



# Public Service Commission

## State of North Dakota

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December 23, 2013

Mr. Edward Pettit  
Environmental Manager  
Knife River Corporation  
1150 West Century Ave.  
Bismarck, ND 58503

Dear Mr. Pettit:

The Reclamation Division has reviewed Knife River Corporation's response to our October 4, 2013 initial review letter for Bond Release Application No. 2 for Permit KRGC-8404. Based on a preliminary review of this response, we will not proceed with processing this application until a written request for variance is submitted that follows the procedures contained in Policy Memorandum No. 20 to Mine Operators for the areas in the NW $\frac{1}{4}$  of Section 33 that were repaired in 2010. Also, an additional year of yield data is needed for the reclaimed cropland (now enrolled in the CRP program) in the SW $\frac{1}{4}$  of Section 33.

As shown on the 2010 Annual Map for the Gascoyne Mine, 4.0 acres of reclaimed land were re-affected by the repair of a settling feature and to improve drainage in the cropland near the northwest corner of Section 33. The variance request should also discuss the additional minor repairs on this tract that were requested in the fall of 2013. Policy Memorandum No. 20 states that a request for variance from the 10-year revegetation liability period is needed for areas re-affected by repair and drainage improvements after the fifth year of the liability period. The variance request must also include an alternate sampling method to demonstrate reclamation success on the repair areas that were re-affected for at least one year following the repair work in 2010 (such as taking a set of hand samplings from the repair areas and another set of samplings from the adjacent areas not affected by the repairs and then doing a direct comparison of those yields).

In regard to the proposal to provide only one year of actual yield information for the reclaimed access road in the SW $\frac{1}{4}$  of Section 33, we do not believe that the yield information from the NW $\frac{1}{4}$  of Section 33 can represent the reclaimed cropland in the SW $\frac{1}{4}$  of Section 33. The pre-mine soil types and yield standards are much different on the affected lands in the SW $\frac{1}{4}$  compared to those in the NW $\frac{1}{4}$ . Thus, the Reclamation Division will require an additional year

Mr. Edward Pettit  
December 23, 2013  
Page 2 of 2

of yield information from the reclaimed access road to demonstrate reclamation success. Since the disturbed land in the SW<sup>1</sup>/<sub>4</sub> was recently enrolled in CRP and now has a grass and legume cover, we believe a hand sampling plan could also be developed and approved to demonstrate that post-mining productivity requirements are met for an additional year.

Once the request for variance has been submitted and approved, the Reclamation Division will conduct a more detailed technical review of this bond release application. If you have any questions, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Deutsch".

James R. Deutsch  
Director  
Reclamation Division