



NEVADA DIVISION OF
**ENVIRONMENTAL
PROTECTION**



Nevada Department of
**CONSERVATION &
NATURAL RESOURCES**

Fee Revisions

R137-24

Bureau of Mining Regulation and Reclamation

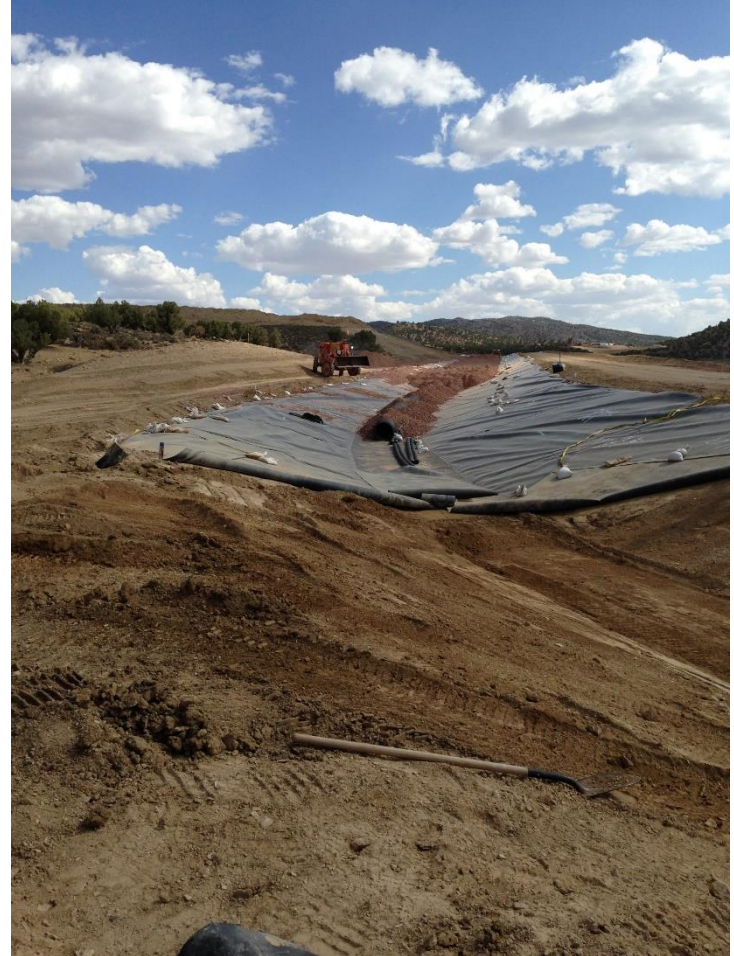
September 5, 2024

Presented by

Danilo Dragoni, Deputy Administrator
Natasha Zittel, Regulation Branch Supervisor
Karl McCrea, Closure Branch Supervisor

OUTLINE

- Introduction to the Bureau of Mining Regulation and Reclamation (BMRR)
- Needs for Fee Increase
- Proposed Regulations (green lines)
- Review of Public Comments and NDEP's Responses



INTRODUCTION

BUREAU OF MINING REGULATION AND RECLAMATION

Protect Nevada's water and land during the entire mine life cycle:
exploration, operation, closure, and reclamation

NRS 445A – Water Pollution Control

"[...] That the people of this State have a right to clean water [...]"

NRS 519A – Reclamation of Land Subject to Mining Operations or Explorations Projects

"[...] Proper reclamation of mined land [...] is necessary to prevent undesirable land and surface water conditions to the ecology and to the general health, welfare, safety and property rights of the residents of this state [...]"

Regulation and Closure Program

- Fiscally separated from the Reclamation Program
- Issues and enforces water pollution control permits at mine sites
- Ensure mines are chemically stable in closure for long-term
- Two branches, 11 staff plus shared admin team
- Approximately 170 issued permits

