

QUESTIONS AND ANSWERS REGARDING THE NEW PERMIT FOR HECLA MINING COMPANY'S LUCKY FRIDAY MINE

CONTENT OF THE NEW PERMIT

Question: Why are the new discharge limits so much more stringent than the previous permit limits?

Response: The NPDES permit for the Lucky Friday mine was last issued on September 30, 1977. New effluent guidelines (i.e., technology-based requirements) for copper, lead, zinc, gold, silver, and molybdenum ores mines and mills were issued in 1982, but were never incorporated in the permit for the Lucky Friday. Likewise, water quality standards have changed since 1977. The limits in the new permit are based upon the current technology-based requirements and the current water quality standards which are more stringent than the limits in the 1977 permit.

It is not unusual for permits to become more stringent over the years as water quality standards change. If the NPDES permit had been reissued every five years, as required by the Clean Water Act, the permit limits would have gradually become more stringent.

Question: Does Hecla have to comply with the new permit limits immediately?

Response: The State is responsible for authorizing compliance schedules. IDEQ gave the Lucky Friday mine up to five years to meet the metals limits that cannot currently be met (cadmium in outfall 001, lead, mercury, and zinc). In the interim, the discharges will have to meet limits based on their current performance. IDEQ also required that Hecla implement water recycling and, potentially, wastewater treatment in order to meet the final limits.

Question: How else is the new permit different from the past permit?

Response: Following are the major differences between the past and new permit:

- Whole effluent toxicity testing: The new permit includes requirements to conduct whole effluent toxicity testing on the discharges. EPA policy and regulations requiring consideration of whole effluent toxicity had not yet

been developed in 1977 when the past permit was issued.

- Receiving water monitoring: The new permit includes requirements to sample the South Fork Coeur d’Alene River in the area of the discharges for metals and the health of the biota. This monitoring was included in the permit in order to collect background data for future permitting efforts and comply with State water quality standards. Monitoring of the receiving water is regularly included in NPDES permits for these reasons and the requirements are consistent with those for other major mining facilities.
- Seepage study: The new permit requires Hecla to determine whether seepage is occurring from the tailings ponds into the South Fork Coeur d’Alene River in order to determine whether or not limits or other requirements related to seepage are needed in future permits.
- Best Management Practices Plan: The new permit requires that Hecla prepare and implement a Best Management Practices (BMP) Plan. BMPs are measures that are intended to prevent or minimize the generation and the potential for release of pollutants from industrial facilities to waters of the U.S. EPA regulations and guidance regarding the use of BMPs had not yet been developed in 1977 when the past permit was issued. The BMP Plan requirements are consistent with those for other mining and industrial facilities in permits issued by EPA Region 10.
- Quality Assurance Plan: The new permit requires that Hecla prepare and implement a Quality Assurance Plan (QAP) to ensure that monitoring conducted under the permit utilizes adequate laboratory controls and appropriate quality assurance procedures. The QAP requirements are consistent with those for other mining and industrial facilities in permits issued by EPA Region 10.
- Standard Regulatory Language: Most of sections III., IV., and V. of the permit contain standard regulatory language that is directly from the NPDES regulations and is currently included in all NPDES permits issued by EPA Region 10.. Much of the language is different than contained in the 1977 permit since NPDES permit requirements have been revised in federal regulations since 1977.

SITE-SPECIFIC CRITERIA

Question: The 2003 revised draft permit included two sets of limits for cadmium, lead, and zinc. One set was based on the site-specific criteria and the other set was based on the Idaho criteria that were in effect during the public notice. Which limits were included in the final permit?

Response: EPA approved site-specific criteria for cadmium, lead, and zinc for the South Fork Coeur d'Alene River on February 28, 2003. Therefore, the cadmium, lead, and zinc limits in the final permit are based on the site-specific criteria.

PERMIT APPEAL RIGHTS

Question: Can the public comment on or appeal the final permit?

Response: The final permit will become effective 33 days after it is issued. However, anyone who commented on the permit or participated in a public hearing may petition the Environmental Appeals Board to review any condition in the permit. Requests for review must be submitted to the Environmental Appeals Board within 30 days of issuance of the permit. The NPDES regulations specify what information needs to be included in a petition for a permit review. If a request for a review is filed, then the contested permit condition will not be in effect until the appeal is decided.

PUBLIC COMMENTS

Question: What happened to the public comments submitted on the 2001 draft permit and the 2003 revised draft permit?

Response: All of the comments received during both the 2001 comment period and the 2003 comment period were responded to in a Response to Comments document. The Response to Comments document will be sent to everyone that submitted a comment and anyone else who requests a copy.

VARIANCES

Question: What is happening with Hecla's variance request?

Response: In early 2001, Hecla requested a variance from the lead and zinc water quality standards that were the basis for the limits in the 2001 draft permit until the site-specific criteria is developed. EPA approved the site-specific criteria in February 2003. In comments on the 2003 revised draft permit, Hecla indicated that a variance was still needed. Hecla submitted information to EPA in June and July

2003 in support of their renewed request for a variance from the cadmium, lead, and zinc water quality standards (which are the site-specific criteria) and the mercury water quality standards. EPA is currently reviewing the information. We expect to make a decision regarding whether or not a variance may be justified within the next few months. If a variance does appear to be justified, then the permit will be modified to incorporate the varied limits. The draft modified permit and draft variance would be subject to public comment.

Question: Who will take action on the variance request submitted by Hecla, EPA or IDEQ?

Response: The variance would be from the cold water biota use in the South Fork which was promulgated by EPA in a federal rule in 1997. Therefore, EPA is currently the authorizing agency for the variance until the federal rule is withdrawn. Although IDEQ adopted the cold water biota use and submitted this use to EPA for approval, EPA has yet to approve this. After EPA approves the use and withdraws the federal rule, then IDEQ will be the authorizing agency for the variance. EPA would still have to approve any variance adopted by IDEQ. In either case, EPA and IDEQ will be working closely together to review Hecla's variance request.

OTHER PERMIT ACTIONS

Question: What is the status of the draft permits for the Coeur/Galena Mine and the municipal wastewater treatment plants?

Response: EPA is currently responding to comments received on the Coeur/Galena Mines permit and the municipal wastewater treatment plant permits (Page, Smeltonville, and Mullan) and processing the variance from the cadmium, lead, and zinc water quality standards for the municipal wastewater treatment plants. EPA expects to request Clean Water Act 401 certification from the State and issue these permits this winter.