

NPDES Permit Number: AK-005345-7

Date:

EPA Contact: Cindi Godsey

Alaska Operations Office/Anchorage

(907) 271-6561 or (800) 781-0983 (in Alaska only)

godsey.cindi@epa.gov

The U.S. Environmental Protection Agency (EPA)
Plans To Issue A Wastewater Discharge Permit To:

Devore Mining and Exploration

and
This will also serve as

NOTICE OF STATE CERTIFICATION.

EPA Proposes NPDES Permit Issuance.

EPA proposes to issue a *National Pollutant Discharge Elimination System* (NPDES) The applicant has applied for an NPDES permit for a suction dredge operation on the North Fork Fortymile River in Alaska. The proposed permit sets conditions on the discharge - or release - of pollutants from the operation into waters of the United States. This Fact Sheet includes:

a description of the proposed discharge,
a description of proposed effluent limitations, monitoring requirements, and other
conditions and
a map of the area of the discharge (Attachment A)

The State of Alaska certification.

EPA has requested that the Alaska Department of Environmental Conservation (ADEC) certify the NPDES permit for this operation under section 401 of the Clean Water Act. ADEC has provided a draft 401 Certification. It is included in Attachment B.

EPA invites comments on the proposed permit.

EPA will consider all substantive comments before issuing a final permit. Those wishing to comment on the proposed permit may do so in writing by the end of the public comment period (see Public Notice) to USEPA-Region 10, 1200 Sixth Avenue, OWW-130, Seattle, Washington 98101. Comments may also be e-mailed to godsey.cind@epa.gov

Persons wishing to comment on draft State Certification (Attachment B) should submit written comments by the public notice expiration date to the Alaska Department of Environmental Conservation, 610 University Avenue, Fairbanks, Alaska 99709.

The permit will become effective 30 days after issuance unless no substantive comments are received in which case, the permit can be effective upon issuance.

Documents are available for review.

The proposed NPDES permit and fact sheet can be reviewed at EPA's Regional Office in Seattle between 8:30 a.m. and 4:00 p.m., Monday through Friday. This material is also available for inspection and copying at the following places in Alaska:

USEPA Alaska Operations Office Federal Building, Room 537 222 West 7th Avenue Anchorage, Alaska 99513-7588 Telephone: (800) 781-0983 (Within Alaska)

ADEC
Water Division
610 University Avenue
Fairbanks, AK 99709
Telephone: (907) 451-2142

TECHNICAL INFORMATION

APPLICANT INFORMATION

Devore Mining and Exploration Wesley Devore 2308 Pine Cove Road Prescott, Arizona 86305

The applicant has applied for an NPDES permit for a discharge from two suction dredges with six inch nozzles and one suction dredge with an eight inch nozzle. The application was received by EPA on March 16, 2006. EPA assigned the application NPDES Permit Number AK-005345-7

The facility will operate on the North Fork Fortymile River (see Attachment 1). The operator will be using a suction dredge for mining the river bottom in the active stream bed. The dredged areas will be backfilled with tailings as the dredging occurs.

2. RECEIVING WATER

The receiving water is the North Fork Fortymile River which is classified in 18 AAC 70 as Classes (1)(A), (B), (C), and (D) for use in drinking, culinary, and food processing, agriculture, aquaculture, and industrial water supply; contact and secondary recreation; and growth and propagation of fish, shellfish, other aquatic life and wildlife.

The location designated in the application in the North Fork Fortymile River borders a part of the corridor designated as wild under the Wild and Scenic Rivers Act.

3. STATUTORY BASIS FOR PERMIT CONDITIONS

a. Technology-based Limitations

Pursuant to Section 402(a)(1) of the Clean Water Act (CWA), development and implementation of Best Management Practices (BMPs) Plans may be included as a condition in NPDES permits. Section 402(a)(1) authorizes EPA to include miscellaneous requirements that are deemed necessary to carry out the provision of the Act in permits on a case-by-case basis. BMPs are required to control or abate the discharge of pollutants in accordance with 40 CFR § 122.44(k).

b. Water Quality-based Limitations

Section 301(b)(1) of the Act requires the establishment of limitations in permits necessary to meet water quality standards by July 1, 1977. All discharges to state waters must comply with state and local coastal

management plans as well as with state water quality standards, including the state's antidegradation policy. Discharges to state waters must also comply with limitations imposed by the State as part of its certification of NPDES permits under section 401 of the Act.

The NPDES regulations at 40 CFR 122.44(d)(1) require that permits include water quality-based limits which "Achieve water quality standards established under section 303 of the CWA, including State narrative criteria for water quality."

c. Section 308 of the Clean Water Act

Under Section 308 of the Act and 40 CFR § 122.44(i), the Director must require a discharger to conduct monitoring to determine compliance with effluent limitations and to assist in the development of effluent limitations. EPA has included monitoring requirements in this permit, as listed below.