JUSTIFICATION FOR FEE INCREASE

Balanced Budget

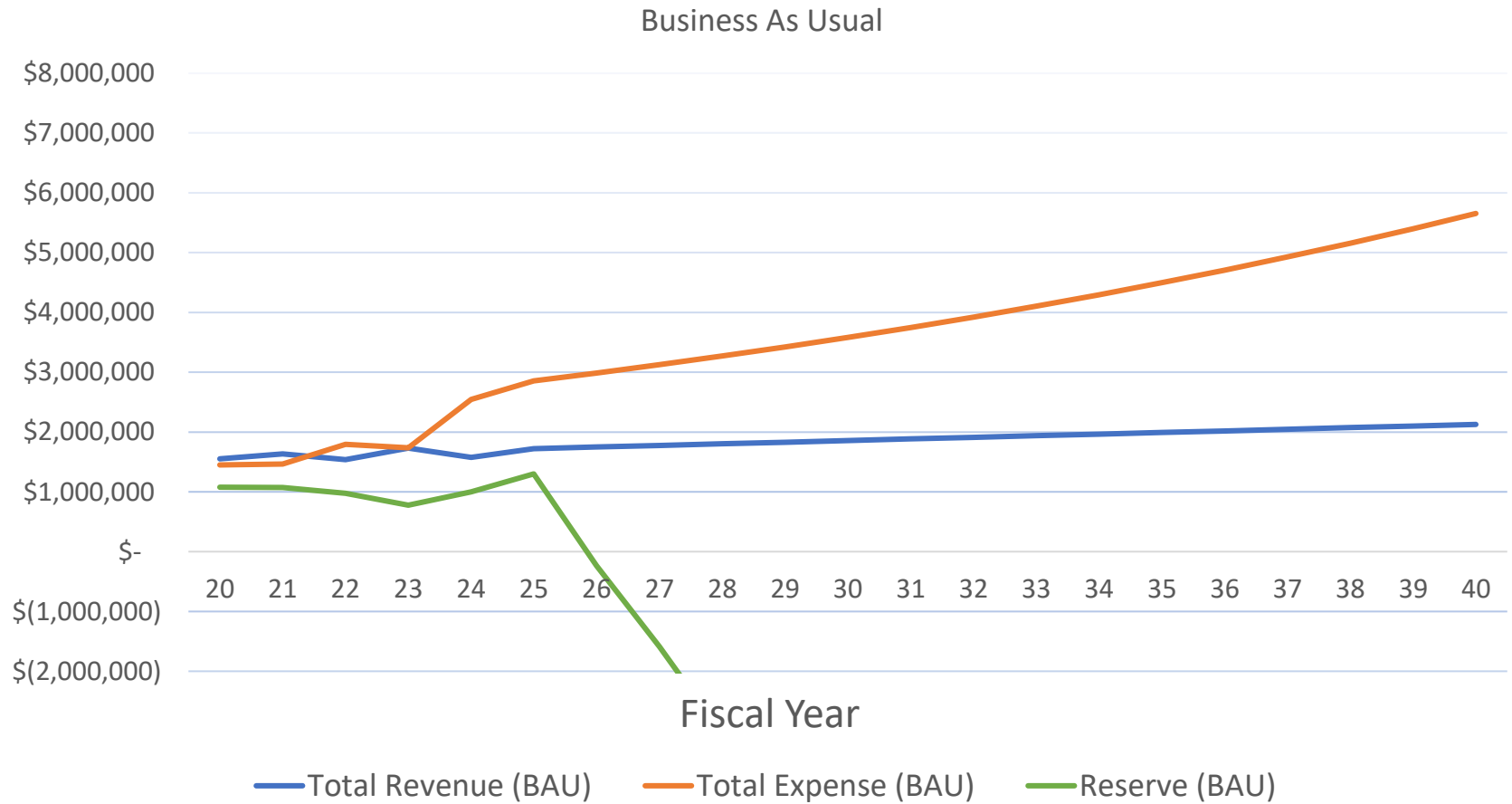
- No fee increase for 23 years,
- Increase in costs, flat revenues, and hence decrease in reserve.
- Need for additional positions



