

A New Angle

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Justin Angle: This is A New Angle, a show about cool people doing awesome things in and around Montana. I'm your host, Justin Angle. This show is supported by First Security Bank, Blackfoot Communications and the University of Montana College of Business.

Justin Angle: Hey, folks, welcome back and thanks for tuning in. Today, I speak with Heather McDowell, vice president for legal, environmental and government affairs for the U.S. region at Sibanye-Stillwater, the owner and operator of the Stillwater and East Boulder mines.

Heather McDowell: I think it's hard for those not doing this day to day to understand that we want to be robustly regulated. I don't want less government or less regulation.

Justin Angle: Heather works at the intersection of many issues critical to Montana's future: environmental regulation and sustainability, workers' rights, diversity, equity and inclusion, and many others. And if those topics weren't challenging enough,

Heather and her colleagues have been struggling to recover from the massive flooding earlier this summer that shut down mine operations. Heather, thanks for coming on the show.

Heather McDowell: Hey, Justin, thanks so much for having me. I'm so happy to be here. This is amazing.

Justin Angle: Yeah. So, tell us, where did you grow up and what did your parents do?

Heather McDowell: Well, actually, it's a past, it's a current tense for what they're doing. I grew up on a ranch in Bridger, and my parents are still running the ranch. So, we have a small cow calf operation, you know, in some pretty rough but very beautiful country there. And just I grew up, you know, working alongside everyone. I think by the time I was five or six, we were out changing irrigation pipe and have, you know, do all of our cattle work, riding. And so, my mom and I did all the riding. And yeah, it was a true family operation. I remember going to law school at Gonzaga my first day and thinking like, this is the greatest thing that's ever happened to me, right? This is easy. Everyone else was complaining about the you know, the time we would have to, quote unquote, work. And I was thinking, gosh, this is a great vacation. So, yeah, it was it was just a real privilege to grow up that way. I think working side by side with your family.

Justin Angle: Sure. And talk about, you know, you came to the University of Montana, studied accounting, and then you just mentioned studying law at Gonzaga. Yeah. Talk about your choice to depart from the ranch in the work sense. But I'm sure you do plenty work when you go back and visit your folks and family.

Heather McDowell: Yeah. So, when I was growing up, I think, you know, every kid has some sort of aspiration. And by the time I was about ten, I had decided I was going to be a lawyer. And everyone says, oh, gosh, you know, you must have had some inspiration, some role model. I said, well, my dad is a cowboy, right? He's as cowboy as they come. And my whole childhood, he had said, you know, Heather, you can be anything you want. The world is yours. You just can't be a damn lawyer. And so, by the time I was about ten, I just said, I think I'm going to be a lawyer. I have no idea what a lawyer is or what a lawyer does, but that's what I'll do. And then he had tacked on to it at some point, and you also can't go to school at Missoula. So, it was sort of, I think, a really good example of why you don't give your kids too strict of instructions, because the two things I did were really the only things he said I couldn't do is attend school at Missoula and become a lawyer. So happy to have defied the odds there.

Justin Angle: Well, it probably also said something about your work ethic and mentality growing up on the ranch and a strong family that, you know, nobody can tell you what not to do. Right.

Heather McDowell: I think that's exactly it, Justin, yeah, it is. It's sort of, you know, watch me, right, tell me I can't do something and then I will do it just for the sake of proving that I can. So, and I think I definitely inherited that personality. So, I don't know if he knew what he was doing at the time. I really do think deep down he did not want me to become a lawyer or to go to Missoula. So, the personality trait of stubbornness and perseverance are definitely genetic.

Justin Angle: Here we are. Well, speaking of perseverance, we got a lot to get into today. But first, give us the state of play. You know, one of your mines was shut down with a flooding event back in June. How are things going? How are you all kind of holding up?

