinator, at 206-553-0979.

Attachments

1. Communication Plan for Region 10 Mining Financial Assurance Strategy, Dec 12, 2008
2. Region 10 Mining Financial Assurance Strategy

REGION 10 MINING FINANCIAL ASSURANCE STRATEGY

EPA Region 10 Mining Team

I. INTRODUCTION

EPA Region 10 has developed this strategy to improve financial assurance for new and operating hardrock mines and for mine site cleanups. Financial assurance rules require that mining companies guarantee or set aside money to ensure that future reclamation and closure or cleanup obligations will be met and provide an incentive to locate, design and operate facilities to minimize cleanup costs. Unfortunately, the amount or mechanism of financial assurance is sometimes inadequate, which can and has resulted in environmental impacts and financial burden on federal and state agencies to close or remediate such sites.

The Region expends significant resources on environmental review and permitting of new and operating mines and on mine cleanups. Region 10 management has recognized financial assurance as an important component of this work. The Region 10 Mining Strategy has an action item highlighting the need to promote adequate financial assurance for new mines and existing mines. Financial assurance for mining operations was identified by the Region's Executive Team as an area for priority attention under the "Support the Core" Strategic Endeavour which specifically identifies the following action item:

"By September 2007, the Region will have a strategy in place that includes specific and measurable steps to ensure mining operations have adequate financial assurance mechanisms in place."

The first part of this strategy presents background information regarding why financial assurance is important. This background information is supported by information on the financial assurance amounts for mines in Region 10 (Appendix A) and the reports cited in Appendix B. The second part of the strategy identifies specific steps that the Region will take to improve financial assurance at new and operating mines and for mine cleanups. Appendix C of the strategy provides a timeframe for implementing the strategy elements.

II. BACKGROUND

Mining can cause significant impacts on the environment. Large modern mines extract millions of tons of material over the course of decades, most of which is left at the mine site in the form of waste rock and tailings. These wastes, when exposed to air and water can create acid and cause leaching of metals into surface water and ground water. In addition, large open pits and/or underground mine workings created during mining can serve as sources of contamination. Because of the size of these facilities and potential long-term impacts, closure, remediation and reclamation can take decades and cost tens of millions of dollars or more.

Financial assurance to fully cover reclamation and closure costs is necessary to ensure that state and federal agencies can complete reclamation if the operator fails to do so or goes bankrupt. It also plays a significant role in reducing risks to human health and the environment because it provides a financial incentive for operators to improve environmental practices. States and Federal Land Management Agencies (FLMAs), including the U.S. Forest Service and Bureau of Land Management establish and manage financial assurance for mining operations.

There are mine sites where well-funded mining operators have completed reclamation. But there are many examples where mine operators have failed to make adequate financial provisions for closure costs and this has resulted in the abandonment of sites in unsafe and unacceptable environmental conditions. In these cases, state and federal agencies bear the financial burden of cleaning up the site.

The Summitville Mine in Colorado is the often-cited "poster child" for inadequate financial assurance. In 1992, Galactic Resources declared bankruptcy and abandoned the cyanide heap leach closure. EPA and the State of Colorado obtained \$28 million as part of the bankruptcy proceedings. However, it has so far cost EPA and the State more than \$200 million of taxpayers' dollars to clean up the site. The financial assurance for this mine was \$4.5 million. Other examples are cited in the reports listed in Appendix B.

Region 10 has been directly affected by inadequate financial assurance. A recent example is the Asarco bankruptcy, which occurred in 2005. Asarco is liable for at least 90 contaminated sites nationwide, including 21 Superfund sites. These sites are estimated to cost \$6 to \$8 billion dollars to remediate. The largest of all these sites is the Coeur d'Alene Basin in Region 10, where EPA's remedy at the site will cost over \$2 billion. Asarco is one of two significant liable parties for this site. EPA has been in litigation with these two responsible parties for over 10 years. Asarco has chosen to litigate with EPA and to file for bankruptcy protection rather than to pay for any cleanup in the Basin.

The form of financial assurance is as important as the amount of financial assurance. For example, at the Asarco Tacoma Smelter site in Washington State, EPA had consent decrees with Asarco that specified financial assurance based on a corporate financial test—a very common form of assurance in EPA Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) consent decrees. Under this kind of financial assurance the company essentially needs to pass a financial test each year that shows that its assets exceed its liabilities. When EPA realized that Asarco was having financial struggles, we sought to secure better financial assurance as allowed under the Consent Decree. Asarco was unable to provide it. It filed for bankruptcy shortly after that. EPA has filed claims in the bankruptcy, but will be left with whatever cleanup responsibility remains.