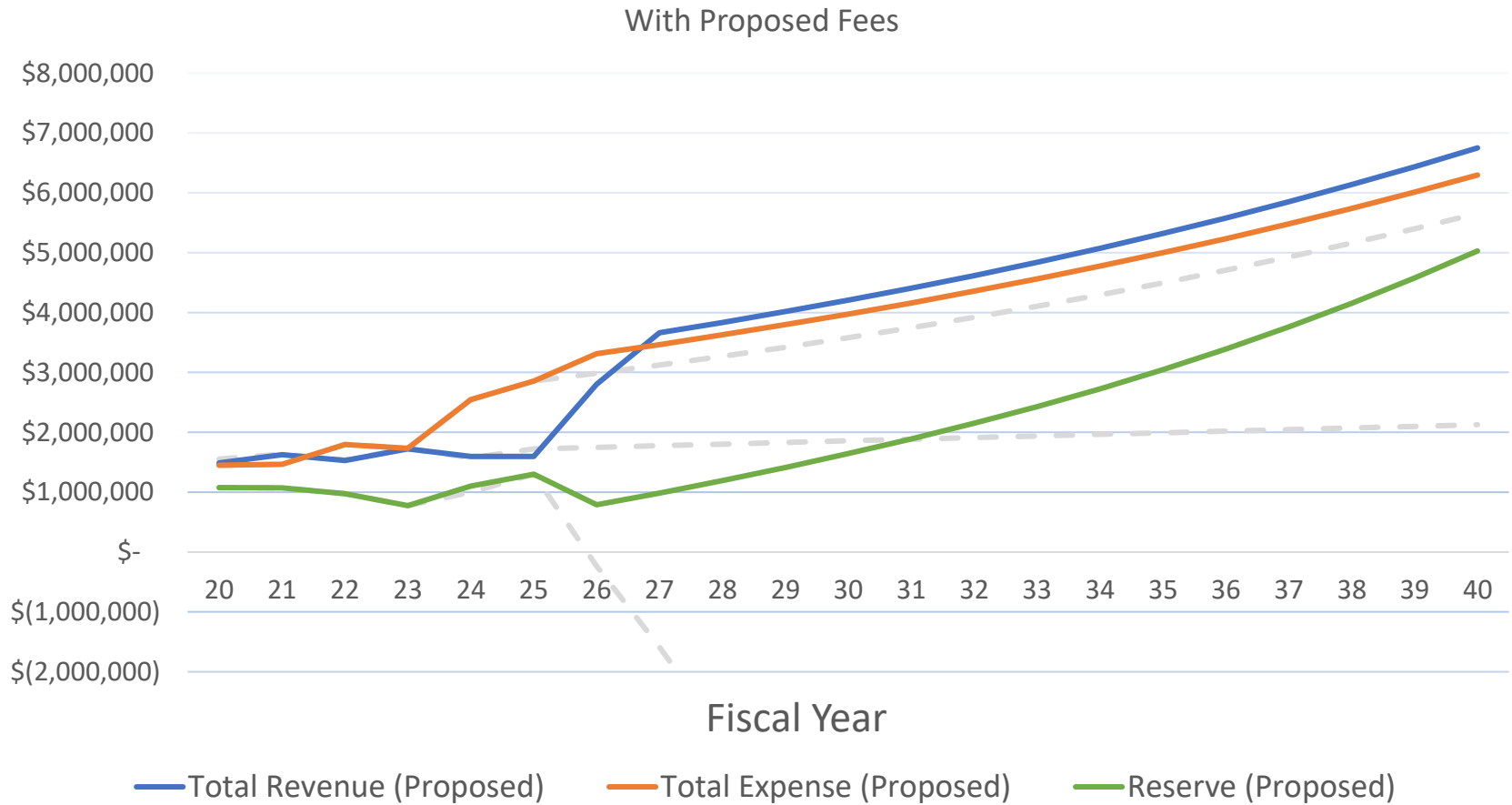
Increase in Size and Complexity of Mining Operations

- Projects continue to expand increasing the potential to impact waters of the State
- Mining below the groundwater table (more complex hydrology and hydrology models)
- New processing technologies and closure designs
- More resources are needed to issue permits and verify compliance.

