

PUBLIC SERVICE COMMISSION

Reclamation Division

Memorandum

TO: Commissioners Kalk, Christmann and Fedorchak
Darrell Nitschke, Illona Jeffcoat-Sacco, Ryan Norrell

FROM: Jim Deutsch, Dean Moos and Guy Welch

DATE: June 12, 2013

SUBJECT: Application for Renewal No. 6 to Permit NACT-8203 held by the Coteau Properties Company, Case No. RC-13-104

On March 4, 2013, Coteau Properties Company filed the application for Renewal No. 6 to Permit NACT-8203 to continue to conduct mining operations within the existing permit area until July 5, 2018. Permit No. NACT-8203 contains 1,155.387 acres of land located in portions of Sections 7, 8, 17, 18 and 20, Township 145 North, Range 87 West, in Mercer County. The Reclamation Division has completed its review of this five-year permit renewal application and respectfully recommends that it be approved.

Coteau applied for this renewal since haul roads, topsoil and subsoil stockpiles and sedimentation ponds in this permit area are still being used to support current mining activities in other areas. Coal removal from this permit area was finished several years ago. At the time Coteau filed this renewal application, they also filed the application for Revision No. 31 to Permit NACT-8203 to update surface and subsurface ownership information, the extended mine plan map and the post-mining land use map for the next five-year permit term. This insignificant revision application will be approved prior to Commission action on the renewal application.

Coteau Properties Company has submitted the affidavits of publication of the newspaper notices. We notified the appropriate agencies, affected landowners and the advisory committee members. We received no objections to this renewal application. Evidence of adequate performance bond and liability insurance are currently on file. This and other permits at the Freedom Mine are covered by self and collateral bonds totaling \$119,000,000.

Attached for your consideration are the proposed motion and renewal approval form.