The table in Appendix A identifies financial assurance amounts for the large active mines and recently closed mines in Region 10. Financial assurance amounts for some of the

mines are clearly inadequate. For example, in Idaho there is no state requirement for any financial assurance at underground mines. As a result there are two operating mines in the South Fork Coeur d'Alene watershed with no financial assurance. In addition, there are several large complicated sites in Region 10 where long-term water collection and treatment will be needed, at the estimated cost of tens of millions per site, yet the FLMAs and the state have no allocation in the financial assurance for such tasks.

Over the last several years external audits and reports have been critical of federal financial assurance regulations and failure by agencies to implement those regulations. That puts increasing pressure on EPA and other agencies to improve financial assurance requirements. These reports include: "National Research Report: Hardrock Mining on Federal Lands (1999)"; "Mineral Policy Center Issue Paper, Putting a Price on Pollution, Financial Assurance for Mine Reclamation and Closure (March 2003)"; "Office of Inspector General Report: Implementation, Information, and Statutory Obstacles Impede Achievement of Environmental Results from EPA's National Hardrock Mining Framework (Aug. 2003)"; "Superfund 120-day study (April 2004)"; and "GAO Report: Hardrock Mining, BLM Needs to Better Manage Financial Assurances to Guarantee Coverage of Reclamation Costs (June 2005)". See Appendix B for report summaries.

III. MINING FINANCIAL ASSURANCE STRATEGY

EPA can improve financial assurance at new and operating mines using our National Environmental Policy Act (NEPA) and Superfund authorities and by collaborating with federal and state agencies. In addition, we recommend that EPA continue to investigate whether financial assurance regulations under CERCLA 108(b) would be effective to ensure adequate financial assurance for operating mines. These actions are described below.

A. National Environmental Policy Act (NEPA)

NEPA provides for the disclosure to the public and decision-makers of information concerning environmental consequences of a proposed action before federal decisions are made and before actions are taken. NEPA law and regulation does not directly refer to disclosure of financial assurances. However, a key component to determining the environmental impacts of a mine is the effectiveness of closure and reclamation activities. The amount and viability of financial assurance are critical factors in determining the effectiveness of reclamation and closure activities and, therefore, the significance of the environmental impacts. This is particularly important when long-term water management and treatment will be needed.

EPA can take certain actions within our NEPA authorities to influence the disclosure and adequacy of financial assurance during development of Environmental Impact Statements (EISs). EPA has a dual role under NEPA.

(1) NEPA compliance: EPA has to comply with NEPA when it issues a new source NPDES permit. Most of the operating mines in Idaho and Alaska have NPDES permits issued by EPA and many of the proposed new mines will require a new source NPDES permit. In compliance with NEPA, EPA may be the lead agency responsible for developing the EIS (e.g., where the mine is not on federally managed land) or may be a cooperating agency.

(2) NEPA review: Under Clean Air Act (CAA) Section 309, EPA is required to review all federal EISs, Section 309 requires EPA to "comment in writing on the environmental impact of any matter relating to duties and responsibilities...of the Administrator." Since the duties of the Administrator include maintaining or restoring air, water, and land quality during operation of the mine and after its closure, comments on the adequacy of financial assurance to maintain or restore the quality of these resources are important. We evaluate and rate EISs for the environmental impact of the proposed action and the adequacy of the EIS document.

EPA has already recognized the importance of disclosing financial assurance in EISs. EPA's "National Hardrock Mining Framework (Sept 1997)" developed by the Office of Water (OW), Office of Enforcement and Compliance Assurance (OECA), and Office of Solid Waste and Emergency Response (OSWER) establishes the agency's approach in dealing with environmental concerns of hardrock mining. One of the recommendations in the Framework states "EPA should evaluate the adequacy of EISs for mining operations in predicting the long-term environmental impacts of mining operations. Assessment of financial assurance mechanisms that will be utilized to provide funding of required long term environmental management systems is critical to this analysis."