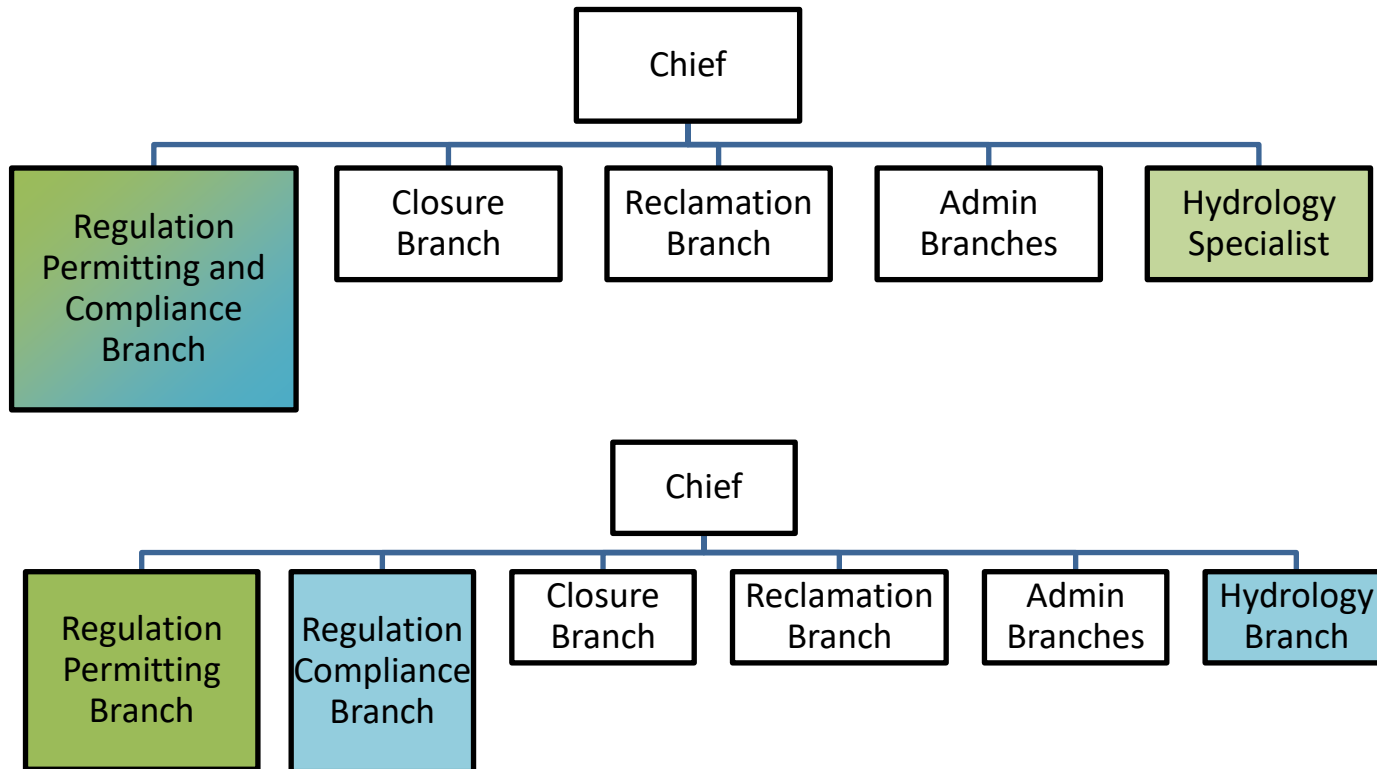
JUSTIFICATION FOR FEE INCREASE



JUSTIFICATION FOR FEE INCREASE



ADDITIONAL POSITIONS



1. Hydrology Environmental Scientist (and creation of the Hydrology Branch)
2. Supervisor for the new Compliance and Inspection Branch
3. Additional staff for Compliance and Inspection Branch (?)

PROPOSED REGULATION

- Fee revisions for
 - Groundwater discharge from dewatering
 - Applications
 - Annual fees
 - Renewal fees (every 5 years)
- No changes to general permit fees
- Using permitted processed tonnage to identify size of operations for operation using physical separation and chemical separation
- Expanding fee categories to account for larger operations
- Dedicated fee categories for physical separation for gold extraction (placer mines)
- **5% automatic annual increase. The Division can decide to suspend the increase.**
- 2 - year step increase



PROPOSED REGULATION

Proposed Fee Schedule for Mining Permits – Other than Physical Separation Gold Mines