4. SPECIFIC PERMIT CONDITIONS

The determination of appropriate conditions for the discharge was accomplished through consideration of technology-based effluent limitations and inclusion of permit terms necessary to ensure compliance with state water quality standards. Discussions of the specific effluent limitations and monitoring requirements appear below.

a. Limitations

Suction dredges' unique method of intake and displacement present unusual permitting issues. They operate on the surface of the water, only remove material from the bottom of the waterbody, and process and quickly return mined material to the bottom. For these reasons EPA has determined that numeric effluent limitations are not practical. Instead, the BMPs in Permit Part II. have been developed. These BMPs, which are supplemented by required turbidity monitoring designed to ensure that the BMPs are being implemented properly, are, in this circumstance, sufficient to implement the requirements of the Act. That is, these practices would ensure that the beneficial uses designated by the State are adequately protected and justify the absence of other technology and water quality-based effluent limitations.

b. Monitoring and Reporting Requirements

The permit requires daily visual inspection of the area within 500 feet downstream of the suction dredge during operation. If turbidity is observed beyond 500 feet, the permittee would be required to modify the operations to meet the permit limitation. If the operation could not be modified to meet the limit, the operation would not be authorized.

This requirement is based on research published in the scientific literature (Griffith and Andrews 1981, Hassler et al. 1986, Harvey 1986, Huber and

Blanchet 1992, Thomas 1985) and on monitoring done by Alaska Department of Environmental Conservation (ADEC) (Ron McAllister, ADEC, personal communication). In most cases, water quality recovers rapidly. Information provided in EPA's suction dredge study and the United States Geological Survey (USGS) study on an eight and a ten inch suction dredge support the conclusion that the potential effects on water quality are short-term. The daily inspection during operation, combined with the BMPs in Permit Part II. should assure that the water quality standards are met.

The reporting requirement is based on 40 CFR § 122.48 which is specified in the permit as an annual submission of an Annual Report. 40 CFR § 122.44(i)(2) allows flexibility in determining the frequency of reporting.

5. OTHER LEGAL REQUIREMENTS

a. Oil Spill Requirements

Section 311 of the Act prohibits the discharge of oil and hazardous materials in harmful quantities. Routine discharges specifically controlled by a permit are excluded from the provisions of Section 311. However, this permit does not preclude the institution of legal action or relieve the permittee from any responsibilities, or penalties for other, unauthorized discharges of oil and hazardous materials which are covered by Section 311 of the Act.

b. State Water Quality Standards and State Certification

Whereas state waters are involved in this draft permit, the provisions of Section 401 of the Act will apply. Furthermore, in accordance with 40 CFR § 124.01(c)(1), public notice of the draft permit has been provided to the State of Alaska.

c. Endangered Species Act (ESA)

EPA contacted the U.S. Fish and Wildlife Service (USFWS) on June 2, 2006, requesting information as to the extent of threatened and endangered species in the project area. In a letter dated June 5, 2006, the USFWS states that there are no listed species or critical habitat in the area of the project so concludes that the operation is not likely to adversely affect listed species.

EPA contacted the National Marine Fisheries Service (NMFS) by e-mail on March 8, 2006, requesting information as to the extent of threatened and endangered species in the project area. NMFS responded in a March 10, 2006, e-mail that there are not endangered species in the project area under NMFS' jurisdiction.

d. Essential Fish Habitat (EFH)

The 1996 amendments to the Magnuson-Stevens Fishery Management and Conservation Act set forth a number of new mandates for NMFS, regional fishery management councils and other federal agencies to identify and protect important marine and anadromous fish habitat. The action agency needs to make a determination on Federal actions that may adversely impact EFH.

In the March 10, 2006, e-mail referenced above, NMFS stated that the proposed action will not result in any adverse effect to EFH.

6. REFERENCES

- Impact of suction dredging on water quality, benthic habitat, and biota in the Fortymile River, Resurrection Creek, and Chatanika River, Alaska.

 Prepared for EPA by Aaron M. Prussian, Todd V. Royer, and G. Wayne Minshall, Idaho State University. June 1999.
- Regional Baseline Geochemisty and Environmental Effects of Gold Placer Mining
 Operations on the Fortymile River, Eastern Alaska. Department of
 Interior, U.S. Geological Survey. Open-File Report 99-328. 1999.
- Regional Geochemical Results from the Analyses of Rock, Water, Soil, Stream

 Sediment, and Vegetation Samples--Fortymile River Watershed, EastCentral Alaska. Department of Interior, U.S. Geological Survey. Open-File
 Report 99-33. 1999.

The following references were used in an unpublished research effort entitled "A Review of the Regulations and Literature Regarding the Environmental Impacts of Suction Gold Dredges," April 1993 by Phillip A. North of the Environmental Protection Agency, Region 10, Alaska Operations Office.

