

**ALASKA STATE LEGISLATURE
JOINT MEETING
HOUSE TRANSPORTATION STANDING COMMITTEE
HOUSE RESOURCES STANDING COMMITTEE**

3:14 p.m.

MEMBERS PRESENT

HOUSE TRANSPORTATION STANDING COMMITTEE

Representative Grier Hopkins, Chair
Representative Sara Hannan, Vice Chair
Representative Harriet Drummond
Representative Tom McKay
Representative Kevin McCabe
Representative Mike Cronk

HOUSE RESOURCES STANDING COMMITTEE

Representative Josiah Patkotak, Chair
Representative Grier Hopkins, Vice Chair
Representative Sara Hannan
Representative George Rauscher
Representative Mike Cronk
Representative Ronald Gillham
Representative Tom McKay

MEMBERS ABSENT

HOUSE TRANSPORTATION STANDING COMMITTEE

Representative Louise Stutes

HOUSE RESOURCES STANDING COMMITTEE

Representative Zack Fields
Representative Calvin Schrage

COMMITTEE CALENDAR

PRESENTATION(S): KINROSS GOLD ORE TRUCKING PROPOSAL

- HEARD

PRESENTATION(S): DOT&PF AND THE KINROSS ORE TRUCKING PROPOSAL

- HEARD

PRESENTATION(S): ADVOCATES FOR SAFE ALASKA HIGHWAYS

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

JEREMY BRANS, General Manager
Kinross Fort Knox
Juneau, Alaska

POSITION STATEMENT: Gave a PowerPoint presentation on the Kinross gold ore trucking proposal and answered questions during the presentation by Advocates for Safe Alaska Highways.

MICHAEL SAM, Chief
Village of Tetlin
Tetlin, Alaska

POSITION STATEMENT: Offered invited testimony during the presentation on the Kinross gold ore trucking proposal.

RYAN ANDERSON, Commissioner Designee
Office of the Commissioner
Department of Transportation & Public Facilities
Juneau, Alaska

POSITION STATEMENT: Gave a presentation on DOT&PF and the Kinross gold ore trucking proposal and answered questions during the presentation by Advocates for Safe Alaska Highways.

BARBARA SCHUMANN
Advocates for Safe Alaska Highways
Fairbanks, Alaska

POSITION STATEMENT: Co-presented a PowerPoint presentation, titled "An Alaskan Plea for Safety."

JOHN COOK
Advocates for Safe Alaska Highways
Fairbanks, Alaska

POSITION STATEMENT: Co-presented a PowerPoint presentation, titled "An Alaskan Plea for Safety."

ACTION NARRATIVE

[3:14:41 PM](#)

CHAIR GRIER HOPKINS called the joint meeting of the House Transportation Standing Committee and the House Resources Standing Committee to order at 3:14 p.m. Representatives Hopkins, Patkotak, McKay, McCabe, Cronk, Gilham, Rauscher, Hannan, and Drummond (via teleconference) were present at the call to order.

PRESENTATION(S): Kinross Gold Ore Trucking Proposal

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CHAIR HOPKINS announced that the first order of business would be a presentation on the Kinross gold ore trucking proposal.

[3:18:19 PM](#)

JEREMY BRANS, General Manager, Kinross Fort Knox, gave a PowerPoint presentation, titled "Manh Choh Project Update" [hard copy included in the committee packet]. He explained that Kinross, a value-based company, was one of the world's largest gold producers which took a legacy approach to new projects. Fort Knox celebrated 25 years of operation in Fairbanks with a total contribution of \$127 million in property taxes, \$50 million in state taxes, and 715 direct jobs. He emphasized Kinross's positive impact on local and host communities. The Manh Choh project is an open pit gold mine near Tetlin, Alaska, which has a 4-to-5-year life expectation, with an estimated total production of one million ounces of gold. Production would start in 2024, bringing hundreds of good paying jobs to the region with an average annual wage of \$130,000, boosting the local economy. The anticipated cost would be over \$1 billion for the course of the project.

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MR. BRANS conveyed that the Tetlin Village consists of Upper Tanana Athabascans with a predominantly subsistence lifestyle. The land is owned entirely by the Tetlin Village, which is not part of the Alaska Native Claims Settlement Act. He noted Kinross's effort to foster relationships in the area with the Tetlin Tribe and stakeholders. The new business model was to mine the ore at Manh Choh and truck it to Fort Knox using existing infrastructure. Because of the difficulty of amortizing a medium size deposit, the ore transport plan was the only way to make a profit on the project; it would also reduce the environmental impact at the project site. However,

residents and users of the Alaska Highway and Richardson Highway may experience increased road traffic.

