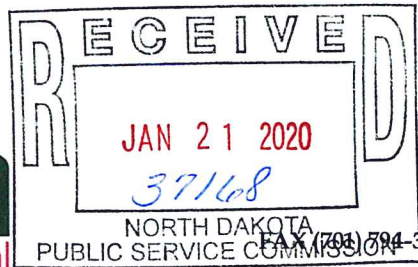


PHONE (701) 355-5588



A BNI ENERGY COMPANY

January 21, 2020

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

RE: Renewal 5 Revision 16 to Permit BNCR-9401

Dear Mr. Moos,

This submittal contains a response to your letter to us dated December 10, 2019. In this letter you listed completeness deficiencies that must be addressed before the Renewal No. 5 and Revision 16 permit applications for BNCR-9401 can be deemed complete. Below is a listing of the deficiencies followed by our response:

Section 1.7 - Business Entity Information

1. Please update Section 1.7 (Business Entity Information) with any changes to the corporate officers and board members for BNI Coal, Ltd., BNI Energy, Inc. and Allete that may have occurred since the approval of Revision No. 15 to Permit BNCR-9401. Please also update the BNI Coal, Ltd. organizational chart and list of corporate officers with any changes that may have occurred since the approval of Revision No. 15 to Permit BNCR-9401. (PJR/WTG)

Section 1.7 has been updated with the information recently submitted with Revision 41/Renewal 4 to BNCR-9702.

Section 1.9 - Surface and Coal Ownership

2. Please update the permit area surface and coal interests in Appendix 1.9-1 (Ownership Information) as required by NDCC 38-14.1-14(1)(c)(2) and complete the corresponding updates to Plate 1.9-1 (Surface and Coal Ownership) with any changes that have occurred since the approval of Revision No. 15 to Permit BNCR-9401. (PJR/WTG)

Updated Minnkota Power's address. No other changes necessary.

3. Please update the adjacent surface and coal interests in Appendix 1.9-2 (Adjacent Ownership Information) as required by NDAC 69-05.2-06-01(1)(a) and complete the

corresponding updates to Plate 1.9-1 (Surface and Coal Ownership) with any changes that have occurred since the approval of Revision No. 15 to BNCR-9401. (PJR/JSP)

Updated Minnkota Power's address. No other changes necessary.

Section 1.12 - Other Licenses and Permits

4. Please update Section 1.12 (Other Licenses and Permits) as required by NDAC 69-05.2-06-04 with any renewed permits or name changes for the issuing agency. The ND Department of Health is the first agency listed in this section and the agency name can now be changed to the ND Department of Environmental Quality. Also, item a. (Air Pollution Permit to Operate #79004) is shown to have expired on October 19, 2019. Additional permit narrative on pages 1-31 and 1-32 makes several references to the Department of Health and those references can also be changed. (BEB/JSP/WTG)

Section 1.12 has been updated as requested above.

Appendix 1.14-1 - Proof of Liability Insurance

5. The Certificate of Liability Insurance in the permit will expire on 2/1/2020; please add next year's certificate and endorsement (effective 2/1/2020 - 2/1/2021) to Appendix 1.14-1. (PJR)

Updated with the current certificates. We will not receive a renewed certificate and endorsement policy until February 1, 2020.

Appendix 1-3 - Other Leaseholder Information

6. Please update the listing of easements and leasehold interests, other than coal, of record in Appendix 1-3 if necessary. (PJR)

No changes necessary.

Appendix 1-7 – Approval Documents

7. Please add the May 15, 2019 approval documents for Revision No. 15 to Permit BNCR-9401 to Appendix 1-7. (BEB/JSP)

Approval Documents for Revision 15 have been added to Appendix 1-7.

Plate 2-1 - Extended Mine Plan

8. Please replace Plate 2-1 (Extended Mine Plan) with the most recent Center Mine Extended Mine Plan available when making the Revision No. 16 application as required by NDAC 69-05.2-07-03. (BEB/PJR/JSP)

The most recent Extend Mine Plan has been included.

Section 3.4.1 – Area Surface Water Resources

9. The Surface Water Sampling Site Location Map in Appendix 3.4-1A provides the mapped locations of all surface water monitoring stations at the Center Mine, with the exception of the Section 20 surface water monitoring site. Please add the Section 20 site to the map and update the map to depict the current BNCR-9702 permit boundary. (BEB)

Section 20 SWS was added to the plate, while BNCR-9702 permit boundary was deleted to help portray BNCR-9401 permit boundary.

