

**PUBLIC SERVICE COMMISSION
Reclamation Division**

Memorandum

To: Commissioners Fedorchak, Christmann, and Kalk
Darrell Nitschke, Executive Secretary
Illona Jeffcoat-Sacco and John Schuh

From: *JH* Jim Deutsch, *DKM* Dean Moos, and Bill Gunnerson *BG*

Date: July 23, 2015

Subject: Application for Renewal No. 3 to Permit No. BNCR-9702 held by BNI Coal, Ltd.
for the Center Mine, Case No. RC-15-139

On April 2, 2015, BNI Coal, Ltd. filed the application for Renewal No. 3 to Surface Coal Mining Permit No. BNCR-9702 to continue mining operations within the existing permit area through August 2, 2020. Permit No. BNCR-9702 covers all or portions of Sections 3, 4, 5, 6, 7, 8, 9 and 10 of T141N, R84W; and, Sections 21, 27, 28, 29, 31, 32, 33, and 34 of T142N, R84W of Oliver County containing 7,018.53 acres as depicted on Figure 1. The Reclamation Division has completed its review of this five-year permit renewal application and respectfully recommends its approval.

BNI Coal, Ltd. applied for this permit renewal to continue mining and reclamation operations. Coal removal will continue throughout the next permit term and is projected to continue through 2026 in Sections 20 and 29 in land to be added to the permit with a future permit revision. At the time BNI Coal, Ltd. filed this permit renewal application, they also filed the application for Revision No. 38 to identify the next five-year coal removal subareas and to update the legal and financial, operation, and reclamation sections for the next five-year permit term. This significant revision application will be approved just prior to Commission action on the renewal application.

BNI Coal, Ltd. submitted the affidavits of publication for 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 on file. Permit No. BNCR-9702 and three other permits at the Center Mine are currently covered by surety bond 400JR4173, surety bond 1069618, and collateral bond CB-9702-3 that total \$34,139,439.

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

Minedata/Center/Permits/BNCR-9702/Revisions/No.3/Ren3_apprvl_memo_7-23-15

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Public Service Commission Staff

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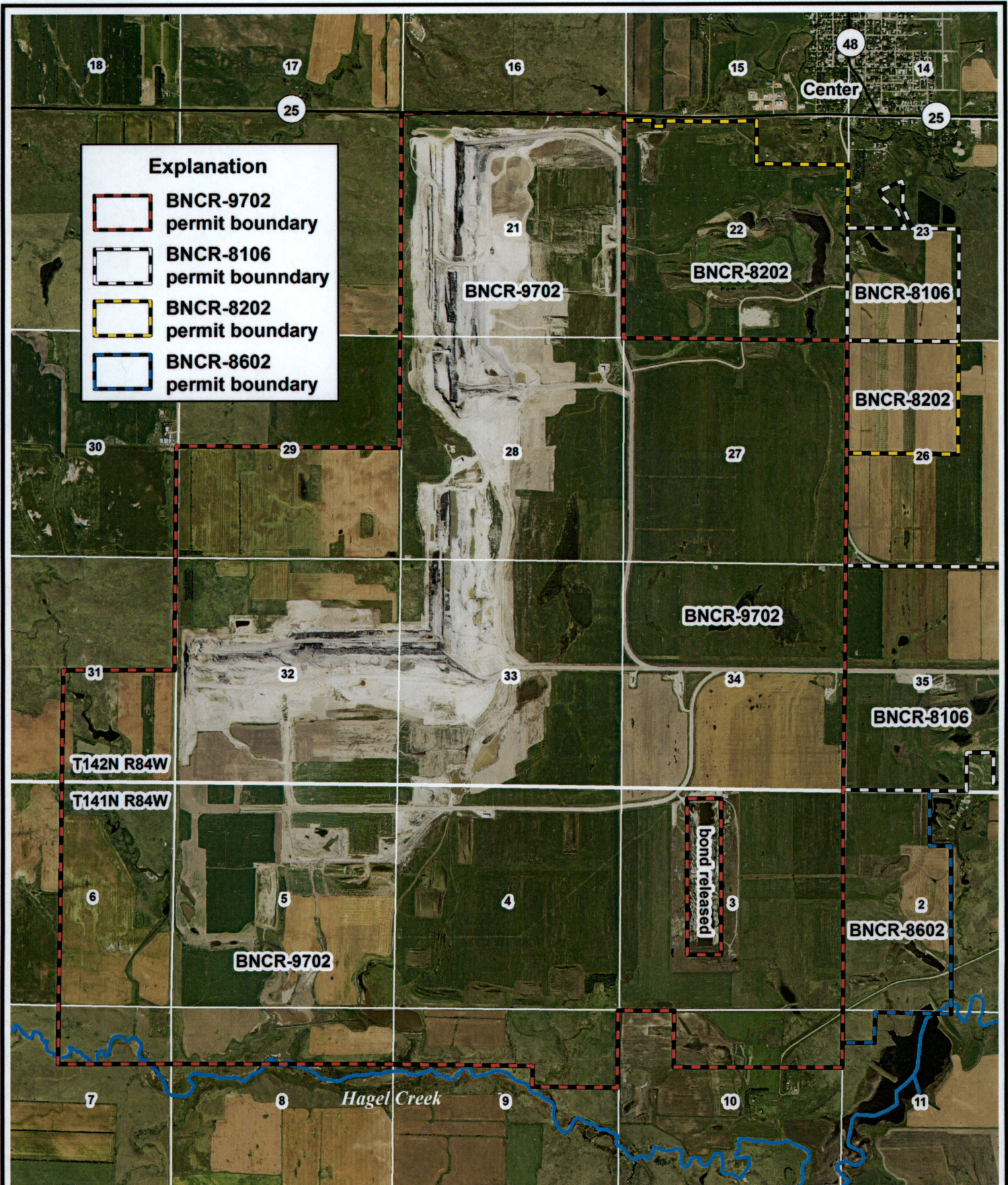


Figure 1. Permit No. BNCR-9702 boundary for Revision No. 38 and Renewal No. 3 and the adjacent BNI Coal, Ltd. Center Mine permits.

0 1 2 Miles

Aerial photography courtesy of the USDA NAIP dated August 12 and September 3, 2014.

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