

Stevens lacks the full story on Pebble

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I was disappointed to see Sen. Ted Stevens' remarks opposed to the proposed Pebble copper and gold project. If it is developed, Pebble would be a large mine on the Alaska Peninsula southwest of Anchorage.

What concerned me is that what Stevens said showed he has only heard half the story. Our good senator no doubt went fishing out on the Alaska Peninsula and got an earful about Pebble from sports fish lodge owners.

I can't really blame the lodge owners for not wanting a mine in their region. Although Pebble would be tens of miles from lodges owned by those most opposed, they worry that a project like this would change the wilderness character of their country. Environmental groups feel the same about oil exploration in the Arctic National Wildlife Refuge.

Back to Stevens: What is important about this is that what one of our U.S. senators says, particularly our senior senator, carries a lot of weight. He may not have intended this, but his words could have a chilling effect on efforts by Pebble's developer, Northern Dynasty Mine, to get partners for the project. That's exactly what opponents hope for, of course.

Why do I think the senator has only heard half the story? Because what he said is straight out of the script Pebble's opponents are using. I have some real questions, however, about some of these arguments.

Opponents say Pebble is a gold mine, and society doesn't need more gold jewelry, for example. This one really gets me, because Pebble is really a copper mine, although it does contain a lot of gold. Copper is an important industrial metal along with molybdenum, which Pebble also contains.

It's also said that Northern Dynasty has never developed a mine, and Pebble is basically a stock promotion deal.

This statement needs to be looked at carefully. Actually, the Northern Dynasty's parent, the Hunter Dickenson group, has successfully developed mines and has other projects in the works besides Pebble, some of them in sensitive environmental areas.

But let's examine a little more deeply the argument that the company is a tinhorn outfit that can't be trusted with a big project. Northern Dynasty is operating in the classic "junior" mining company role, like many similar companies working on Alaska projects. These firms bring professionals and contractors together to explore and develop a prospect to a certain point, and then bring in major mining companies as partners to help finance, build and operate the project.

Northern Dynasty is quite clear that actually developing Pebble will require one or more major mining companies as partners. These will be big mining companies because it will take big companies to develop Pebble properly and safely.

The junior-senior mining company scenario is played out all the time in Alaska. One example is Nova Gold Resources, a small company started by Alaskans, which invested in exploring the big Donlin Creek gold project north of Bethel, and found a lot of gold. Placer Dome, a major mining company, then came in as a partner and operator of the project.

It's not important that exploration and development companies like Northern Dynasty are small companies. What is important is the quality of the people running these companies and the expertise of the professionals and contractors they bring into their teams. The ultimate test of the project is decided by the market, in this case a big mining company deciding the project is economically viable and the "junior" partner having done its work competently.

Pebble's opponents are right that Northern Dynasty, like almost all of junior mining companies, finances its work by selling stock. Nothing scandalous there -- that's just capitalism.

But what irritates me when questionable arguments like these are put forth against projects like Pebble is that they clutter what should be a really serious conversation.

Here are the more important issues:

First: Pebble may wind up being a 100-year mine, but the state must still ensure that the proper tools are in place to ensure reclamation, long-term environmental monitoring and financial arrangements sufficient to solve any unforeseen future problems.

Pebble opposition groups like Alaskans for Responsible Mining do talk about this and I give them credit for that. It's another reason why it's necessary to eventually have big mining companies, with deep pockets, involved in Pebble.

Second: Pebble is a very large project and it's possible there may be more mines like it found in the area. The regional geology is very attractive and other explorers are active. If one or more mines are developed, it could really change the character of the region.

Many local people see this as good because it will create jobs and an economic base in a region that is now poor. Some don't want to see these changes, the sports lodge owners for example. What this argues for is good long-term planning for the region, however.

What really surprised me about what Sen. Stevens said, however, is that he is obviously not aware of the importance many local communities are placing on this project as a future economic base for the region.

This is information the senator needs because he has long been a champion of Alaska Native people and local economic self-sufficiency in rural areas. I hope he can meet with people from the Aleutians East Borough and villages near the mine who traveled to Juneau recently to speak against a legislative resolution pushed by opponents to the mine.

What they told state legislators is that commercial salmon fishing is no longer a viable economic base for the region. Jobs and an economic future are needed to give young people a reason to remain.

Community leaders hope Pebble can do for them what the Red Dog Mine has done for villages in Northwest Alaska, which is to create good-paying jobs in what was an economically-depressed region. Not everyone in the region shares these views, of course, but local people should work out these differences. My point is that they should at least have the opportunity to consider their options.

I agree with Senator Stevens when he says federal agencies should give Pebble an extra-thorough review. They should, and state agencies should do likewise. Pebble would be one of the world's largest mines if it is developed.

My final point: We don't know if Pebble will ever be a mine because the project isn't yet scoped out. Let's hold our fire until Northern Dynasty gets its plan finished, which may be a year or so. When we see what it is actually proposing, it's then time for a thorough and critical review.

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