




PUBLIC SERVICE COMMISSION
Reclamation Division

Memorandum

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

FROM:  Jim Deutsch,  Dean Moos, and  Zanna Brinkman

DATE: August 6, 2015

SUBJECT: Application for Renewal No. 4 to Permit No. BNCR-9401 held by BNI Coal, Ltd.
for the Center Mine, Case No. RC-15-149

On April 15, 2015, BNI Coal, Ltd. filed the application for Renewal No. 4 to Surface Coal Mining Permit No. BNCR-9401 to continue operations within the existing permit area through August 16, 2020. Permit No. BNCR-9401 covers portions of Sections 5 and 8 of T141N, R83W and Section 32 of T142N, R83W of Oliver County containing 384.17 acres. 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 in the permit area. Mining has been conducted in Permit No. BNCR-9401 solely to remove lignite prior to the construction of disposal cells for flue gas desulfurization sludge from Minnkota Power Cooperative (MPC) Inc.'s Milton R. Young Station. No coal is projected to be removed during the next permit term, but coal will be removed in 2021 when disposal cell 4 is constructed. A portion of Permit BNCR-9401 is also used to support mining in Permit No. BNCR-1101. At the time BNI Coal, Ltd. filed this permit renewal application, they also filed the application for Revision No. 13 to update the legal and financial section, surface water management, mining and reclamation plans 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-9401 is currently covered by surety bond 400JR3522 in the amount of \$1,404,271.

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

Minedata/Center/Permits/BNCR-9401/Revisions/No.4/Ren4_apprv1_memo_8-12-15.docx

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Public Service Commission Staff

.Jim Deutsch.Dean Moos. Zanna Brinkman