Heather McDowell: Yeah, it's been a crazy experience. So, on June 13th, which was otherwise this beautiful sunny day, the Stillwater River was raging. So, we operate Stillwater Mine and Stillwater County and then the East Boulder mine out of McLeod over in Sweetgrass County. And then we have a metals processing facility down here

in Columbus where I am today. And so, at the Stillwater mine, the Stillwater River usually runs at about 3,000 CFS. It was up to 20,000 CFS on June 13th, and our operations actually held up really well. We didn't have any damage onsite other than to a bridge, that our operations span the Stillwater River, a bridge was damaged, but then it washed out the county highway going up to the mine and actually also really unfortunately going up to Woodbine Campground and the Sioux Charlie Trailhead, which are highly trafficked recreational sites and so that has been a really sad fact, too, is that those have been closed down, but we have not been operating at the Stillwater Mine since, you know, the early morning hours of June 13.

Justin Angle: Did you have people stranded, you know, up at the mine with that road washing up?

Heather McDowell: No, we didn't. We had a way to go around. So, we didn't actually have stranded people. I think one great thing our people did on the first day is that there were about 70 campers up at the Woodbine Campground and they had to get out. So, there was a full search and rescue effort and our folks sort of chipped in there. Then they were able to bring them to the mine site, where from there we could get them transported down the valley and eventually got them all out and home and were able to then have them come back later in the week and recover their vehicles. So that

all went really well. All of our people were fine. We did leave, I think about 60 people on site just to kind of, you know, make sure that we were maintaining our systems and really making the plan for recovery.

Justin Angle: Yeah. And so, what happens to the folks that aren't able to go to their shifts? Are they claiming unemployment or like what's the status of those folks?

Heather McDowell: Yeah, well, we've continued to pay folks regardless of whether they're working. So, everyone who works at the Stillwater Mine is getting their base pay. For some, that's not everything, because we do have a fair number of employees, especially our miners, who are actually doing the mining, who also work on incentive pay. So, you know, they're not getting what they would get, in the miner's case if they were actually coming and performing their job functions, but, you know, it is, everyone is getting base pay. They retained all their benefits and we're slowly just bringing people back as we get operations back up to speed.

Justin Angle: Sure. So that is maybe a transition into this concept of responsible mining that I've heard, you know, in various venues refer to. Let's actually define that. What is responsible mining? What does it look like? What does it mean to you and how do you and your colleagues think about it?

Heather McDowell: I think to me and to those of us here doing this work, I think it means conducting your operations in a way that your stakeholders are okay with, that the people who live next to you are okay with. I mean, we don't expect everyone to buy into this, right? Everyone is entitled to whatever views they have about extraction. But I think we need to continually be doing things in a way that people can live with, that we can actually be a neighbor that, you know, I like using the term neighbor as a verb. You neighbor with people, you help them do things. You, you know, you make sure that what you're doing isn't a hardship for them. And so, I think that's what we try to do in carrying out this responsible mining. We're really fortunate that we have the Good Neighbor Agreement that I know many folks have heard about. It's a binding legal contract with Northern Plains Resource Council and two of its subsidiaries, and it's just been this amazing relationship over 22 years now. It was signed in 2000, and it really does allow this type of collaboration where these folks who are the entities and the individuals who have been really involved and just give huge amounts of their time and experience and intelligence and ideas. And so, I think putting all that together, I mean, I think responsible mining is really working with your stakeholders, working with your actual neighbors, I think anyone who's adjacent in operations or anyone that you're affecting. I mean, we use the term stakeholder, which sounds a little bit cold and

surgical, but I think just making sure that the people who your operations could affect are okay with how you're doing things.

Justin Angle: Yeah, that makes sense. And maybe that's take a moment to talk about the sorts of materials that your operation mines. Palladium group metals is my understanding, but I don't think many listeners really know what that means.

Heather McDowell: Yeah, it's kind of a mouthful. So, we produce platinum and palladium. We are about 78% palladium and 22% platinum. All of our products go to an entity that makes catalytic converters, so everything is mined at our sites and then it's concentrated down at concentrating operations up at our site. It's brought down to our metallurgical complex, and then it forms what we call a filter cake. It's like a black sand quality that is really rich in platinum and palladium and then it goes off to a catalytic converter manufacturer. So that's where our material goes.

Justin Angle: Maybe it would be illustrative for the listener. Many folks who don't know mining and I count myself as part of this group, we think of mining in terms of the legacy of extraction in Montana, you know, mining operations that are closed down and gone bankrupt and have environmental degradation and Superfund and all these sorts of things. That's a big part of Montana's history. And talk about like how you all

do it differently and how, you know, when your mines will eventually be closed down, what will that look like?