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MICHAEL SAM, Chief, Village of Tetlin, shared that, as elected chief, his primary job is to look out for the physical, social, and financial wellbeing of the Tribe members. The Manh Choh project would create long-term revenue, fund opportunities, and train the workforce with transferrable skills to other projects in Alaska. The project team has been in constant communication with the community, keeping them informed every step of the way to ensure that Tribal culture and traditions were protected. In response to the committee's questions, Chief Sam stated that Manh Choh would provide more opportunities for the people of Tetlin. His goal is to implement water and sewer infrastructure, employ Alaskans, and boost the local economy. The population of Tetlin is 125, of which 50 are able-bodied employees. He added that Tribal membership is around 300 members.

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MR. BRANS resumed the presentation on the topic of the ore transport plan. He explained that the trucks are similar to double fuel and cargo trailers with a payload of 45 tons, driving at an estimated 2 to 4 trucks per hour in each direction. Kinross and its trucking partners promised to implement a strong safety culture through recruitment, training, driver safety, structured contracts, real-time vehicle monitoring, purpose-built equipment, and a commitment to drive to conditions.

PRESENTATION(S): DOT&PF and the Kinross Ore Trucking Proposal

[4:19:32 PM](#)

CHAIR HOPKINS announced that the next order of business would be a presentation by the Department of Transportation & Public Facilities on the Kinross ore trucking proposal.

[4:19:56 PM](#)

RYAN ANDERSON, Commissioner Designee, Office of the Commissioner, Department of Transportation & Public Facilities (DOT&PF), stated that highway safety and fair access is DOT&PF's

top priority. He stated that the department had attended Kinross's public meetings and supported the legal use of state highways. The route from Manh Choh to Fort Knox is classified as an interstate highway that had been maintained by a fair amount of federal funds. The department is working with its federal partners to evaluate the use of the corridor in a way that addresses public and stakeholder concerns.

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COMMISSIONER DESIGNEE ANDERSON, in response to committee questions, clarified that a formalized plan had not been submitted by Kinross. An ideal plan would address DOT&PF statutes, regulations, and safety aspects. He stated that the department had already been considering investing in the Richardson Highway by implementing passing lanes. This had been considered with or without the Manh Choh project. He estimated that building a new bridge on the Alaska Highway would be an eight-to-nine-year project in total.

PRESENTATION(S): Advocates for Safe Alaska Highways

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CHAIR HOPKINS announced that the next order of business would be a presentation by the Advocates for Safe Alaska Highways.

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BARBARA SCHUMANN, Advocates for Safe Alaska Highways (ASAH), gave a PowerPoint presentation, titled "An Alaskan Plea for Safety" [hard copy included in the committee packet]. She emphasized that ASAH is opposed to the transportation plan, not the mine itself. She expressed concern about public safety, infrastructure, liability, and environmental impact. She believed that the project would take longer than four to five years.

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JOHN COOK, Advocates for Safe Alaska Highways, described the Kinross trucking proposal as an unprecedented logistical plan on a scale that has never been done before. He shared statistics on the potential impact to the road system. He added that Kinross has not submitted a peer-reviewed safety plan.

MS. SCHUMANN continued the presentation by discussing accident liability. She argued that Kinross had not claimed responsibility for accidents based on an explosion at a Kinross gold mine in Ghana in January 2022. If an accident were to happen, she suggested that the state could be liable based on the common law duty of due care for highway users.

MR. COOK resumed the presentation. He pointed out that, to date, there has been no analysis of capital and maintenance costs, and the Richardson highway needs care. He said the route is a DOT&PF priority for winter maintenance. He argued that driving 80-ton semitrucks from 192 to 384 miles would hinder the air quality in the Fairbanks North Star Borough. He stated that ASAH has asked the following of Kinross and the state: hold public forums, consider alternatives, task DOT&PF, the Department of Conservation, and the Department of Law to initiate an analysis of the transport plan, and address potential liability and State Implementation Plan impacts.

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MR. BRANS indicated that Kinross would continue to hold public forums. He said ASAH has not been offering productive conversations or solutions, and it has been falsifying calculations. Per DOT&PF, road improvements for the corridor were already in the works.

COMMISSIONER DESIGNEE ANDERSON, in response to committee questions, said structural deficiencies in the bridges were being monitored and addressed, but could handle the load.

MR. BRANS, in response to additional committee questions, assured the committee that a standard operating procedure would be in place. He said that \$50 million would not cover the cost of a new mill. He responded that wetlands would be minimally impacted. He stated that Kinross has considered alternatives, such as railroad convoys, pioneer roads, building a mill; however, the options were not economically feasible. He concluded that the trucking plan is precedent throughout the U.S. and Alaska.

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ADJOURNMENT

There being no further business before the committees, the House Transportation Standing Committee and the House Resources Standing Committee meeting was adjourned at 5:35 p.m.