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Testimony of Be-Be Adams on A.B. 49
Assembly Commerce and Labor Committee
February 17, 2003

My name is Be-Be Adams; I am the Director of Community Affairs for Barrick Goldstrike Mines of Elko. Barrick Goldstrike is a subsidiary of the Toronto-based Barrick Gold Corporation, which operates one of the largest gold mines in the world just 27 miles North of Carlin, Nevada. We support AB49.

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Goldstrike employs 1600 persons, and mined over 2 million ounces of gold in 2002 from our surface and underground mines. Our mining facilities are powered largely by electricity. Our average electrical load for the 2002 calendar year was over 120 megawatts.

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We are the largest customer of Sierra Pacific Power and the third largest power user in Nevada. Our electrical bill in 2002 exceeded 70 million dollars. Except for the payroll, electricity is our largest single expense. Most of the electricity is used to run the processing facilities and the water management system.

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The water management system is an extensive system of wells, pumps and pipelines that is used to control the water level and keep the mine dry. The water from the pumping wells that not consumed by mining and milling operations, is delivered down valley within the same water basin and infiltrated back into the ground or put to beneficial use through irrigation. On neighboring ranchlands, up to seventy -three grass and alfalfa center pivots receive mine water during the growing season.

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The handouts and this graphic shows how the water is transported from the mine site through a 72 inch pipeline and then is distributed to a re-injection pond and the irrigation pivots.

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Under the terms of AB 661 -- the Repower Nevada legislation approved last session -- we are seeking to mobilize our capital and credit to develop new electrical resources. This may involve leaving the Sierra Power system.

Later this session we would be prepared to brief this committee on the status of our various initiatives. However, under the terms of Repower Nevada, were we to leave the system, we would carry with us an obligation to fulfill our renewable energy requirement.

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Our engineering staff is currently studying the feasibility of placing a small hydro power plant on the mine's dewatering system. Such a plant could produce 7 megawatts of power for us at no environmental cost and could help us meet our renewable energy obligations.

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Now let me be perfectly clear, we would not be inserting a plant into a river or stream, instead it would be incorporated into the pipeline system.

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Once installed, the hydro plant would capture the kinetic, or potential energy, from this industrial activity.

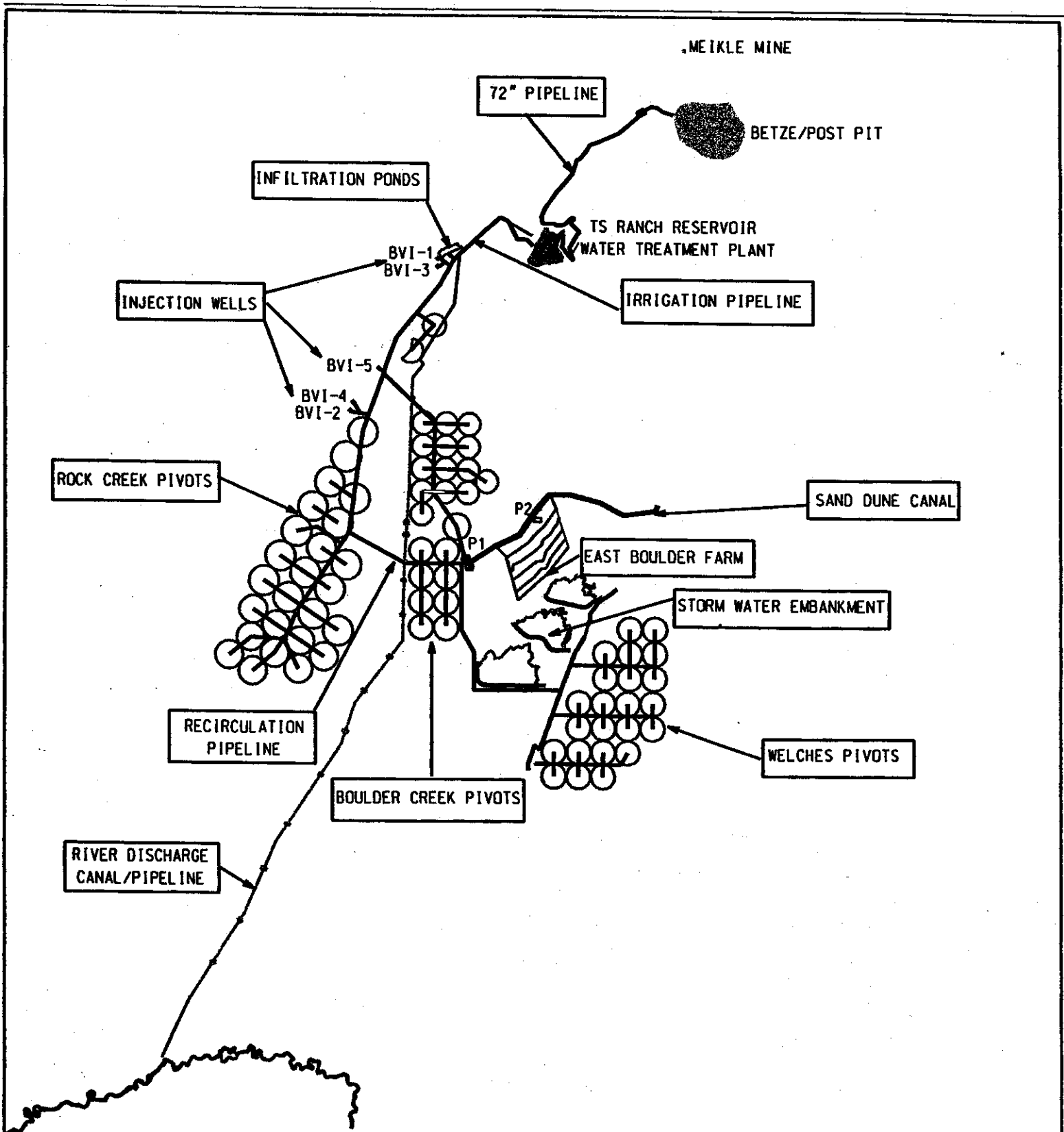
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Unfortunately, under Nevada Law we could not claim a renewable credit for this power, as waterpower is not defined as renewable energy. We think this is unfortunate, as we believe we have identified a creative means of generating renewable energy from our industrial activities. We urge the committee to expand the definition of renewable energy to include waterpower.

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Thank you. Susan Fisher and I would be pleased to answer any of your questions.

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BOULDER VALLEY RECIRCULATION SYSTEM

BARRICK
 Scale: 1" = 5000'
 Date: 02/10/2003
 Drawn by: JZ

DGN NO.: X:/DGN/BVMP/DETAILS_MB.DGN