Mining: air pollution and twin lake

Environment, Air



1. IntroductionIn our current world, negotiation happens every day, everywhere and with everybody. It is a complex social process which already becomes part and parcel of our society.

It occurs in profit or non profit organizations, government sectors, dealing among nations and also in our personal situations such as salary package, house purchase, marriage, divorce and etc. The strategy to use can either be distributive or integrative depending on the situations and the outcomes that the party want out from the negotiation. In this scenario, it is a negotiation on the conflict between Twin Lake Mining Company and Tamarack City Council regarding an environmental cleanup on the water and air pollution which arise from the plant operation. This is an intergroup conflict and the level of complexity is high due to the involvement of large number of people and the multitudinous ways they can interact with each other.

Resolution need to be agreed upon and act on by both Twin Lake and City Council in order to meet the objectives and needs of each other which will result in a win – win situation. 2. Material FactsThe main discussion is basing on the negotiation between Twin Lake Mining Company and Tamarack City Council. The issue arise due to a more stringent environmental laws and regulation which resulted in an imposition of stricter environmental controls on Twin Lake. This put pressure on Twin Lake to take actions on a major cleanup in order to totally compliant to the regulation which estimate cost to the company is over \$36 million.

This is beyond the company cost limit set of \$16 million capital and \$2. 6 million yearly payment for improvement. The company is committed to keep

the plant but at the basis on the cost limit set. ReadAt the same time, many local citizens, as individuals and through the local chapter of the United Mineworkers Union, are putting significant pressure on the Town Council to help Twin Lakes in the environmental process as this will potentially impact their livelihood if the company decided to shut down and at the same time impacting the City's economic stability which is strongly dependent on the continued success of the Twin Lakes Mining Company. The report will base on the different facts provided and present the overview of the Issues and work on the preparation for the negotiation.

Planning the negotiation climate, strategy to use and at the same time knowing BATNA of both parties to have a win – win result which is the desired outcome. 3. Issues Identified for the NegotiationIn this case study, the cost of resolving the major issues which are the water quality and air quality issue is too much for Twin Lakes to absorb and at the same time, Twin Lake is also looking at the concession that the City can provide on the taxation of the company owned land as they work together on the resolution to the environmental issues. Once these issues are resolved, all the remaining problem can be easily be settle. 3.

1 Water Quality •Due to the need of the washing operation, series of settlement recovery ponds were built alongside Beaver Brook near the plant and due to this process iron ore and other impurities are being wash downstream which impacted the water quality. In order to resolve this problem, a filtration plant which costs \$20 million need to be build which is not affordable to Twin Lake and working on a joint venture with the City

Council since they are working to make Beaver Brook as the secondary water source due to the residential development. 3. 2 Air Quality •In the entire process of mining, transportation and crushing ore generates large amount of dust which causes air pollution. Twin Lake already agreed to make approximately \$8 million investment to reduce the emission from the plant but the major concern is still not solve on the pollution caused by company trucks travelling to and from the plant outside the city.

A periodic oil spraying of the road to keep down the dust which is costing approximately \$80, 000 annually may notsatisfy the environmental agencies but paying for the paving of the road in the city which coast estimate amount of \$2. 4 million with a \$300, 000 maintenances is not acceptable as these are public roads which are use by everyone not just the Twin Lake even though it is company owned.