Following are steps we can take under NEPA to improve financial assurance at new and operating mines. Some of these actions are part of our current procedures, while others are new:

- 1- NEPA scoping: Identify financial assurance as a significant issue during EIS scoping. We currently do this and will continue.
- 2- Alternatives development: Work with the federal land management and state agencies during early NEPA stages to develop alternatives that will minimize the amount of financial assurance needed.
- 3- EPA-lead EISs: Include financial assurance estimates for the preferred alternative in the draft EISs that EPA authors.
- 4- FLMA-lead EISs: Work with the FLMA early on to promote the disclosure of financial assurance in the draft EIS. Comment on whether there is complete information in draft EISs on the reclamation and mitigation activities and the costs of closure. We currently do this, but will be more effective by implementing ideas 5 and 6 below.

- 5- EIS ratings for inadequate FA: Work with the Office of Federal Activities (OFA) to adversely rate draft EISs that do not include adequate and complete financial assurance information, particularly where long-term water management is reasonably foreseeable.
- 6- NEPA FA memo: The western EPA regions share our concerns with the need to disclose financial assurance estimates in EISs. Regions 8, 9, and 10 will develop a memorandum notifying headquarters of our efforts to improve financial assurance through EPA's NEPA review role and request headquarters support in working with the USFS and BLM to open a dialogue in this arena.
- 7- Supplemental EISs: Work with States and FLMAs to identify sites where actual environmental outcomes are significantly different from predictions made in EISs. Encourage agencies to use mine administration authorities to develop supplemental EISs, as appropriate, to address significant environmental problems that are not addressed in mine plans and covered by financial assurance.

B. CERCLA Site Assessment

CERCLA can be applied at sites whenever "...any hazardous substance is released or there is a substantial threat of such a release into the environment..." CERCLA is generally applied after a release has occurred and after a facility has closed. However, since the enactment of CERCLA, this region has learned first-hand that waiting until after an inadequately funded mine is closed or shut down can mean that the mining companies do not have money for cleanup. At this point a mining company may have gone bankrupt or is without assets. EPA has spent significant amounts of Superfund monies to cleanup contaminated mine sites in Region 10, when the goal of CERCLA is to have the polluter pay for cleanup, not the federal taxpayer.

One way to address this is to selectively investigate operating mines to determine if there are potential risks that would warrant further CERCLA response actions. For example, there may be removal actions that are necessary, or the site may score high enough for EPA to require further cleanup action. If further action is required, EPA may consider specific enforcement actions, including entering into discussions with the mine operator/owner for an administrative order on consent. Under such a vehicle, EPA could require work to be performed at the site, and financial assurance for that work.

While CERCLA cleanups are being conducted at numerous historical and recently closed mines in our region, CERCLA enforcement actions have not been taken for operating mines. EPA has used CERCLA authorities to address problems at active mineral processing facilities in Region 10 (Monsanto and Eastern Michaud Flats) and at inactive portions of Simplot's Smoky Canyon phosphate mine. Applying CERCLA at

high risk active mines instead of waiting for closure has the advantages that an operating facility generally has a positive cash flow and can obtain financial assurance required under a CERCLA order. Following are steps to investigate the use of this tool for improving financial assurance at operating mines.

- 8- Review existing FA: Identify active mining operations where financial assurance is seriously deficient and attempt to quantify financial assurance shortfalls. See Appendix A.
- 9- Conduct CERCLA site assessments at high risk sites: Investigate the use of site assessment or CERCLA enforcement tools at active mines. Prioritize high risk active mining sites, such as those where long-term water management is needed and the financial assurance short-fall is great or sites where there are recurring Clean Water Act violations. Develop recommendation for conducting a site assessment at a high risk site.

C. CERCLA—Mine Site Cleanup

Under CERCLA, EPA has authority to require financial assurance in settlement agreements and when it issues orders. Ensuring compliance with financial assurance requirements at mineral processing facilities is an OECA national priority for 2008 - 2010. EPA has model language that generally may be used in CERCLA Consent Decrees for remedial action. The model language addresses a variety of financial assurance mechanisms, including surety bond, letter of credit, trust fund, insurance policy, financial test, or corporate guarantee. The mining companies tend to seek to comply with this financial assurance requirement by using the financial test. The region has historically allowed for this in its settlement agreements, but we have found that it is not a secure mechanism should the responsible party go bankrupt or have financial difficulties (e.g., Asarco Tacoma Smelter).

Following are steps we will take under CERCLA to improve financial assurance for mine site cleanup:

- 10- CERCLA FA policy: Region 10 now generally issues CERCLA remedial design/remedial action orders and consent decrees requiring secure forms of financial assurance, such as bonds, letters of credit, and trust funds at mining sites where financial viability is tied to a sensitive and constantly fluctuating metals' market. Additional guidance may be developed regarding this policy and financial assurance requirements in CERCLA orders and agreements.

