

September 16, 2014

Via regulations.gov

Dennis J. McLerran
Regional Administrator
U.S. Environmental Protection Agency, Region 10
1200 Sixth Avenue, Suite 900
Seattle, WA 98101-3140

Re: Docket # EPA-R10-OW-2014-0505 - Proposed Determination of the U.S. Environmental Protection Agency Region 10 Pursuant to Section 404(c) of the Clean Water Act; Pebble Deposit Area, Southwest Alaska

Dear Mr. McLerran,

For three years, investors have provided comments to the EPA expressing concerns about large-scale mining in the Bristol Bay region of Alaska. During that time, we have continually voiced our support for the science based EPA Bristol Bay Section 404(c) Process. With the Proposed Determination having been released in July the undersigned investors wish to urge the EPA to issue a final determination and thereby provide long-term protections for this important national resource.

Having reviewed the Proposed Determination we concur with the Regional Administrator's proposal that the EPA restrict the discharge of dredged or fill material that would result in:

1. Loss of streams
 - A. The loss of 5 or more linear miles of streams with documented anadromous fish occurrence; or
 - B. The loss of 19 or more linear miles of streams where anadromous fish are not currently documented, but that are tributaries of streams with documented anadromous fish occurrence; or
2. Loss of wetlands, lakes, and ponds. The loss of 1,100 or more acres of wetlands, lakes, and ponds contiguous with either streams with documented anadromous fish occurrence or tributaries of those streams; or
3. Streamflow alterations. Streamflow alterations greater than 20% of daily flow in 9 or more linear miles of streams with documented anadromous fish occurrence.

We note that the Proposed Determination is based on three years of scientific research, two rounds of peer review, and two periods of public comment.

As we have written previously, for widely diversified investors with long-term investment horizons such as ours (sometimes referred to as "Universal Owners"), the value of our portfolios is dependent in part on sustainable global economic growth. For that reason we

are aware of the need for natural resource development to support economic growth as well as the development of clean technologies, which hold the promise of more sustainable economic growth. But we are also concerned that returns could be negatively affected by corporate behavior with negative social and environmental impacts. It is in our interest for our portfolio companies to reduce these risks and also protect our reputations from activities that may tarnish us through association. We therefore believe it is critically important for mining activity to occur only in ecologically and culturally appropriate areas.

We are concerned that if large-scale mining occurs in the Bristol Bay watershed with the impacts described in the Proposed Determination, that it could cast a cloud over mining projects in general – even responsible and safe ones. This has the potential of increasing mining costs generally and may put into question appropriate mining projects. Such occurrences could be destabilizing to the global mining and fishing industries and consequently not helpful for long-term economic growth.

But we are also acutely aware of the negative economic externalities related to natural resource extraction. Damage to ecosystem goods and services from land and water pollution related to mineral extraction can generate very real, but currently unpriced, economic, social and environmental externalities. An April 2013 report from Trucost and The Economics of Ecosystems and Biodiversity for Business Coalition

has estimated the unpriced natural capital costs at US\$7.3 trillion relating to land use, water consumption, GHG emissions, air pollution, land and water pollution, and waste for over 1,000 global primary production and primary processing regions under standard operating practices, excluding unpredictable catastrophic events. This equates to 13% of global economic output in 2009.

We also observe that the EPA's 2012 Assessment attracted the attention of those in the business community that are concerned about the sustainability of our seafood supply. The Food Marketing Institute (FMI) issued a letter in support of the 2012 Assessment stating, "Bristol Bay is a one-of-a-kind fishery that is important not only to the ecology of the region but also to fulfilling the goal of long-term sustainable seafood sourcing." Not only is the FMI a national trade association that represents 1,500 member companies – food retailers and wholesalers – in the United States and around the world with a combined annual sales volume of \$680 billion, but also it represents many companies that are in our investment portfolios. This illustrates the point that widely diversified investors consider not only how a particular project will impact a specific company or investment, but also how it impacts other aspects of a portfolio.

It is also important to consider that the two largest corporate interests in the proposed project have withdrawn their support in the last year. In October 2013, Anglo American withdrew from the project following a risk/return analysis of the project. More recently, Rio Tinto announced that it is withdrawing from the proposed Pebble Mine Project. And earlier this year, the New York City Comptroller and California State Comptroller released a letter from Northern Dynasty Minerals exhibiting significant distress over prominent investors raising legitimate questions about the merits of the project.

Numerous groups, including Alaska native tribes, the Bristol Bay Native Corporation, native village corporations, the United Fishermen of Alaska, and other commercial and sport fishing groups, have urged the EPA to exercise its authority over mine waste disposal in the Bristol Bay watershed under Section 404(c), pointing out that asserting restrictions under Section 404(c) “could further the goals of the Clean Water Act by providing certainty and associated time and money savings to industry and the public - including the indigenous peoples of the region to whom the United States has a trust responsibility.”

Accordingly, we believe that the Regional Administrator’s proposal that the EPA restrict the discharge of dredged or fill material is consistent with the concerns we have articulated above regarding economic growth, responsible mineral development, negative externalities, and the financial importance of ecosystem services. As such, we recommend that the EPA issue a Final Determination consistent with the Regional Administrator’s proposed restrictions.

Finally, we observe that from an investor perspective, a Final Determination consistent with the Regional Administrator’s proposal would help remove regulatory risk and uncertainty surrounding mining in the region. This would be a positive development facilitating the efficient and environmentally responsible allocation of capital investment in mineral development through regulatory certainty.

We thank you for your time and consideration. Please direct any questions you may have to Jonas Kron at 503-894-7551 and jkron@trilliuminvest.com.

Sincerely,



Jonas Kron, Senior Vice President
Trillium Asset Management, LLC



Stuart Dalheim, Vice President
Calvert Investment Management, Inc.

on behalf of

Calvert Investment Management, Inc.
Everence
First Affirmative Financial Network
Green Century Capital Management
Maryknoll Sisters
Pax World Management LLC
Portfolio 21

Rebekah Helzel
Sarah Kupferberg
The Sustainability Group
Trillium Asset Mangement LLC
Walden Asset Management
Zevin Asset Management LLC

cc: President Barak Obama
Administrator Gina McCarthy