

PUBLIC SERVICE COMMISSION
Reclamation Division

Memorandum

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

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

Date: March 17, 2016

Subject: Application for Renewal No. 5 for Permit NACT-9001 held by the Coteau Properties Company for the Freedom Mine - Case No. RC-15-736

On November 16, 2015 the Coteau Properties Company filed the application for Renewal No. 5 to Permit NACT-9001 to continue mining and reclamation operations within the existing permit area during the period of April 16, 2016 to April 16, 2021. Permit NACT-9001 contains 2,698.977 acres located in all or portions of Sections 1, 2 and 3 of T145N, R88W, and Sections 5, 6, 9, and 10 of T145N, R87W of Mercer County. The Reclamation Division has completed its review of this five-year permit renewal application and respectfully recommends its approval.

Coal removal was completed within the permit area in 1998 but Coteau applied for this permit renewal because haul roads and stockpiles in the permit area are used to support mining in other Freedom Mine permit areas. Coteau also filed the application for Revision No. 28 to Permit NACT-9001 on November 16, 2015 to update the permit's legal information, business entity/compliance information, identification of interests and rights of entry, operation plans, surface water management plans, and reclamation plans for the next five-year permit term. The revision also deletes 119.753 acres from the permit in Section 11, T145N, R88W following the addition of that acreage to adjacent Permit NACT-0201 with the Commission's October 21, 2015 approval of Revision No. 18 to Permit NACT-0201.

Coteau submitted the affidavits of publication for the permit revision and renewal application newspaper notice. We received no objections to this renewal application in response to notification of the appropriate agencies, affected landowners, and advisory committee members. Evidence of adequate performance bond and liability insurance are currently on file. Permit NACT-9001 and all other permits for the Freedom Mine are currently covered by collateral and self bonds that total \$146,000,000.

Attached for your consideration at the March 23 Commission meeting are the proposed motion and renewal approval form.

Minedata/Freedom/Permits/NACT-9001/Revisions/No.5/Ren5_memo_3-17-16

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Public Service Commission Staff

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