



**UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration**

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

October 2, 2003

Colonel Timothy J. Gallagher
District Engineer, Alaska District
U.S. Army Corps of Engineers
P.O. Box 898
Anchorage, AK 99506-0898

RE: Kensington Gold Mine Project Amended Plan of Operations, Supplemental Environmental Impact Statement (SEIS), Cascade Point Marine Terminal Facility Range of Alternatives

ATTN: Susan Hitchcock

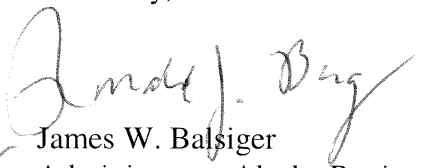
Dear Colonel Gallagher:

The National Marine Fisheries Service (NMFS) has been participating in interagency discussions to assist in the development of draft chapters for the Kensington Gold Mine project SEIS. The Corps of Engineers is a cooperating agency, and shares responsibility for preparation of the SEIS with the lead agency, the United States Forest Service (USFS). NMFS is concerned that the preliminary drafts do not consider a full range of alternative locations and designs for the proposed Cascade Point marine terminal facility.

In our March 14, 2003 letter to you (copy enclosed), we explained our concerns regarding the effects of Cascade Point development on living marine resources, especially the depressed Lynn Canal stock of Pacific herring, and emphasized the need for the SEIS to consider a full range of alternatives to avoid and/or mitigate those impacts. NMFS encourages the Corps to work with the USFS and project consultant, Tetra Tech Inc., to ensure that the final draft SEIS includes a comprehensive alternatives analysis for the Cascade Point marine facility. We recommend that the Corps, USFS, NMFS, and other involved agencies meet in the near future soon to discuss this issue and identify appropriate analyses to include in the SEIS.

If you have any questions regarding our concerns, please contact Linda Shaw at (907) 586-7510.

Sincerely,


For James W. Balsiger
Administrator, Alaska Region

Enclosure



cc: USFS, Jeff DeFreest, Steve Hohensee
EPA, Seattle, Hahn Gold
ADEC, ADNR, USFWS, Juneau
CORPS, Susan Hitchcock, by fax 790-4499
Tetra Tech Inc., Gene Weglinski



**UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration**

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

March 14, 2003

Colonel Steven T. Perrenot
District Engineer, Alaska District
Army Corps of Engineers
Regulatory Branch (1145b)
P.O. Box 898
Anchorage, Alaska 99506-0898

RE: Kensington Gold Project Amended Plan of Operations,
Supplemental Environmental Impact Statement (SEIS),
Scoping Document

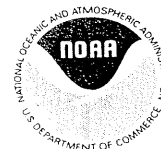
ATTN: Susan Hitchcock

Dear Colonel Perrenot:

The National Marine Fisheries Service (NMFS) staff recently met with representatives of the United States Forest Service (USFS) and Tetra Tech Inc. to discuss development of the referenced SEIS. NMFS was informed during this meeting that the Army Corps of Engineers (Corps) has agreed to cooperating agency status for preparation of the SEIS, and will be developing analyses of the proposed Cascade Point marine terminal facility.

NMFS is concerned about the impacts of the proposed Slate Creek Cove and Cascade Point marine terminal facilities on important intertidal and marine habitats. The Cascade Point facility was previously proposed for a U.S. Army Corps of Engineers (Corps) permit (by Goldbelt, Inc., under the waterway number of "Berners Bay 4"). The Corps denied the marine terminal facility proposed for that project. NMFS opposed the project in part because of the negative impacts of intertidal fill on Pacific herring spawning habitat of the depressed Lynn Canal stock, and possible effects of oil contamination to juvenile herring.

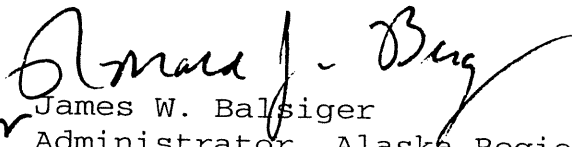
NMFS advises the Corps that the purpose and need, alternatives analyses, and impact analyses for the marine facility developments associated with the Kensington Gold Project proposals should be distinctly separate from the other project components that are being forwarded by the USFS. The SEIS should fully evaluate alternative locations and designs for



these facilities that would minimize or eliminate adverse aquatic impacts. Unavoidable impacts will need to be mitigated. All fill components need to be justified, and alternative designs should include all-pile, partial-pile and floating barge structures.

We look forward to coordinating with you on our review of this project. If you have any questions please contact Linda Shaw at (907) 586-7510.

Sincerely,

For 
James W. Balsiger
Administrator, Alaska Region

cc: USFS, Steve Hohensee
Tetra Tech Inc., Gene Weglinski
EPA Juneau (Chris Meade)
ADEC, AADGC, ADNR, USFWS Juneau
ADF&G, Juneau
Brandee Gerke, PR

FAX to Susan Hitchcock, Corps, Juneau, 790-4499