Heather McDowell: It's such a great question because our mines, the Stillwater Mine, opened in 1986. And, you know, that was coming right on the heels of really the disaster that was Butte and then the East Boulder mine opened in 2001. And I really think that everything was set up to not have another situation like we created historically in Montana. And so maybe I'll start with the regulatory environment. We are operating under the Hardrock Impact Act and that was enacted in the mid 1980s. And so, from a socioeconomic standpoint and maybe I'll just start there and then move to the environmental piece, it really is a highly sophisticated way to operate. What it essentially does is that at Stillwater and East Boulder, we have the only two actual operating plans for the Hardrock Impact Act for operating mines. And what it does is it requires the mine operator, us, to essentially, there's predetermined local affected units of government. And then the funding has to go to assure that the impacts from the mine can be handled by those local government units. And then there are funds that go to assure that they can do their governmental functions. And it really is a brilliant way to do this. We're just assuring that the governmental units locally are funded and then they do what they need to do. They make the decisions they make infrastructure and school and other choices as they're situated to do. And I'm just really proud of how

that Hardrock Impact Funding and just the governance for it works. I don't think a lot of people know about it because again, our mines are the only two operating under it. And you know, it's a pretty narrow group of folks that are impacted. And then I think I'm proud, too, of our very prevailing wages. You know, our average employee in Montana makes well over \$110,000 before benefits. And so, it creates this really nice structure where then they're well situated to also be good community members. And so, I think on the socioeconomic side, I'm just really proud of how sophisticated of a system Montana's set up coming out of some of the historical mining events that weren't ideal.

Justin Angle: We'll be back to our conversation with Heather McDowell after this short break.

Justin Angle: Welcome back to A New Angle. I'm speaking with Heather McDowell about responsible mining.

Heather McDowell: And then I think the same thing on the environmental side. Sometimes I think it's hard for those not doing this day to day to understand that we want to be robustly regulated. I don't want less government or less regulation. I mean, here we need to make sure that we have enough regulation that the people that we

can impact, that they feel like they have a remedy and that the regulatory scheme is strict enough that there won't be impacts to them. And so, we want a robust but certain regulatory environment. And I think that's what we have. If you look all across from the environmental lead here, water quality tailings regulation, it's very robust in Montana, and we're thankful for that. I don't think it's something where we want to, I guess I really just disagree with rolling back and rescinding regulation, because I think we need to provide that sort of surety to people. It's a different world than it was a decade ago or five decades ago or whatever. And I think that it's a privilege to do this type of work, and a lot of responsibility comes with it. And I think the more that the regulations can match what those responsibilities are, the better. So, in Montana, we also have, just for example, you know, very strict water quality regulations. And that's a good thing. We also have a really sophisticated mine tailings governance scheme where any new tailings impoundments where we ultimately store our waste, are subjected to a pretty strict fleet of regulations, including being reviewed by an independent review panel and having really strict closure and reclamation requirements, having concurrent reclamation requirements. So, I think that's really both on the socioeconomic and the environmental side, why things are different this time. And I think those differences are apparent. I mean, of course, there are impacts, right? You know, we work hard every day to try to lessen those impacts. But I do think that you can visibly see the difference. I mean, if you drive to our sites, it looks like a mining

operation, but it looks like a much different mining operation than we may have had historically in Montana.

Justin Angle: And I guess something that flows out of this is how do you all think about climate change? You know, you're operating facilities with long, long time horizons. You're susceptible to environmental changes. I mean, whether or not we attribute the scale of a flooding event back in June to climate change, it happened. And you know, scientists say more of those sorts of events will happen. Some will directly affect operations. Some will affect the infrastructure you rely on to conduct your operations. How do you model for climate change?