CURRENT FEE CATEGORIES			PROPOSED FEE CATEGORIES				
			Year 1		Year 2		
	Initial/ Renewal	Annual		Initial/ Renewal	Annual	Initial/ Renewal	Annual
Chemical < 18,250 t/y	500	250	Tonnage Processed < 18,250 t/y	650	350	825	415
18,250 to < 36,500 t/y	1,500	2,000	18,250 to < 36,500 t/y	2,000	2,600	2,475	3,300
36,500 to < 100,000 t/y	4,000	4,000	36,500 to < 100,000 t/y	5,300	5,300	6,600	6,600
100,000 to < 500,000 t/y	6,000	8,000	100,000 to < 500,000 t/y	8,000	10,500	9,900	13,200
500,000 to < 1,000,000 t/y	10,000	10,000	500,000 to < 1,000,000 t/y	13,250	13,250	16,500	16,500
1,000,000 to < 2,000,000 t/y	14,000	14,000	1,000,000 to < 2,000,000 t/y	19,000	19,000	23,100	23,100
>= 2,000,000 t/y	20,000	20,000	2,000,000 to <5,000,000 t/y	27,000	27,000	33,000	33,000
			5,000,000 to <10,000,000 t/y	29,000	29,000	38,000	38,000
			10,000,000 to <20,000,000 t/y	31,000	31,000	42,000	42,000
			20,000,000 to <40,000,000 t/y	33,000	33,000	46,000	46,000
			>=40,000,000 t/y	35,000	35,000	50,000	50,000

- Two-step increase
- Additional tonnage categories

PROPOSED REGULATION

Proposed Fee Schedule for Mining Permits – Physical Separation Gold Mines

CURRENT FEE CATAGORIES			PROPOSED FEE CATAGORIES				
			Year 1		Year 2		
	Initial/ Renewal	Annual		Initial/ Renewal	Annual	Initial/ Renewal	Annual
All	500	250	Tonnage Processed < 18,250 t/y	650	250	825	415
			18,250 to < 36,500 t/y	650	300	1,200	600
			> 36,500 t/y	650	300	2,000	1,000

- Two-step increase
- Tonnage categories
- Physical Separation Gold Mines are also known as Placer Mines

PROPOSED FEE SCHEDULE

PERMIT MODIFICATIONS

Proposed Fee Schedule for Permit Modifications

MODIFICATION TYPE	CURRENT FEE	PROPOSED FEE
Engineering Design Change	\$500	\$1,000
Minor Modification	½ Renewal capped at \$5,000	½ Renewal capped at \$10,000
Major Modification	Equal to Renewal	No Change – equal to renewal
Pre-Application	\$1,500	¼ Renewal

