

**PUBLIC SERVICE COMMISSION**  
**Reclamation Division**  
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**Memorandum**

**TO:** Commissioners Christmann, Kroshus and Fedorchak  
Darrell Nitschke, Executive Secretary  
Illona Jeffcoat-Sacco, General Counsel

**FROM:** *DKM* *ZAB* *RK*  
Dean Moos, Zanna Brinkman and Randy Kowalski

**DATE:** July 19, 2017

**SUBJECT:** Application for Revision No. 29 to Permit No. NAFK-9503 held by The Falkirk Mining Company, Case No. RC-17-87

On February 21, 2017, the Falkirk Mining Company filed the application for Revision No. 29 to Permit No. NAFK-9503 to update the post-mining topography and to modify the mining and reclamation plans to include a temporary mining pit cessation in Section 28, T145N, R83W, McLean County. This revision also updates the consolidated worst-case reclamation cost estimate for the Falkirk Mine using the latest revised variable costs. The Reclamation Division has completed its review of this revision application and respectfully recommends it be approved.

Revision No. 29 proposes a temporary mining pit cessation in the W½ of Section 28, T145N, R83W. The cessation area is approximately 40 acres in size and the location is shown in Figure 1. Mining was completed from the cessation area in 2016 and is scheduled to resume again in 2020. Falkirk indicated the mining cessation is necessary in order to delay the closure of County Road 17 on the west side of the cessation area and to re-open County Road 20 on the north side of the cessation area. An electric transmission line corridor setback area that is not scheduled for mining runs diagonally through the permit area and is located less than one-half mile to the west of the cessation pit. Continued advancement of the mining pits west into Section 29 at this time would have required the relocation of County Road 17 to facilitate a few short north-south pits before reaching the utility corridor. Delaying pit advancement of the cessation area will also allow the south pit sequence to "catch up" with the cessation pit at which time both pit sequences will advance simultaneously resulting in a more efficient mine plan (see Figure 2).

In proposing this mining cessation area, consideration was given to landowner access and public travel in this area of the Falkirk Mine along with improved mining and reclamation efficiencies. The pit cessation plan includes safety features such as fencing, setback distance, and a six foot high berm to prohibit accidental vehicle entry into the mine area. Prior to relocating or closing County Road 17, Falkirk must obtain approval from McLean County and file a revision to the mining permit.

Falkirk has submitted the affidavits of publication for the newspaper notice advertising the application for this significant permit revision. We notified the appropriate agencies, affected landowners and the advisory committee members. We received no comments or objections to this revision application. The worst case reclamation bond costs were updated with this revision but no bond adjustment was necessary as a result of this revision. Surety, self, and collateral bonds that total \$88,700,000 cover this and two other permits at the Falkirk Mine and the worst case reclamation cost is approximately \$80,696,712.

Attached for your consideration are the proposed motion, revision approval form, and newspaper notice.

**Figure 1. Plan view of the cessation area (Section 4.2.1b of Rev. 29)**



