



PO Box 5568
Bismarck, ND 58506-5568
Street Address:
1150 West Century Avenue
Bismarck, ND 58506

August 15, 2013

Mr. James R. Deutsch
Director, Reclamation Division
Public Service Commission
600 E Boulevard Ave, Dept 408
Bismarck, ND 58505-0480

Re: Bond Release Application No. 7 (BR-7) - KRGC-8101
Response to Deficiencies identified by PSC in letter dated August 14, 2013

Dear Mr. Deutsch:

Pursuant to your Agency's letter dated August 14, 2013 concerning Knife River Corporation's Bond Release Application No. 7 (BR-7) regarding permit KRGC-8101, Knife River offers the following responses, highlighted in yellow, pertaining to each identified deficiency.

Application Form

1. Please correct the first page of the application to reflect that Tract 2 of the proposed bond release area is in Section 33 rather than Section 34 as submitted. (ZAT/RLK)

Page one of the application has been revised as suggested.

Attachment 3 – Public Notice Narrative and Bond Release Tract Map

2. Please revise the first paragraph of the public advertisement to state that the current bond amount for Permit KRGC-8101 is \$849,785.84 not \$716,696.11 as listed. Although the Commission has approved Final Bond Release No. 6, 30 days has not passed since that decision and the bond reduction and bond area paperwork has not been filed to actually reduce the existing bond amounts and the approval of the bond release is still appealable. (GAW)

Paragraph one of the public advertisement has been revised as suggested.

3. The first paragraph of the bond release letters should be updated to indicate a final bond release filing date of July 25, 2013. Also, please remember to update the closing date for comments in the last paragraph to a date 30 days after the last publication date of the notice. (RLK)

The first and last paragraphs of the bond release letters have been revised as suggested.

4. The second paragraph of the Public Notice states that the tracts are depicted on the map accompanying the advertisement but the tracts are not depicted on this map. Please label the tracts on this map. (GAW)

The referenced map has been revised as suggested.

5. Please revise the advertisement to clarify the acreage amounts of each stage(s) of release being sought. All four stages of release is being requested for the acreage not included in Bond Release Application No. 3 (16.9 acres) and revegetation and final bond release is being requested on the balance of the disturbed acreage. (GAW)

The public advertisement has been revised as suggested.

6. The year(s) of initial disturbance should be included in the third paragraph to identify the reclamation law period/reclamation standards that will apply to the proposed bond release tract. (RLK)

Paragraph three has been revised as suggested.

7. Please clarify the last sentence in the third paragraph pertaining to the parcel in Section 26. The statement identifies both the initial reclamation seeding in 1999 as well as additional treatment in 2008. Perhaps for the purposes of the public notice, provide the initial reclamation seeding to cropland/hayland similar to what was provided in the narrative for the other parcels. (ZAT/RLK)

The final sentence of paragraph three has been revised as suggested.

Attachment 4 – Letters of Notification

8. Please update the contact person for the state agency review letters as follows: State Historical Society, Mr. Merlan Paaverud; State Water Commission, Mr. Todd Sando; and North Dakota Department of Health, Environmental Health Section, Mr. Dave Glatt, Environmental Health Section. (RLK)

State agency contacts have been revised as suggested.

9. The Surface and Adjacent owners of record in Attachment 4 identifies a Robert Perkins as surface owner but Attachment 7 states that Bud Perkins is the surface owner of the tract in Section 33 and Bud Perkins is not listed in Attachment 4. Attachment 6, Ownership Map, does not provide first names so it is not clear who owns Tract 2. Please review and revise as necessary to clarify if Robert Perkins and Bud Perkins are the same person. (GAW)

The identified references to Mr. Perkins have been revised to consistently refer to Robert Perkins as the formal owner of tracts included in Bond Release application number 7 (BR-7).

Mr. James R. Deutsch
August 15, 2013
Page 3 of 3

10. The letters to adjacent surface owners need only include the adjoining property owners. You may consider limiting the letters to the surface owners whose land adjoins and is contiguous with the specific area proposed for release from bond. (ZAT/RLK)

As suggested, letters will only be addressed to surface owners whose land adjoins or is contiguous with the specific area proposed for release from bond. The list of adjacent surface owners has been revised as suggested.

Knife River Corporation appreciates your assistance in this matter. Please don't hesitate to contact me by telephone at (701) 530-1421 or by email at ned.pettit@kniferiver.com if you have any questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Edward M. Pettit". The signature is fluid and cursive, with a large loop at the end.

Edward M. "Ned" Pettit
Environmental Manager

Enclosures