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Flambeau Mining: New agreement reached on Ladysmith mine

LADYSMITH, Wis. - Flambeau Mining Co. said Thursday that it had reached a regulatory agreement that says most of its former open pit copper mine south of Ladysmith has been restored to its natural state without environmental harm.

The company agreed to withdraw its request from the state Department of Natural Resources for a so-called certificate of completion for a portion of the site _ the 32 acres called the industrial outlot _ to conduct additional monitoring of things like surface water and the nearby Flambeau River for five years, said Jana Murphy, Flambeau Mining's environmental manager.

The rest of the mine site, which was on a total of about 150 acres, now may revert to long-term care, Murphy said.

"This agreement allowed our company to receive its certificate of completion for the reclaimed portion of our site," Murphy said. "We can now proceed with 40 years of long-term care at the site."

The agreement came during a regulatory hearing in which some groups opposed issuing the certificate of completion.

Murphy said the groups that participated in the so-called contested case hearing, including the Sierra Club, Northern Thunder and Wisconsin Resources Protection Council, have until June 13 to ratify the regulatory agreement.

Philip Fauble, the DNR's mining program coordinator, did not immediately return a telephone message at his Madison office Thursday.

Flambeau Mining, a subsidiary of Utah-based Kennecott Minerals Co. and British mining giant Rio Tinto, opened the mine in 1993 and hauled away ore containing copper, gold and silver until 1997, when reclamation began.

The mine was the first metallic mine to open in the state in decades. The site attracted hundreds of protesters during various demonstrations to oppose it, warning it would pollute the Flambeau River.

The miners recovered 181,000 tons of the metals valued at more than \$500 million, the company said. The state netted about \$14 million from a mining tax. The DNR has issued no citations for violations of pollution standards

at the mine.

The mine site, which included the 32-acre open pit that reached a depth of 225 feet in places, is now a recreation and nature area for such things as hiking, bird watching and horseback riding. The company said it spent \$20 million filling in the pit and reclaiming the site.

In March, Flambeau Mining asked the DNR to approve the certificate of completion. Its issuance allows the security bond the company posted to protect taxpayers from having to pay for the reclamation work to be reduced from \$11 million to \$2 million, with the lower amount required for care for another 20 years.

"We are confident additional monitoring will continue to show results that we are protecting the Flambeau River," Murphy said Thursday.

As recently as a year ago, some "elevated metallic concentrations" were discovered in runoff water and the soil in the area where the ore was loaded onto railroad cars for shipment to Canada for processing, the DNR has said.

That area is within the industrial outlot.

"We are going to continue to collect the data to demonstrate we have effectively taken care of that area," Murphy said.