



August 13, 2020

Honorable Sean O'Donnell
Acting Inspector General
U.S. Department of Defense
4800 Mark Center Drive
Alexandria, VA 22350

Leslie C. Smith
Inspector General of the United States Army
Office of Inspector General
7701 Telegraph Road
Alexandria, VA 22315

Kevin Elliott
Engineer Inspector General
U.S. Army Corps of Engineers
7701 Telegraph Road
Alexandria, VA 22315

Dear Inspector General O'Donnell, Inspector General Smith, and Inspector General Elliott:

I write today in response to a letter you will have recently received from the U.S. Congress House Committee on Oversight and Reform dated August 10, 2020 with respect to the recently completed Environmental Impact Statement (EIS) for the proposed Pebble copper-gold-molybdenum development project in Alaska.

The Committee has called for an Inspector General review of the US Army Corps' of Engineers' (USACE) management of the federal permitting process for the Pebble Project, and on the Pebble EIS itself. As the project's proponent, the Pebble Partnership announced today that it is also calling for Inspector General review – not because we share the views of the Committee but based of our confidence that you will conclude their allegations are false and baseless.

Although allegations of political interference and regulatory malfeasance by the USACE are without merit, they continue to be made by Pebble opponents and repeated by Members of Congress who seem not to have taken the time to conduct their own due diligence before echoing the claims of environmental activists. We believe an Inspector General review is in order and have every confidence it will drive a final stake into these falsehoods.

The Committee's letter states the US Army Corps of Engineers (USACE) may have "*expedited the Clean Water Act permitting and NEPA (National Environmental Policy Act) review process at the expense of a thorough scientific review.*" It suggests the 2½-year timeframe in which the Pebble EIS was undertaken may be "*inappropriate for a hardrock mine of this scale, complexity, and potential regional and state environmental, social, and economic impacts.*"

The Committee argues the permit application submitted by project proponents “*failed to include essential information regarding mine construction, operation, maintenance, and closure plans necessary to adequately develop an EIS under NEPA or conduct review under the Clean Water Act.*” And it claims the USACE ignored “*pleas and requests from federal, state, local, and tribal cooperating agencies and stakeholders for a more comprehensive review.*”

Finally, the Committee’s letter suggests the US Environmental Protection Agency’s (EPA) June 2019 decision to withdraw a Proposed Determination it initiated in 2014 under the *Clean Water Act*, which served to restrict the Pebble Project EIS, “*appears to have been motivated by political influence.*” This latter claim is based on a single meeting between President Trump and “*Alaska’s Governor Mike Dulvaney (sic),*” as well as on the Pebble Partnership’s lobbying disclosures (incorrectly reported in the letter).

The Pebble Partnership has heard these claims before, including from many of the opposition groups the House Committee cites. We have responded consistently that:

- the Pebble EIS fully meets NEPA standards for scientific review of major development projects in the United States – in terms of process, scope and level of detail;
- the duration of the USACE’s NEPA review of the Pebble Project falls within a typical range for EIS processes undertaken for resource projects in Alaska and elsewhere in the U.S.;
- the permit application submitted to the USACE in December 2017 to initiate a federal NEPA review of the Pebble Project was accepted in January 2018 because it met all statutory requirements;
- the USACE has fully and appropriately recorded, addressed and responded to comments and concerns raised by cooperating agencies and stakeholders over the course of the Pebble EIS; and,
- EPA’s June 2019 action to withdraw its former Proposed Determination was undertaken to restore the proper statutory process for the Pebble EIS, not to provide any political benefit to Alaska or Pebble.

The Pebble Partnership has been clear and consistent on these points for many months. We have also presented compelling (and unchallenged) evidence to support our views¹. Still, the allegations persist. Ultimately, the Pebble Partnership expects that accusations about the scientific integrity of the USACE’s work and the completeness of the Pebble Project EIS will be tested in federal court. We look forward to that opportunity to pit the evidence as it’s known to us against the unsubstantiated claims of environmental activists, as reiterated by the House Committee on Oversight and Reform.

Today, we see another nearer-term opportunity to put the unfounded claims of political interference and regulatory malfeasance that have been levelled against the US Army Corps of Engineers to rest. And so, we are pleased to join our voice with that of the House Committee to unreservedly call upon the Inspector General to immediately and on an expedited basis launch a review into the issues raised. In doing so, I’d offer a few important points:

- The allegations the committee has made are principally levelled at the integrity and conduct of the US Army Corps of Engineers and its personnel. As such we believe strongly that the USACE Inspector General should undertake and lead in any review.
- To the extent possible, the Inspector General’s review should be expedited so as to provide clear answers about the Pebble EIS to interested parties in a timely way, though not in a manner that would undermine the completeness or integrity of its findings (or perceptions thereof); and,
- A federal Record of Decision (ROD) for the Pebble Project is imminent. While the Pebble

¹ For a more detailed response to allegations in the House Committee on Oversight and Reform’s letter, see attached correspondence from Pebble Limited Partnership, dated 2020-08-13.

Partnership fully supports a comprehensive, expedited review of the USACE's management of the Pebble EIS, as well as into EPA's decision to withdraw its former Proposed Determination, there is no reason why this process should delay issuance of a ROD.

The actual start of construction at Pebble is years away. There is ample time for a timely initiated review to conclude before construction begins, and thus any call to delay issuance of a ROD or federal permit would represent unwarranted political interference.

We look forward to your timely attention to this matter. The Pebble Partnership believes a review of the issues the House Committee on Oversight and Reform has raised could be tremendously helpful in settling public controversy and concern about this important development project, and we're proud to add our voice to theirs in calling for it to be initiated at the earliest opportunity.

Ultimately, we have every confidence that both the conduct and substance of the Pebble EIS will be found to meet the rigorous process and scientific requirements under NEPA, and the USACE's reputation as objective, expert regulators that Americans can count on to enforce the nation's environmental laws and ensure that development projects protect the public interest will be fully validated.

As you may know, the Pebble Project has potential to become one of the most significant, long-life producers of copper and other strategic metals required to facilitate America's transition to a low-carbon future that our country has ever seen. To the degree a review by the USACE Inspector General can help build public trust in our project and the country's statutory permitting processes, it will have struck a meaningful blow for America's mineral independence and efforts to build the green economy of the future.

Sincerely,



Tom Collier
CEO

cc: The Honorable James R. Comer, Ranking Member, Committee on Oversight and Reform
The Honorable Lisa Murkowski, United States Senator for Alaska
The Honorable Dan Sullivan, United States Senator for Alaska
The Honorable Don Young, United States Representative for Alaska