

Lithium mining company wants changes in bill

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Courtesy of Albemarle Corp./Ken Childress Photography

Albemarle Corp. pulls lithium brine from the salt water aquifers at its Silver Peak operation in Esmeralda County.

The owner of the only mining operation in the United States producing lithium carbonate wants alterations to Nevada's proposed bill on lithium exploration.

Albemarle Corp., owner of the Silver Peak Mine in Esmeralda County, reported it was working with the Nevada Division of Minerals and state engineer to develop alternative language to AB 52 that protects the alkaline playa, encourages lithium exploration and "protects Albemarle's current site and operations."

Nevada Division of Minerals Administrator Richard Perry confirmed the division is working with Albemarle on the bill, which is proposed for action in the current legislative session.

The operation owned by Albemarle pulls lithium brine from saltwater aquifers using extraction wells. According to the company, the Nevada Division of Water Resources has permitted Albemarle to extract 20,000 acre-feet a year from Clayton Valley Basin.

“Our evaporation process works in perfect confluence with our senior water rights because it maintains a balance between our extraction rate and the rate of the basin discharge,” the company said.

The minerals division proposed the bill to make it easier for companies to explore for lithium, which is seeing an increased demand, especially for rechargeable batteries for electric cars and cellphones.

“The reason we did this, we received numerous calls last year from lithium exploration companies on how to explore” in Nevada, and “they had an interest in streamlining the process,” Perry explained earlier.

Albemarle recognizes that Nevada’s goal of increasing exploration and production of lithium carbonate would mean reaching beyond what Silver Peak could produce.

“However, as Albemarle’s site in Silver Peak is the only operating lithium mine in the country, we believe the state should be thoughtful in developing any changes to current law that may adversely impact the state’s only lithium producer,” the company’s statement on AB 52 says.

“Fundamentally, we believe current water law manages both exploration and operating aspects of lithium extraction. We have complied with those rules and have successfully operated under the currently regulatory regime for over 50 years.

“As such we oppose efforts that would diminish or otherwise damage our resources in the Clayton Valley. As the holder of virtually all the senior water rights in the Clayton Valley, we oppose AB 52 as currently drafted because it does not recognize the importance of state water law for extracting lithium that is dissolved in groundwater, which is very different from hard rock mining.

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“It does not protect Albemarle’s senior water rights, as required by Nevada law. It also does not recognize that fully allocated basins such as the Clayton Valley cannot accommodate anyone wanting to access the aquifer without water permits.”

The bill would create an exemption to state water law to allow exploration entities to sample brine from boreholes and sample and pump-test from an exploration well.

“If passed, it could lead to degradation of the delicate playa from over-drilling into the aquifer and extracting brine by too many parties,” Albemarle wrote.