D. CERCLA—Financial Assurance Regulations

Section 108(b) of CERCLA provides that EPA shall identify classes of facilities for which financial assurance requirements will be first developed and that beginning no earlier than 1985 shall promulgate requirements for certain facilities consistent with the degree and duration or risk. EPA has formed a workgroup to explore how the provisions in CERCLA section 108(b) could be used for the purpose of evaluating the need for financial assurance.

While steps 1 through 9 identified above could result in improved financial assurance at new and operating mines, Region 10 believes it is critically important for the National Mining Team and Regions 8, 9, and 10 to be involved actively in the national dialogue regarding the potential for using CERCLA 108(b) authorities, particularly as it relates to the mining sector. This involvement is particularly important as our mining site work continues to increase with ongoing long-term obligations like the Coeur d'Alene Basin and SE Idaho, and new sites, e.g., Formosa. The Region (and the states that have to pay for long-term operation and maintenance) cannot afford to clean up more mining sites, and ensuring adequate financial assurance is the best way to prevent this.

To investigate the use of this Section 108(b) of CERCLA for improving financial assurance at new and operating mines.

11- 108(b) collaboration with other Regions and HQ: The Region will work in collaboration with the national workgroup to include Regions 8 and 9, EPA's National Mining Team (NMT), OECA and OSWER to investigate the possibility of using CERCLA 108(b) to improve mining financial assurance.

E. Collaboration

It is important to collaborate with state and federal agencies as these agencies are responsible for requiring and managing financial assurances. In addition, these agencies have expertise that are needed to assess adequacy of financial assurances.

Mining is an important industry, particularly to the states of Alaska and Idaho. New mines are being developed in the region and existing mines are being expanded. It is an opportune time to work with industry and the state and federal agencies that manage financial assurance to ensure that all mines have adequate financial assurance to cover reclamation and long-term closure obligations. Adequate financial assurance should be a benefit to the industry as it ensures future environmental costs are determined up front and can be internalized in project financing and it demonstrates the industry's commitment to comply with future environmental obligations. In addition it provides an incentive for the industry to operate in ways that minimize the cleanup needs.

Following are areas to collaborate with the mining industry and state and federal agencies to improve financial assurance:

12- Request that HQ support Regions 8, 9, and 10 in opening a dialogue with the FLMAs in our NEPA review support memo (see #6 above). Concurrently pursue opening a dialogue with FLMAs within the region, starting with a meeting with USFS and BLM to discuss financial assurance and ways to collaborate.

13- Work with FLMAs and states to encourage them to review: (1) the laws and regulations related to FA, and (2) the amount of financial assurance at active mines and those now being reclaimed. As a result of this review, work with FLMAs and states to fill gaps in the regulatory framework, and update financial assurances to correct deficiencies for individual mine sites.

14- Work with mine operators and industry associations and use all available tools (for example, CWA permitting, information collection, and compliance and enforcement tools) to encourage mine operators to update plans and financial assurance to acknowledge long-term reclamation and water management obligations.

Appendix A
Financial Assurance Requirements for Operating and Recently Closed Mines in
Region 10

The following table identifies the financial assurance amounts for most of the larger mines in Region 10. For the most part, the financial assurance amounts reflect the costs associated with earthworks such as regrading, shaping, capping, seeding, removal of infrastructure, etc. Shortfalls arise, for some mines, from the lack of an allocation for long-term water management and treatment.