Heather McDowell: You know, our goal is to create a climate resilient business and to ultimately help reverse climate change. Now, we are primarily a PGM, platinum, palladium and a gold business, but we do have some lithium interests, some nickel interests. And we are on an, you know, a strategy to become a larger green metals producer. And, you know, at the core of our, if you look at our, you know, our strategy, our corporate strategy, it is to build a climate resilient business, and to advance this green metals strategy to ultimately help reverse climate change. So, it's critical to us. And I mean, I think, again, it has to be for everyone. I think because a lot of these things that we do, too, they're just about efficiency, right? I mean, we have to, I think, make

sure that we're using electricity and fuel and other resources efficiently. And I think regardless maybe of your philosophical beliefs on climate change, I do think looking at your carbon indicators, when we look in track, we track Scope 1, 2 and 3 carbon emissions. And when you look at that and sort of operationalize the things that will get you to reductions, I mean, frankly, there are things that responsible entities should be doing anyway, regardless of their philosophical beliefs on climate change. So, I think everyone should be looking at this idea of efficiency. I mean, we happen to believe strongly in attempting to reverse climate change and also create climate resilient businesses with the idea that we may have to withstand more of these events in the future. But again, even if that's not your entities or your personal mission, I really think it behooves everyone to think about those actual things that you do regardless of the overarching belief, because I think everyone should be doing them.

Justin Angle: In our remaining time, Heather, let's talk about another passion area for you and that's diversity, equity and inclusion. I think when people think of DEI, the mining industry is not one that comes to mind. But how is it operationalized in your industry and how do you and your colleagues think about it?

Heather McDowell: Yeah, I think it's so important that we're doing it here in mining because I think there's so many excuses to not do it, right? And I think we have to try to

be leaders and to say we're going to try to tackle this problem in a situation where it is a pretty big problem. I mean, statistically, we are not a diverse entity, and it is not a diverse industry. And I think just tackling it head on and admitting that and right now, I think the glory of doing it now is workforce shortages. And essentially in Montana, in our regions we're at full employment. So, we have a really good business case. I mean, again, it is a little bit like climate change. I believe passionately in doing inclusivity because I think it makes things better for everyone. I think in these types of industries and again, growing up on a ranch and going, I was in private practice for a while and then with utilities and really kind of have had a career in industries where there are a lot more men than women. And I think for a long time I just thought that this is how it is, just accepted the fact that it wasn't set up for most women to do. And then I started this job ten weeks pregnant with twins, and I came into this job and I didn't have any leave. And when you haven't worked at a place for a year there really is no leave for that situation. So, I was slated to go have twins on four weeks of vacation. And again, I have a lot of grit and resilience and just thought, well, this is, you know, I can do this, right? This is doable. And got a little while into that and had amazing, healthy, happy babies. And we did survive. It was, I have a supportive spouse who was very competent at childcare, which was exceptionally helpful. But then a few months into it, I remember hearing someone talk about, oh, well, there's this tax break for this single mom of three kids and she can do whatever with the \$600. And I really just had

something sort of switch in my brain and thought, that's crazy talk. So, you know, for that \$600 tax credit and \$49,400 more, she too can afford to work because at the time, you know, I was paying \$50,000 a year in childcare costs. And everyone kept telling me, oh, Heather, this is so great. You're doing so great. You can do it. It can be done. You're Superwoman. This is amazing. Kind of like setting the stage of like, if you can do it, everyone can do it. And it just really, again, like flipped the switch where I thought, this is crazy. I mean, we are creating jobs that are unattainable by really anyone who has family responsibilities or who's not exceptionally privileged. And the only reason I could keep a career and sort of have twins without a hitch is because I'm rich, right? I have a great job. I make a lot of money and I have a supportive family and a supportive spouse. And I'm in the 1% for privilege all the way around. And I think we're creating these jobs that, you know, people can only do if they're privileged. And I think we have to stop doing that. You know, we have to look at like what we really need from people. And I focus on women because that's my lived experience. Right. I think you can put, you can attach this theory to any underrepresented group of people. And we just we have to stop having these unreasonable expectations, right, where women either don't enter, it's kind of this first rung issue, they get into a job and then, okay, well, why don't you step up and do this next role? But they can't do the next role because it requires coming to a 7 a.m. Meeting and their kids have to go to school and there's no one to get their kids to school. And so, they don't take the role for that simple fact, you know?

