

A Look at the Facts:

WISA's Response to the Wisconsin Center for Investigative Journalism's 'Sand Rush' Video and Infographic

Sand mining has a rich history in Wisconsin that dates back more than a century – in fact, the image of a miner appears on both the Wisconsin state symbol and the state flag. Companies involved in the state's sand mining industry employ thousands in family-supporting jobs and are making significant multimillion-dollar investments in areas across Wisconsin, generating hundreds of millions of dollars in overall economic impact for the state and local communities.

The <u>Wisconsin Industrial Sand Association</u> is a coming together of some of the state's leading mining companies – <u>Badger Mining Corp.</u>, <u>Fairmount Santrol</u>, <u>Smart Sand</u> and <u>U.S. Silica</u> – to promote safe, environmentally responsible and science-based sand mining standards; encourage a fact-based discussion; and create a positive dialogue among the industry, citizens and Wisconsin government officials. Sand mining in Wisconsin is a highly regulated industry, and WISA's members are committed to meeting or exceeding all state and local requirements for safety and environmental regulations. We are all certified under the <u>Wisconsin DNR Green Tier</u> program and we follow a mandatory <u>Code of Conduct</u> with strong principles and tough standards that guide the Association's efforts to be a leader in fostering a healthy, safe and environmentally responsible sand mining industry in Wisconsin.

While some of our members have been mining in Wisconsin for 80 years or more, the industry's rapid growth has led to a great deal of confusion and misinformation about industrial sand mining as a whole. We appreciate the Wisconsin Center for Investigative Journalism's commitment to shedding light on this important state industry, and for allowing WISA this opportunity to provide input on its "Sand Rush" video and infographic.

WCIJ reports:	WISA responds:
1. Frac sand mining is not fracking.	Absolutely true – Wisconsin doesn't have the oil and natural gas deposits that fracking targets. But it's also true that "frac sand mining" is a misnomer. Wisconsin-mined sand is used for a <u>variety of end purposes</u> including glassmaking, foundry and metal casting, construction, production of paint and coatings, recreational materials and more, in addition to oil and gas exploration. It would be just as accurate to call Wisconsin sand "glass sand" or "playground sand." The umbrella term that fits all uses is "industrial sand."
2. The industry's rapid growth caught the state off-guard.	Although industry growth has been tremendous, industrial sand mining has been and continues to be strictly regulated by the WDNR and many other state and federal agencies. The WDNR is not required to have published maps locating any permitted operations. The Center did a great job in putting its map together and deserves credit for it, but map or no map, the WDNR is very much in control.

3. Reclamation remains an unknown.

The WDNR has delegated authority to administer NR 135 to individual counties and our experience has been anything but "unknown." Some counties do a better job than others, to be sure, but all should focus on storm water management, erosion control, seed mixes and slope stability at a minimum. Reclamation plans must be approved before a company can start mining a site, and some reclamation plans take it to the next step by forming a partnership with the county, land owner and mining company. Multiple WISA members have these partnerships with their local communities, where reclamation practices focus on end land use that brings benefit to the community.

The industrial sand industry has been conducting reclamation for decades and is a leader in the mining industry. We lobbied for a statewide law requiring reclamation and helped write the regulation. Over the last 20 years, we have been represented on the WDNR Nonmetallic Advisory Committee. We have provided numerous tours and presentations to many groups including the regulatory authorities on reclamation, many units of government, educational and professional organizations. We are participating in studies with the University of Wisconsin, including a study to look at groundwater infiltration rates on reclamation conducted during different decades. We have pioneered geomorphic reclamation techniques and shared that information.

Learn more about <u>reclamation</u> on the WISA website.

4. Sand mines affect plants and animals such as the Karner blue butterfly.

Threats to the Karner blue butterfly at most sites were present prior to mining and can be linked to the use of herbicides by farms that previously operated on the land. The herbicides and farming reduce the presence of wild lupine and other plant species that the butterfly depends upon. Mining and responsible reclamation practices could have a positive effect on the butterflies and other wildlife species through reintroduction of their native habitat – in fact, mines do a tremendous amount of work both in terms of reclamation and stewardship of many non-mining areas that benefits a significant number of species.

5. People are concerned about sand dust.

The dust issue is an important one for mining companies, and there have been many recent studies on the topic. There is also historical information, however, that shows this issue is primarily an occupational hazard for mine workers, specifically when it comes to concerns about crystalline silica. The WDNR's pending strategic analysis should bring the facts and science to the surface of this discussion. Fugitive dust can come from varying sources including farm fields, construction sites or mines. The WDNR regulates particulate matter for non-metallic mining, including industrial sand mining. More information is available in WISA's white paper on crystalline silica.

6. Mining can affect water resources.

Water use is a great opportunity for improvement for all industries. Many mining operations have recycling systems that use very little groundwater. High-capacity wells are regulated by the WDNR for both use and location. Read WISA's white paper on ground water and industrial sand mining.

7. Truck and rail traffic has increased.

Trucks and increased rail also bring indirect jobs.

8. Opponents
worry that money
is leaving with the
sand.

Direct and indirect economic benefits of industrial sand mining in Wisconsin are tremendous and measurable. There are economic studies that present a multiplier of 1.6 indirect jobs for every job at a mine or processing site. These indirect jobs include truck drivers, goods and service delivery jobs, maintenance contractors, excavator contractors, construction jobs, consultants, engineers, etc. Most of these jobs are local, created within about a 100-mile radius. Some of the jobs created are not local, such as the equipment manufacturer for a particular piece of processing equipment at an out-of-state factory. But keep in mind that the distribution network for out-ofstate goods and services requires local people who support the equipment through dealerships. So the local economic benefit primarily comes from jobs and people spending money locally at the grocery store, gas stations, mortgages from banks, etc. The profit from the sale of sand is used in positive ways as well and has been used as capital to build more mines and processing plants which create more jobs. The idea of economic benefit leaving with the sand is simply not accurate.

9. Everyone wants the state to answer their questions.

The WDNR strategic analysis is an opportunity to educate more people within the state and to get the facts straight.

10. Wisconsin is working on control issues.

There is local control in place through zoning law. The U.S. Environmental Protection Agency has delegated the authority to manage the Clean Air Act and Clean Water Act to WDNR. All industry and business needs regulatory certainty to continue to invest responsibly. This discussion will continue.

11. Annexation is a way for mines to skirt the rules.

Annexing has been a method for local communities to identify regulatory authority and certainty. Annexing has been going on for many reasons over many different land uses. You may want to look at the amount of annexed property or land use over the last five years in Wisconsin – mining makes up a small percentage of that.

12. Dropping oil prices have hurt the sand industry.

The oil market, like many others, has a cycle. Experienced companies will continue to do business responsibly during these times. Additionally, it is important to remember that while some inaccurately refer to all industrial sand as "frac sand," much of the industrial sand mined in Wisconsin is used for other purposes, such as glass and foundry work. Although the oil and gas markets are going through a downturn, other industrial sand markets such as those are continuing to do well with the economy.

We will be the first to admit that there is a great deal of misunderstanding and misinformation about industrial sand mining, and we appreciate the Center's efforts to educate the public about this longtime Wisconsin industry. Both WISA and the Center agree that it is important that these educational efforts be based on facts, not fear. WISA's members work hard every day to show that there are many positives when taking the right approach to sand mining. With a proper balance between sound operations, adherence to responsible regulations and good relationships, we can operate safely and protect the environment while generating significant economic impact.