Mine	Operator	Amount, millions	Bonding Authority	Form	Comments
Alaska Mines					
Fort Knox/True North	Fort Knox Gold Mining, Inc. (sub. of Kinross)	\$ 12.5	ADNR	letter of credit	Uncertain quality of pit water at closure. Uncertain if this is included in the financial assurance (FA).
Greens Creek	Hecla	\$ 26.2	USFS & ADNR	bond and letter of credit	
Pogo	Teck Cominco	\$ 27.6	ADNR	letter of credit	
Red Dog	Teck Cominco	\$ 156	ADNR	letter of credit	Mine will require long-term water treatment.
Kensington	Coeur Alaska	\$ 7.4 proposed	USFS & ADNR	surety	Mine is under construction, except work under 404 permit which has been suspended.
Rock Creek	Alaska Gold (sub of NovaGold)	\$ 6.84	ADNR	letter of credit	Mine recently closed. Water balance issues need to be managed.
Idaho Mines					
Thompson Creek	Thompson Creek Mining Company	\$19.5	IDL, IDWR	surety	Financial assurance inadequate for long-term water treatment needs.
Rasmussen Ridge Mine	P4 Production LLC (Monsanto)	Approx \$0.97	IDL & BLM	surety	Discharges may require long-term active management and/or treatment. FA inadequate for these needs.
Dry Valley Mine	Agrium	IDL Approx \$1 BLM ?	IDL & BLM	letter of credit	Ground water contamination in vicinity of backfilled pit.
Smoky Canyon	Simplot	\$ 8.3	IDL, IDWR, BLM, FS	Surety	Estimated FA for expansion is \$24 million. FA inadequate for long-term water management. Portions of site undergoing CERCLA investigation and cleanup.
Coeur/Galena	US Silver	\$0	none	none	State of Idaho has no authority to require financial assurance for underground mines. FA inadequate.

Mine	Operator	Amount, millions	Bonding Authority	Form	Comments
Lucky Friday	Hecla	\$0	none	none	State of Idaho has no authority to require financial assurance for underground mines. FA is inadequate.
Grouse Creek	Hecla	\$7.3	USFS & IDL	surety	Mine is undergoing closure, reclamation. CERCLA action to close tailings pond. Several sources will require long-term water treatment.
Beartrack Mine	Meridian Beartrack Corporation	\$10.2	USFS & IDL	letter of credit	Mine is in closure. Uncertain quantity and quality of drainage from waste rock dump, spent ore pile, and water quality of pit lake.
DeLamar and Stone Cabin Mines	Kinross	\$ 11.5	IDL, DEQ, BLM	letter of credit	Mine is in closure. Several sources (e.g., waste rock dumps and adit) will require long-term water treatment.
Idaho Cobalt	Formation Capital Corporation	\$ 44 proposed	USFS	??	USFS will determine FA amount after submittal of modified Plan of Operations. Currently USFS ROD under appeal.
Washington Mines					
Buckhorn Mtn.	Kinross	\$18.1	WDOE/WDNR		
Pend O'Reille Mine	Teck Cominco				

Appendix B

Reports Cited in Strategy Paper

NRC Report: Hardrock Mining on Federal Lands (1999):

The NRC reported instances of recently abandoned but un-reclaimed exploration and mining sites that had not been covered by any financial assurance and also found that long-term water treatment and monitoring at mines sites generally does not carry financial assurance at either the state or federal level. The NRC concluded that inadequate protection of the public and environment caused by current financial assurance procedures is a gap in the regulatory programs.

Mineral Policy Center Issue Paper, Putting a Price on Pollution, Financial Assurance for Mine Reclamation and Closure (March 2003):

The report reviewed financial assurance requirements for mining operations in the western United States. The report identified 151 mining operations with total amount of financial assurance at \$1.4 billion. Existing liabilities for these 151 mines were estimated to be \$12.2 billion.

OIG Report: Implementation, Information, and Statutory Obstacles Impede Achievement of Environmental Results from EPA's National Hardrock Mining Framework (Aug. 2003):

The OIG identified obstacles for EPA in achieving environmental results at mining sites. One of the obstacles identified was EPA's limited ability to influence financial assurance requirements for mining operations. One of the OIG recommendations is that EPA develop a strategy for implementing the goals of EPA's 1997 National Hardrock Mining Framework and that the strategy address such regulatory challenges.

OIG Report: Nationwide Identification of Hardrock Mining Sites (February 2004):

The OIG overall evaluation question was "Is there a financial impact from hardrock mining sites on the Superfund Trust fund and on States?" The OIG identified 156 hardrock mining sites nationwide that have the potential to cost between \$7 billion and \$24 billion total to clean up (at a maximum cost to EPA of approximately \$15 billion). These costs are over 12 times EPA's total annual Superfund budget of about \$1.2 billion for the last five years. This suggests potential difficulties for the Superfund program, although, based on how EPA may apply listing and/or funding criteria, these costs may not all fall to EPA.

Superfund 120-day study (April 2004):

In evaluating ways to prevent future Superfund sites, the SF-120 day study included a recommendation that OSWER study whether promulgating new regulations under CERCLA's broad financial assurance authorities (CERCLA 108(b)) could reduce the future needs of the Superfund program.

GAO Report: Hardrock Mining, BLM Needs to Better Manage Financial Assurances to Guarantee Coverage of Reclamation Costs (June 2005).