And I think it happens a lot in Montana. So, we're here at Sibanye-Stillwater doing a full DEI initiative. I mean, it's slow work. I would not claim to have any great successes, but we're talking a lot about it. We're really involved in the women in mining organizations, both nationally and internationally. We're really just talking to people. We'll have calls and just talk about all these things, you know, about having difficult conversations and about random things that we would do to create inclusive spaces and just try to get people talking about how we cannot put these like false barriers on people's advancement that you miss so many good people. I think there are so many people not in the workforce because they couldn't meet these little barriers to entry.

Justin Angle: Yeah, we sort narrow the funnels at the top, sort of artificially and unnecessarily and it just really just yeah, it cuts off opportunity for so many. I'm curious, Heather, within this context, I mean, you have a South African parent. South Africa has its own well-documented history of terrible treatment, of marginalized groups, etc. Talk about how that interface works, what you're talking about domestically and here in Montana versus within the context of a South African owned parent company.

Heather McDowell: Yeah, so we're all on the same crusade. It's really fascinating because we have a women in mining initiative in South Africa as well, and we're working together, I mean, it's the same initiative kind of, you know, throughout the

company. We're approaching it differently. I think in South Africa, it's so complicated. I mean, the history is so complicated and tragic and, but I really think people are the same everywhere. I mean, obviously anyone who travels knows that, that I think no matter where you go, humans are humans. And the problem is exactly the same. I think it gets it's more challenging in both of these places because here I think a lot of times people tout our jobs as being great because you can just have one job per family. I mean, which is fantastic. It's really fantastic if that's what that family wants to do. However, if that family consists of two adults who both want to advance their careers, it gets really difficult because the schedules are really difficult and the logistics of having like two of our jobs and having a family and you know, it gets really challenging. Where in South Africa, I mean, I do think, you know, the unemployment rate is, I think functionally well over 50%. I don't know what the documented rate is, but I think it's fair to say that over half the people who want to work are not working. And that's like a different scarcity situation. I think it sort of puts women in the same position almost because here I think in in both places, you know, the women here may not have the opportunity to work because their spouse has such a good job that, you know, it's sort of lost in the shuffle that they're missing that opportunity where I think in South Africa, maybe it's often the men who can get the better job, and there's not the availability of jobs. But I think it presents the same problem. It means women have less opportunity.

Justin Angle: And get to know that, you know, you're talking about it across cultures and with different types of people and different types of organizations, etc. So Heather, as we close here, tell us a little bit about what you do for fun. I get the sense that you are into horses. What are you kind of what are you doing for fun this summer?

Heather McDowell: Yeah, you hit the nail on the head. It is a horse obsession. So, yeah, it's you know, I have a little fleet of horses at home. I'm into jumping, which is something I've gotten into relatively recently. I grew up rodeo and I was actually on the rodeo team at Missoula, which was great fun a long time ago. But the summer is filled with horses, and I have a seven-year-old and twin four year olds, and it's just utter chaos. I mean, it is dirt and water and kids that may or may not have clothes on, just all circulating around. And then in the midst of it, the horses are, you know, just kind of hanging out and wondering when it's their turn. So yeah, it's just my summer is utter chaos, honestly, Justin.

Justin Angle: Well, in some ways that sounds like a lot of fun. Heather It's been great to catch up. If folks want to learn more about you or Sibanye-Stillwater, where would you point them online?

Heather McDowell: Yeah, I think you can head to our website. You can, you know, definitely reach out to me. We're happy to talk more about it. And I think, you know, definitely, Justin, we'll have to get you up to see one of our sites sometime. So maybe we'll have you come out and see it for yourself.

Justin Angle: I would like that. Okay, Heather, thanks so much and happy trails.

Heather McDowell: Awesome thanks, Justin, thanks for having me.

Justin Angle: Thanks for listening to A New Angle. We really appreciate it. And we're coming to you from Studio 49, a generous gift from UM Alums Michele and Loren Hansen.

Justin Angle: A New Angle is presented by First Security Bank, Blackfoot Communications and the University of Montana College of Business, with additional support from Consolidated Electrical Distributors, Drum Coffee and Montana Public Radio. Keely Larson is our producer. VTO Jeff Ament and John Wicks made our music. Editing by Nick Mott, Social Media by Aj Williams and Jeff Meese is our master of all things sound. Thanks a lot and see you next time.