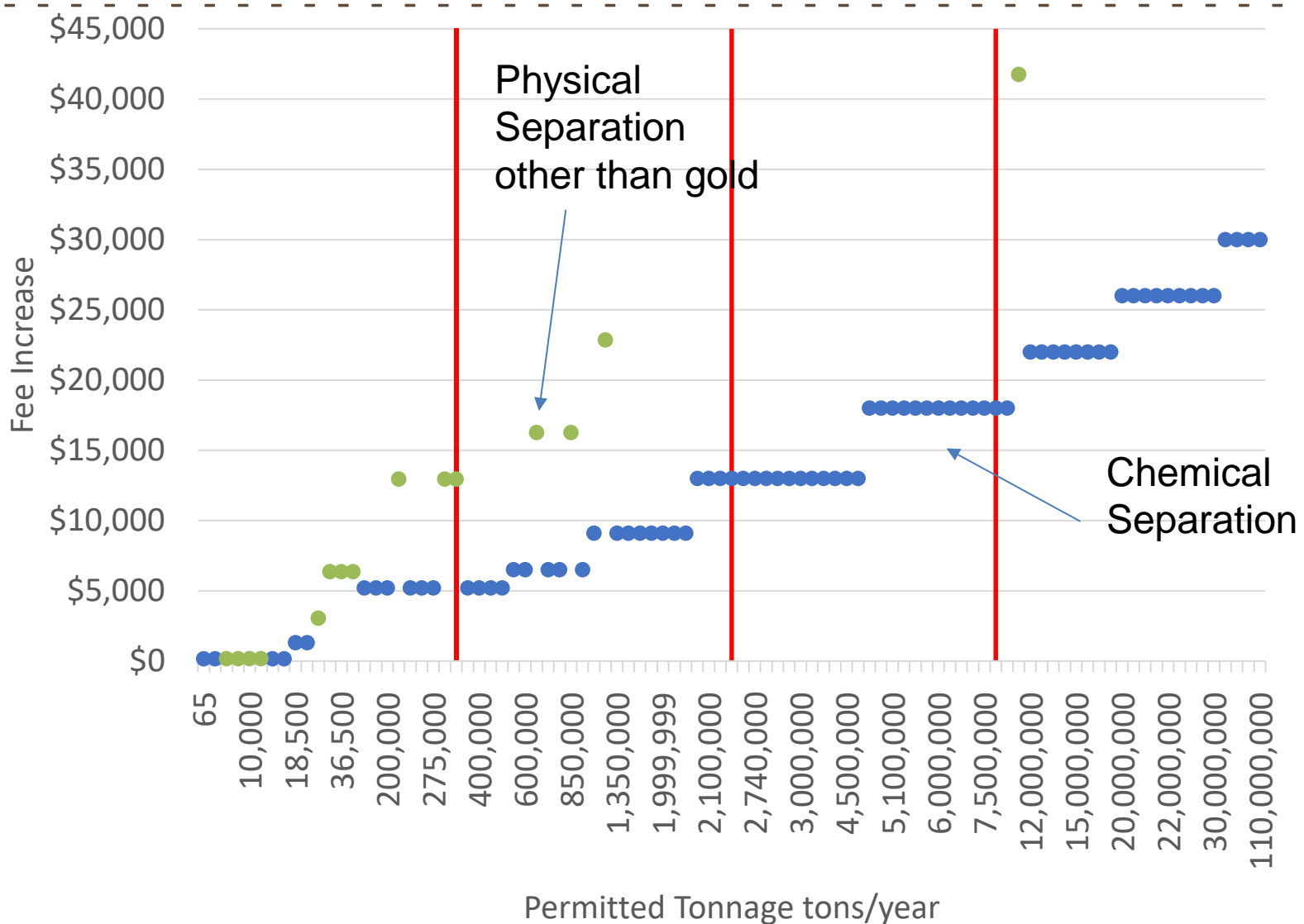
Proposed Fee Schedule for Permits Almost to Closure

	CURRENT FEE CATAGORIES		PROPOSED FEE CATAGORIES
Physical Status	Initial/ Renewal	Annual	Initial/ Renewal/Annual
Source Stabilization Pending	\$2,500	\$5,000	½ Renewal based on Operating Tonnage
Post Closure Monitoring	\$250	\$500	¼ Renewal based on Operating Tonnage, If in post closure by December 31, 2025 then old fee rates apply.