Section 4.1 - Mining Operations and Waste Disposal

10. If changes to the Construction Schedule in Table 4.1.1 are projected for future construction and/or bond release plans, please make those updates at this time. (BEB/JSP/WTG)

Table 4.1-1 has been updated to reflect current plans ash cell construction while the timing of bond releases has not changed..

11. If changes are required for the Coal Production by Year information provided in Table 4.1.2, please make those updates at this time. (BEB/JSP/WTG)

The anticipated coal production timing and quantity has been added to accommodate the construction of Ash Cell 5 to Table 4.1.2.

Plate 4.1-1 - Pit Layout and Facilities Map

12. Please update Plate 4.1-1 (Pit Layout and Facilities Map) to indicate any changes with the status or presence of SPGM stockpiles; overburden stockpiles; water management structures; haul roads, access roads, and walkways; and buildings, facilities, utilities, and structures that may have occurred since the plate was last updated with Revision No. 15. (PJR/JSP/WTG)

SPGM stockpiles and haul road locations have been updated from the new coal stockpile construction.

13. Please update Plate 4.1-1 (Pit Layout and Facilities Map) to identify the five-year coal removal subarea that will be mined during the next permit term. (WTG)

Plate 4.1-1 has been updated to reflect the timing of coal removal.

Appendix 4.1-1 - Equipment List

14. Please update the equipment listing in Appendix 4.1-1 if necessary as required by NDAC 69-05.2-09-01(1). (WTG)

The equipment list does not need to be updated at this time. However a new list will be put into the permit closer to the renewal as we have issued a Purchase Order for an additional D11 dozer which should be delivered late 1st quarter of 2020.

Section 4.4 - Blasting Plan

15. Please update Section 4.4 (Blasting Plan) with the most recent applicable blasting information (schedule, etc.) from Revision No. 6 to Permit BNCR-1101. (WTG)

The most recent blasting plan from BNCR 1101 has been included with this submittal. The most recent Blasting notice has been added.

Plate 4.6-1 - Surface Water Management Plan

16. Please update the elevation contour lines on Plate 4.6-1 (Surface Water Management Plan) to depict the existing topography within and adjacent the permit area. (WTG)

We do not have up-to-date contours that cover this permit. No changes made.

Section 4.7 - Water Monitoring and Drill Hole Reclamation Plans

17. Narrative on page 4.7-2 references the ND Health Department and can now be changed to the ND Department of Environmental Quality. (BEB)

The department name has been changed to current

18. Page 4.7-1 and 4.7-2 of the Surface Water Monitoring Plan provides location and other information for all of the surface water monitoring sites at Center Mine. Please add the Section 20 surface water monitoring site information to this listing on page 4.7-2. (BEB)

SWS 20 was added to the narrative.

19. If there are any required changes or updates (new or destroyed wells, measuring point elevations, status, etc.) to Ground Water Monitoring Well Information in Table 4.7-1, please make those changes or updates at this time. Any updates to this table will need to be reflected on the Monitoring Well and Production Well Location Map provided in Plate 3.3-1 of the permit. (BEB)

There were no changes to Table 4.7-1 at this time.

Section 4.9 - Reclamation Schedule

20. Please update the reclamation schedule, if necessary, and update the narrative on page 4.9-1 that references the ND Health Department, which can now be changed to the ND Department of Environmental Quality. (JSP)

All references to the ND Health Department have been changed to NDDEQ.

Section 4.15 Signs and Markers, Air Monitoring, Socioeconomic Information, Scenic and Aesthetic Impact

21. Narrative on page 4.15-1 references the ND Health Department and can now be changed to the ND Department of Environmental Quality. (BEB)

The reference of ND Health Dept. has been changed to ND Dept. of Environmental Quality.

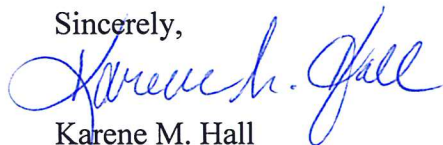
Section 4.14 Reclamation Cost Estimate for Bonding Purposes

22. Please review and update the worst-case reclamation cost estimate for the next permit term. (JSP)

Bond cost estimate has changed slightly to \$967,497 and is updated in Plate 4.14-1.

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