



Public Service Commission

State of North Dakota

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March 13, 2012

Mr. Donn Steffen
Environmental Manager
Coteau Properties Company
204 County Rd. 15
Beulah, ND 58523

Dear Mr. Steffen:

The Reclamation Division has reviewed Coteau's February 7, 2012 response to our technical deficiency letter on Final Bond Release Application No. 4 to Permit NACT-9101. The following items need to be satisfactorily addressed before we recommend Commission action.

Attachment V: Surface Ownership, Land Use and Soils Depths Map

1. Please include a map that shows the post mine land use acreages. The cropland maps in Attachment VIII do provide this information for the cropland that was actually cultivated but there are no similar maps for the hayland acreage or other land uses. Please include a map that provides this information if it cannot be clearly presented on Attachment V. (GAW)

Attachment VIIa – General Information

2. Follow-up to Items 1 and 2: The Reclamation Division does not agree with the language in the bond release application on page 5 of Attachment VIIa that states that an additional 0.7 acres of temporary wetland acreage will need to be replaced in future bond release applications. The premine wetland location map, Section 2.8.3, shows that there were 4 temporary wetlands in the horseshoe area of associated disturbance comprising 1.8 acres but Coteau is only showing one wetland feature about 0.4 acres in size being replaced in this area. The premine temporary wetland acreage should be replaced on areas within this bond release application and there should be no more temporary wetland acreage on cropland than which existed prior to mining. Please update as necessary to resolve this issue. (GAW)

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Attachment VIII – Site History, Management and Vegetation

Native Grassland

3. Follow-up to Item 10: Please revise the forb column for the reclaimed native grassland cover data in Attachment VIIIc-2 to clarify that the forb component is native, if in fact that is the case. (GAW)
4. Follow up to Item 10: Please update the Diversity Allotment table on page 6 of Attachment VIIIA to clearly indicate the native species composition of the reclaimed native grassland during the years being used to demonstrate revegetation success. In other words, separate the native species from the Kentucky bluegrass in the diversity table. We should not have to evaluate the sampling data to determine how much Kentucky bluegrass was present on the reclaimed land and is being included in the native composition values listed in the table. (GAW)
5. Follow-up to Item No. 10: Please review the ground cover values listed in Attachment VIIIc-2. The 2009 and 2010 values are listed as 98.8% and 99.4%, respectively, but the correct values appear to be 99.4% in 2009 and 99.7% in 2010, which were the values listed prior to the latest changes. Please correct Attachment VIIIc-2 and the ground cover table on page 6 of Attachment VIIIA. (GAW)
6. Follow-up to Item No. 10: The native species composition is listed as being 85% in 2010 but Attachment VIIIc-2 shows the native component to be 60.4% and with the addition of Kentucky bluegrass to the degree that it is present on the reference areas (24.4%) totals to 84.8%. Please correct this error or otherwise clarify. (GAW)

Cropland

7. Please include a map that shows the pre-mine soil mapping units, mining disturbance boundary and cropland field boundaries that will allow one to verify that the unadjusted cropland productivity standards in Attachment VIIId were calculated correctly. It is not clear where some of the mapping units used to calculate the standard for the undisturbed land were located and this cannot be confirmed with the existing information in the Consolidated Vegetation Success Standards document (CVSS). (GAW)
8. The unadjusted cropland value appears correct in Step 1 of Attachment VIIId but the standard is listed as being derived by dividing the total bushels by 65.5 acres rather than 72.9 acres which is the total of the prime and non-prime areas. Please correct this error on all three sheets. (GAW/RLK)
9. Follow-up to Item 14: In the tables added for the Updated Regional Standard for the Dakota Star Region from Coteau's CVSS document, the entries in the column titled "Difference from Mean" are the same values as those provided for "Average Yield/Acre" for each section in the Dakota Star Region. In the CVSS document, it appears the "Difference from Mean" column is the difference between the individual section and the weighted average for the region (Regional Standard). Please review and update Attachment VIIId as appropriate. (RLK)

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10. The adjusted cropland yield listed for 2007 and 2008 is off by a tenth of a bushel according to the values listed in Attachment VIIIId. The 2007 value is listed as being 26.8 bu/ac and the 2008 is listed as 18.8 but the math indicates the values should be 26.7 and 18.7 bu/ac, respectively. Thus, it does not appear that it is necessary to demonstrate that the 2008 yield is not significantly different. Please review and correct as necessary. (GAW)

If you have any questions, please contact this office.

Sincerely,



James R. Deutsch
Director
Reclamation Division