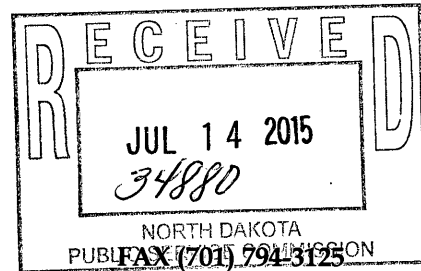


PHONE (701) 794-8734



AN ALLETE COMPANY

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

July 14, 2015

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

RE: Renewal 4/Revision 13 to Permit BNCR-9401

Dear Mr. Deutsch,

This submittal contains a response to your letter to us dated July 6, 2015. In this letter you listed technical deficiencies that must be addressed before the Renewal No. 4 and Revision 13 permit applications for BNCR-9401 can be approved. Below is a listing of the deficiencies followed by our response:

Section 1.9 Surface and Coal Ownership

1. Please fix the link to [Appendix 1-2] in the 2nd paragraph in Section 1.9 on page 1-15. (ZAB)

All of the links to Appendix 1-2 worked in our copy when tested. The links were deleted and redone.

Plate 1.9-1 Surface and Coal Ownership

2. Follow-up to item No. 7: Please revise the permit area fill color on Plate 1.9-1 to correspond to the permit boundary (magenta fill color within the permit area and yellow fill color outside of the permit area). (WTG/RLK/FSE/ZAB)

The fill color has been corrected. The far NW portion of the map is now colored light yellow.

3. Follow-up to item No. 7: Please remove the unlabeled line in the NE1/4 of Section 5 on Plate 1.9-1. Although not required, please consider labeling the surface and coal ownership in Section 5 with one label in each quarter section. (ZAB)

The unlabeled line in the NE1/4 of Section 5 has been removed. Surface and coal ownership in Section 5 has been simplified by one label per quarter section.

4. Follow-up to item No. 7: Please remove the labels located in Section 31 on Plate 1.9-1. The label lines point to tracts in the SW1/4 of Section 32 that are already labeled. (ZAB)

These labels that were located in Section 31 have been removed.

5. Follow-up to item 8a: Please label Section 31 (T142N, R83W) on the plate's left side. (WTG)

Section 31 has now been labeled.

Section 1.12 Other Licenses and Permits

6. Please review the discussion for Minnkota Power Cooperative's inert waste landfill permit IT-205 in Section 3 on page 1-24. We suggest replacing the last sentence with narrative that indicates the ash cell in Section 3 was not needed and the area will be reclaimed. (ZAB)

A sentence was added to the discussion stating that this permit is no longer needed and the landfill will be reclaimed.

7. Please review the second sentence in the narrative for MPC's water discharge permit NDR05-0012 because the text appears to be a copy paste error from the permit above. Remove NDPDES permit ND-0000370 from the narrative or revise as appropriate. (ZAB)

The above referenced sentence was updated to read NDR05-0012 as suggested.

8. Although BNI is not required to do so, please consider updating the butterfly ponds (former SP-030) narrative in Section 1.12 to indicate that the former ponds were reclaimed in 2014. (WTG)

The referenced sentence has been updated as suggested.

9. In Section 1.12, please consider removing the expiration dates from the Minnkota permits in subsection 3. The air pollution permit expired in May and several other permits are due to expire this fall. Removing the phrase, "and expires on..." from the solid waste, water discharge and air pollution permits would eliminate questions on the status of these permits. (ZAB)

The sentence pertaining to Minnkota Power's air pollution permit has been updated as suggested.

Section 1.14- Appendix 1.14-1 Proof of Liability Insurance

10. Please remove the copy of the St. Paul Fire and Marine Insurance Company Surety Bond No. 400JH6482, effective August 16, 1995, from Section 1.14. Surety bonds are not normally included in the permit document and this surety bond is no longer current. (ZAB)

The Surety Bond from St. Paul Fire has been removed as suggested.

Appendices

11. In Appendix 1.5, please change the *Revision 13- Permit Renewal* bookmark to *Revision 13*. (ZAB)

The name of the bookmark has been revised as requested.

Section 3.4 – Surface Water

12. Please consider updating the first paragraph of the Area Surface Water Resources narrative in Section 3.4.1. A statement is made that there are two reservoirs in the general area (Nelson Lake and Square Butte Creek watershed dam No. 4). However, the Square Butte Creek watershed reservoir is SCS Dam No. 5, not No. 4, and the Hagel Creek watershed reservoir is SCS Dam No. 4. Since both reservoirs are equidistant from the permit area, please update the narrative to describe and correctly identify both reservoirs. (BEB)

The correction to the SCS dam was made within the section.