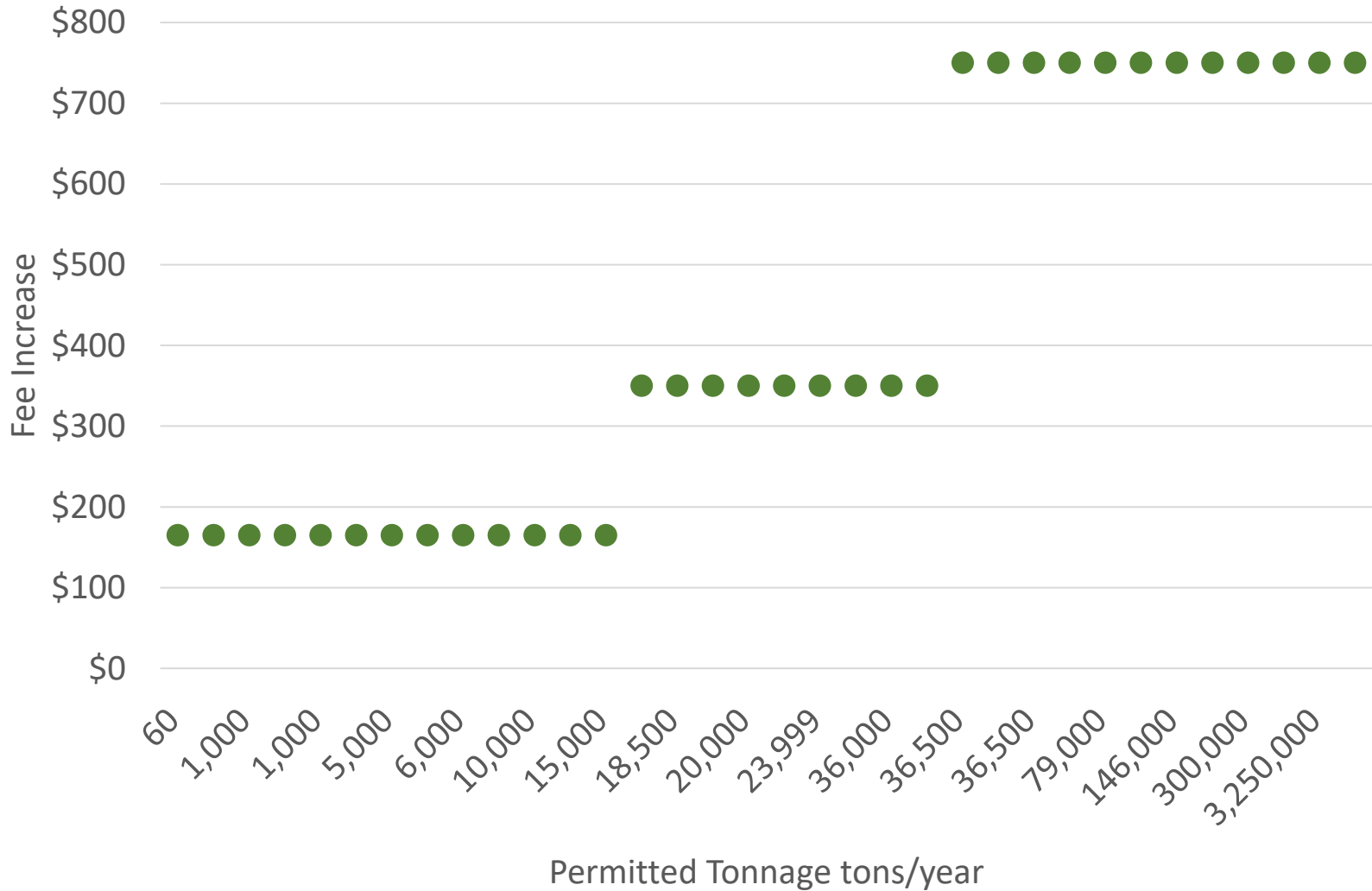
PROPOSED CHANGE

NOT PLACER MINES – ANNUAL FEE INCREASE FROM FY27



PROPOSED CHANGE

PLACER MINES – ANNUAL FEE INCREASE FROM FY27



OUTREACH AND WORKSHOP



- Engagement with stakeholders and public
 - Early meetings with industry representatives
 - Posting of factsheets on NDEP's website
 - Dedicated mail address for comments
 - Factsheet sent via BMRR's listservs (stakeholders, industry, and public)
 - Stakeholder remote meeting on July 18, 2024
 - Letters with estimated new fees to each individual regulated entity
 - Workshop conducted on July 26, 2024
 - Continued evaluating comments until 3rd week of August

ADDRESSING COMMENTS

Main Comments and Resolutions

- Very steep increase -> Two-step increase (FY26 and FY27)
- Tonnage not accurately representing the size of operations -> Acknowledged, but use of other factors may have complicated the fee schedule and regulation too much.
- Fees for placer mines too high and not representative of size and complexity-> new fees for placer mines, and notification of availability of general permit for those operations that meet requirements
- Need for transparency with budget and 5% decision -> In addition to our regular outreach and meetings, committed to additional regular meetings and discussion on fiscal status. Regulation requires posting new fees every year on NDEP's website.
- Need for additional positions? -> Discussion was engaged with stakeholders, and we believe we properly justified supervisor and hydrologist positions.
 - Committed to review additional compliance staff in two years.
 - Committed to discuss with the industry and review business processes to find opportunities to improve Program's performance.

ADDRESSING COMMENTS

Efficiency, Streamlining, and Future Fee Increases

- NDEP unknowledges that a review of the Program's business processes is needed to assess how greater efficiency and streamlining can be achieved.
- BMRR has been collecting data on application review performance and plans to use it to perform such review
- We fully commit to additional outreach with the industry to seek ideas and recommendations on how the Program can improve
- The inclusion of the automatic 5% increase is a way to account for variability in revenues and expenditures, to maintain a healthy reserve, and to avoid sudden and sharp increase in fees in the future



Thanks!
