

**PUBLIC SERVICE COMMISSION**

**Reclamation Division**

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**Memorandum**

**TO:** Commissioners Kroshus, Fedorchak and Christmann  
Steve Kahl, Executive Secretary  
John Schuh, General Counsel

**FROM:** *DKM* *ZAB* *BB*  
Dean Moos, Zanna Brinkman and Bruce Beechie

**DATE:** September 17, 2020

**SUBJECT:** Approval of Revision No. 42 to Permit No. NACT-0401 held by the Coteau Properties Company, Case No. RC-20-157

On March 27, 2020, The Coteau Properties Company filed the application for Revision No. 42 to Surface Coal Mining Permit No. NACT-0401. This revision identifies the next five-year coal removal areas and addresses items that were identified as requiring updating or modification by the Reclamation Division during a pre-renewal review of the permit. The Reclamation Division has completed its review of this revision application and respectfully recommends it be conditionally approved.

Coteau applied for this revision and the corresponding Renewal No. 3 to this permit since mining is scheduled to continue in the existing permit area until 2036 as shown on the extended mining plan map in the permit. The revision identifies the next 5-year coal removal area and updates the mining and reclamation plans accordingly. This revision also updates the permit for the next permit term including updates introductory information, legal information, business entity/compliance information, identification of interests and rights of entry, fish and wildlife resources, general operations plans, surface water management, post-mining land use plans, and the revegetation procedures, establishment, and management plans. The post-mining land use plans were revised with new methodology for replacement of trees and shelterbelts. The revision also requests a variance from the contemporaneous reclamation requirements for 309 acres. The variance was requested because a topographic adjustment was required due to a change in mining methods of the dragline, as the overburden pre-bench truck/shovel fleet was mobilized to Permit NACT-0201. The variance request was properly justified and documented in the revision application and the Reclamation Division recommends that it be approved.

This and the other permits at the Freedom Mine are covered by self and collateral bonds totaling \$146,000,000. Coteau has indicated that they will be proposing a number of mine plan changes in this and other permits at the Freedom Mine that could affect the worst case reclamation cost estimate, therefore we are attaching a special condition to the revision approval to require Coteau to submit an updated reclamation cost estimate by January 1, 2021.

This revision was considered a significant revision application and was subject to the public notice requirements. Coteau has submitted affidavits of publication of the newspaper notices. We notified the appropriate agencies, affected landowners and the advisory committee members. We received no comments or objections to this revision application.

Attached for your consideration are the proposed motion, revision approval form, special condition, and revision approval notice that we will publish in the appropriate newspapers.