Section 3.5 Pre-Mining Land Use

13. Follow-up to item No. 25: Please fix the link to [Plate 3.5-1A] that was added after Table 3.5-1. (ZAB)

The link after Table 3.5-1 has been fixed.

Plate 4.1-1 Pit Layout and Facilities Map

14. Follow-up to Item No. 32: Please show the haul road extending from Hagel Creek to the east permit boundary at the north end of the permit area on the Pit Layout and Facilities Map. The facility had been shown on the now removed Plate 4.2-1. (RLK)

Plate 4.1-1 was updated to show the requested Haul Road. Also the Minnkota Access road was removed from the Plate.

Section 4.4 – Blasting Plan

15. Follow-up to item No. 34: Please review the new narrative in the first paragraph on page 4.4-1 that states no blasting agents or explosives are currently being stored within BNCR 9702 and revise if the intent was to state no blasting agents or explosives are currently being stored within BNCR 9401. (ZAB)

The 9702 has been changed to 9401.

16. Follow-up to item No. 34: Please review the blasting narrative on page 4.4-1 because the blasting narrative provided describes blasting and blasting agent storage plans, pre-blast surveys, public notice, etc. for Permits BNCR-1101 and BNCR-9702, which is fine because of the proximity of BNCR-1101 to this permit. However, the new narrative on page 2 stating blasting will not occur within the boundary of BNCR-9401 should be moved to the first paragraph of this section. (BEB/ZAB)

The first paragraph now reads that no blasting agents will be stored with BNCR 9401 and that no blasting will occur within the boundary of BNCR 9401.

17. Please review the sentence, “Owners of buildings and manmade structures located within one mile of Permit BNCR 9702 and either have been notified or...,” on page 4.4-2. It appears the portion of this sentence following **and** was accidentally deleted. Revise as appropriate. (ZAB)

The intention was to state both BNCR 9702 and BNCR 1101. The change has been made.

Section 4.6 – Surface Water Management Plan

18. Follow-up to item No. 41b: Please update the Surface Water Management Plan Map, Plate 4.6-1, to show the index contour elevations on the map. At a minimum, elevations should be provided for those areas within and adjacent to the BNCR-9401 permit area. (BEB)

The index contour elevations weren't visible on the pdf. That was corrected and the elevation labels are now visible. We also removed the Minnkota Access Road.

Section 4.15 – Signs and Markers, Socioeconomics...

19. Please update the Socioeconomic Information subheading narrative that is provided in this section which describes continuation of mining in BNCR-9702, development of a new mining area, hiring of additional positions, etc. There are no dates, revision reference, or any other information provided in the narrative for the reader to determine when these statements were relevant. Please update as necessary. (BEB)

Section 4.15 text has been updated as requested.

4.14 Reclamation Cost Estimate for Bonding Purposes

20. Follow-up to item No. 47: Please clarify if the Minnkota Access Road will be constructed and included in the worst case cost estimate for this permit term. Section 4.5 states that the road will be constructed in 2016, but Section 4.14 states Minnkota is no longer requesting this road and it is not included in the worst case cost estimate. If the road will not be constructed, please update all related sections. Also, according to Section 4.5, Haul Road E will not be built until 2023 but it is included in the worst case cost calculations for bonding. Please review and make the appropriate corrections. (FSE)

The existing text in Section 4.14 which states the Minnkota is no longer requesting the replacement access road is correct. Section 4.5 has been modified to be more consistent with Section 4.14. Text Section 4.5, Plate 4.5-1, and Appendix 4.5-2 have been modified accordingly. Plate 4.1-1 has been modified. Appendix 4.5-4 has been removed. Section 4.14 has not been modified as a result of the portion of this deficiency relating to the construction of the Minnkota Access Road.

Haulroad E has been removed from the worst case bond estimate. The appropriate changes have been made to Text Section 4.14, Plate 4.14-1, and Appendix 4.14-1.

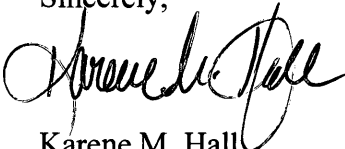
4.14-1 Worst Case Reclamation Cost Estimate

21. Please revise the volumes for stockpiles MI5SO5 and SW5T02 as it appears that the volumes provided in the calculations do not match the volumes shown in the 2014 Annual Map. Please revise and make the appropriate corrections. (FSE)

The worst case bond assumes that MI5SO2 and SW5T02 both increase in volume between now and 2020. This is the reason for the discrepancy between the 2014 annual map volumes and the worst case bond. No changes have been made to either pile volume as a result of this deficiency, although the projected volume of SW5T02 did decrease due to the elimination of Haul Road E.

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