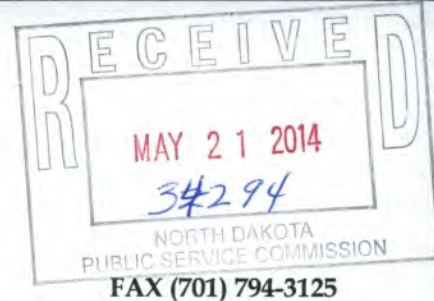


PHONE (701) 794-8734



AN ALLETE COMPANY
2360 35TH AVENUE SW CENTER, ND 58530-9499
MINING LIGNITE AT THE CENTER MINE SINCE 1970

May 21, 2014

Mr. Jim Deutsch, Director
Reclamation Division, NDPSC
Department 408
600 East Boulevard Avenue
Bismarck, ND 58505-0480

RE: Application for Permit BNCR-1101

Dear Mr. Deutsch,

This submittal contains a response to your letter to us dated May 19, 2014. In this letter you listed technical deficiencies that must be addressed before the permit application for BNCR-1101 can be approved. Changes made in text documents in response to the deficiencies have been highlighted in gray. Below is a listing of the deficiencies followed by our response:

Appendix 1-2 Certified Copies of Leases and Assignment Documents

1. Follow-up to item No. 4: BNI's May 14, 2014 response to item No. 4 requiring inclusion of a certified copy of a surface lease executed by Kasper and Donna Kraft for the SW $\frac{1}{4}$ of Section 16, T141N, R83W, indicates that BNI will provide the Commission with a copy of the lease prior to Commission application approval, and include a certified copy of the lease in the approved permit. Please be reminded that NDAC 69-05.2-06-03(1) requires a "certified copy" of the lease and that must be provided to the Commission prior to application approval. As previously stated we prefer that it be included in the permit application with BNI's response to this letter. (WTG/DKM/JRD)

A copy of the Kasper and Donna Kraft Lease has been included in Appendix 1-2 and Appendix 1.9-1 Ownership Information (within Permit Boundary) has been updated to include the lease also.

Section 3.8 Soil Resources

2. Follow-up to item No. 8: Please label the Straw loam (SwA) prime farmland soil map unit in the N½NE¼ of Section 12, T141N, R84W that was added to Plate 3.8-1 (Soils Map). (WTG)

Plate 3.8-1 has been revised to include the label for the SwA prime farmland mapping unit in the N1/2NE1/4 of Section 12.

Appendix 4.5-1 Section Line Closures, Rights of Ways, and Detour Corridors

3. Follow-up item to No. 13a: Thank you for adding the full page copy of the April 3, 2014 agreement in consideration for granting the December 9, 2013 petition to Appendix 4.5-1. However, please reorder its location so that it follows, rather than splits, the March 6, 2014 Oliver County Commission proceedings published April 10, 2014 on pages 12 and 13 of the Center Republican. (WTG)

The Agreement has been moved as requested.

Section 4.12 Revegetation, Post Mining Land Use and Reclamation Success Narrative

4. Follow-up to item No. 18: Please revise plans to show replacement plans for the pre-mine developed water resources that are to be destroyed in the S½ of the SW¼ of Section 8. There are two pre-mine spring fed stockponds in this area and they must be replaced as required by NDAC 69-05.2-16-17. BNI's proposal to replace these ponds in the S½ of Section 17, which is a separate management unit, does not meet the requirements of said regulation and of NDCC 38-14.1-24(9). The shallow seasonal reclaimed wetlands that will be reclaimed where these ponds existed are not adequate replacement for pre-mine spring fed dugouts. Please revise plans in the permit accordingly. Table 3.4-2 (Potential Effects on Developed Water Resources) must be revised to indicate that these developed water resources will be replaced. It's possible a well with electricity to the site will be needed to replace the water quantity and quality that existed prior to mining. (GAW)

The DWR's in the S1/2 of Section 8 will be replaced by a well within this tract. Statements within Section 4.12 and Appendix 4.12-2 have been revised to clarify this.

5. Follow-up to item No. 18: Please revise Table 3.4-2 (Potential Effects on Developed Water Resources) so that replacement information for each pre-mine feature is clear. It is not clear what is meant with statements such as "*combined with another landowner tract*" in the replacement column in the table. Please also revise the last paragraph on page 13 of Section 3.4 (Surface Water) to meet the requirements of NDCC 38-14.1-24(9) which requires that each pre-mine developed water resource be replaced with postmine water resources equivalent in quality and quantity to that which existed prior to mining. Please change the current language suggesting that postmine stockponds dependent on just surface water runoff will be adequate replacement for pre-mine springs and spring fed stockponds that existed prior to mining on each tract where such features existed. We believe that springs and spring fed developed water resources need to be replaced with functioning wells (or similar system) to meet the requirements of NDCC 38-14.1-24(9). (GAW/RLK)

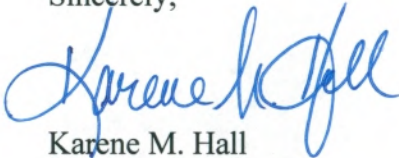
The DWR's in the S1/2 of Section 8 will be replaced by a well within this tract. Statements within Section 3.3, Section 3.4, and Table 3.4-2 have been revised appropriately to reflect this.

Additional Items

-Plate 4.10-2 was updated to correct the Slope Analysis Table per the discussion with Mr. Deutsch on 5/21/14.

Thank you for your consideration of this matter. If you have any questions regarding this submittal, please contact me at the Center office.

Sincerely,



Karene M. Hall
Permit Coordinator