- Griffith, J.S. and D.A. Andrews. 1981. Effects of a small suction dredge on fishes and aquatic invertebrates in Idaho streams. North American Journal of Fisheries Management 1:21-28.
- Hassler, T.J., W.L. Somer and G.R. Stern. 1986. Impacts of suction dredge mining on anadromous fish, invertebrates and habitat in Canyon Creek, California. Calif. Coop. Fish. Res. Unit., Humboldt State University, Arcata, California, Coop. Agreement No.14-16-009-1547, Work Order No. 2. 135 pages.
- Harvey, B.C. 1986. Effects of suction gold dredging on fish and invertebrates in two California streams. North American Journal of Fisheries Management 6:401-409.
- Huber, C. and D. Blanchet. 1992. Water quality cumulative effects of placer

mining on the Chugach National Forest, Kenai Peninsula, 1988-1990. U.S. Forest Service, Chugach National Forest, Alaska Region. 74 pages.

Thomas, V.G. 1985. Experimentally determined impacts of a small suction gold dredge on a Montana stream. North American Journal of Fisheries Management 5:480-488.

ATTACHMENT A - Area Map

ATTACHMENT B Draft State Certification

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERN

410 Willoughby Avenue, Suite 303 Juneau, AK 99801-1795 PHONE: (907) 465-5175

FAX: (907) 465-5177 http://www.state.ak.us/dec

DEPARTMENT OF ENVIRONMENTAL CONSERVATION DIVISION OF WATER WASTEWATER DISCHARGE PROGRAM

June 7, 2006

Mike Lidgard NPDES Unit Manager USEPA 1200 Sixth Avenue Seattle WA, 98101

RE: Draft 401 Certification of NPDES Permit AK-005345-7

Dear Mr. Lidgard;

On June 1, 2006 EPA Region 10 requested draft 401 certification for NPDES Permit AK-005345-7, regulating discharge from a placer mining suction dredge to the North Fork of the Fortymile River in Alaska. The enclosed draft contains provisions certifying a mixing zone and the monitoring requirements in the preliminary draft permit.

The ADEC has enclosed the Draft Certificate of Reasonable Assurance to include as a draft in the public notice process.

If you have any questions regarding this draft certification please contact me at 907-451-2142 or at luke boles@dec.state.ak.us.

Sincerely,

SIGNATURE ON FILE

Luke Boles Environmental Engineering Associate Wastewater Discharge Program

Enclosures: Draft Certificate of Reasonable Assurance for NPDES Permit AK-005345-7

CC:

Cindi Godsey, EPA, Anchorage Sharmon Stambaugh, ADEC, Anchorage Steve McGroarty, ADNR/DMLW, Fairbanks Jack Kerin, ADNR/DMLW, Fairbanks Mac McLean, ADNR/OHMP, Fairbanks

STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION **DRAFT** CERTIFICATE OF REASONABLE ASSURANCE

A Certificate of Reasonable Assurance, as required by Section 401 of the Clean Water Act, has been requested by EPA, Region 10, for NPDES Permit No. AK-005345-7, proposed to be issued to DeVore Mining and Exploration for discharge from a placer mining suction dredge to the North Fork of the Fortymile River.

Public Notice of the application for this certification will be made in accordance with 18 AAC 15.140.

Water Quality Certification is required for the proposed activity because the activity will be authorized by an EPA permit identified as No. AK-005345-7 and a discharge may result from the proposed activity.

Having reviewed the preliminary draft permit, the Alaska Department of Environmental Conservation certifies that there is reasonable assurance that the proposed activity, as well as any discharge that may result, is in compliance with the requirements of Section 401 of the Clean Water Act, which includes the Alaska Water Quality Standards (18 AAC 70), provided that the following stipulations are adhered to:

1. The ADEC authorizes the 500 feet mixing zone for turbidity contained in section I.A and the monitoring requirements contained in section I.B.1 of the preliminary draft permit.

Rationale: In accordance with State Regulations 18 AAC 70.240, the Department has authority to designate mixing zones in permits or certifications. This mixing zone will ensure that the water quality standards are met at all points outside of the mixing zone.

The Department considered all aspects required in 18 AAC 70.015 (Antidegradation) and 18 AAC 70.240-270 (Mixing Zones) including, but not limited to, the potential risk to human health and ecological resources of receiving waters and mixing zone modeling of the predicted effluent quality from the discharge.

The Department finds that the size of the mixing zone authorized for discharge in this certification is appropriate and provides reasonable assurance that existing uses of the receiving waters outside of the mixing zone are maintained and fully protected.

June 7, 2006

Date

DRAFT

David Johnson Program Manager Wastewater Discharge Program