Report found that financial assurances may not fully cover all future reclamation costs if operators do not complete required reclamation. BLM identified 48 mines that ceased operation and were not reclaimed by the operators. BLM estimated at least \$136 million would be required, but only \$69 million is available from financial assurances. In addition, there are numerous mines where no financial assurance has been required.

GAO recommends that BLM strengthen its management of financial assurances by requiring its state office directors to develop an action plan for ensuring operators have adequate financial assurances.

GAO Report: Environmental Liabilities, EPA Should do More to Ensure that Liable Parties Meet Their Cleanup Obligations. (August 2005)

The GAO recommended that EPA implement CERCLA108(b) and enhance oversight and enforcement of existing financial assurances and authorities. Regarding mining, the GAO report recommends that EPA may want to consider hardrock mining a high priority because it presents taxpayers with an especially serious risk of having to pay cleanup costs associated with wastes from thousands of abandoned, inactive, and operating mines on private lands in the US.

The GAO found that as of 2004, the 63 NPL mining sites are estimated to cost at least \$7.8 billion to clean-up. At least \$2.4 billion is expected to be borne by taxpayers. However, this could likely be more as there are concerns about the viability of some of the PRPs since the cleanups and O&M are estimated to take 40-years to in-perpetuity. In addition, there are another 93 mining sites that have the potential to be added to the NPL that are not accounted for in the \$2.4 billion dollar estimate.

Appendix C
Mining Financial Assurance Strategy Schedule

Action Item	Summary	Schedule
1- NEPA scoping	Identify FA as significant issue in EIS scoping.	We currently do this and will continue.
2- NEPA Alternatives development	Work with FLMAs and state agencies during early NEPA states to develop alternatives to minimize FA needed.	We currently do this and will continue. Mining coordinators provide assistance on this step.
3 – EPA-lead EISs	Include FA estimates for the preferred alternative in draft EISs prepared by EPA.	We are starting to do this.
4 – FLMA-lead EISs	Work with FLMAs early to include FA in draft EISs.	We currently do this and will continue.
5 – EIS ratings for inadequate FA	Work with OFA to adversely rate draft EISs that do not include adequate FA information, particularly where long-term site management is foreseeable.	Depends on receipt of draft EIS.
6 – NEPA FA memo	Regions 8, 9, and 10 will develop a memo notifying HQ of our efforts to improve financial assurance through NEPA review role and request HQ support in working with the USFS and BLM to open a dialogue in this arena.	Region 8, 9, and 10 staff has discussed. Prepare draft memo by spring 2009.
7 – Supplemental EISs	Identify sites where actual environmental outcomes are significantly different from predictions made in EISs. Encourage agencies to use mine administration authorities and develop supplemental EISs to address significant environmental problems that are not addressed in mine plans and covered by financial assurance.	Identify potential mines concurrent with high risk evaluation (items 8, 9, and 10) by March 2009.
8 – Review existing FA	Identify FA for region 10 mines and attempt to estimate shortfall.	Revise Appendix A table by March 2009.
9 – Conduct CERCLA assessments at high risk sites	Investigate the use of CERCLA tools at active mines. Develop recommendation for conducting a site assessment at a high risk site.	Develop recommendation for conducting SA at an active mining site and brief managers to obtain concurrence by April 2009.
10- CERCLA FA policy	Develop guidance, if needed, to implement the policy statement in this Strategy that requires that CERCLA orders contain more secure forms of financial assurance, such as bonds, letters of credit, and trust funds.	

Action Item	Summary	Schedule
11 –Collaborate on CERCLA 108(b)	Work with Regions 8 and 9, EPA’s NMT, and OSWER to investigate the use of CERCLA 108(b).	Ongoing.
12- Request HQ support in opening dialogue with FLMAs	Same as #6 above. Additionally work with FLMAs in the region to discuss FA and look for areas to collaborate.	Prepare draft memo by spring 2009. FLMA meeting in summer 2009.
13- Work with FLMAs and states to improve FA at mine sites	Look for opportunities to improve FA regulations and FA at individual sites.	By March 2009, mining coordinators target opportunities for improvement in 2009.
14 – Work with mining industry to improve FA at mine sites.	Use all available tools to encourage mine operators to update mine plans and FA to acknowledge long-term reclamation and water management obligations.	We currently do this informally. By March 2009, mining coordinators target opportunities for improvement in 2009.

