

July 14, 2022

Ms. Zanna A. Brinkman
Director Reclamation Division
Public Service Commission
600 East Boulevard Avenue
Department 408
Bismarck, ND 58505-0480

Dear Ms. Brinkman:

Final Bond Release #2 to Permit NACT-9501 has been uploaded to Permit Services. Changes have been tracked using track changes and highlighted in green. Responses below refer to pre-technical deficiencies in your April 6, 2022 letter.

Attachment VI - General Information

- 1. Please revise the second paragraph on page 2 of Attachment VI, General Information, to clarify that there was less than 1 acre of pre-mine cropland within the bond release tract in Section 15 and that this acreage was replaced elsewhere on Pfennig owned property in Section 15. It would be most appropriate to mention that pre-mine native grassland in Section 16 was converted to cropland at the surface owner's request. (GAW)*

The narrative has been updated with the requested changes.

Language was added to explain the less than 1 acre of pre-mine cropland which was converted into native grassland. Coteau decided not to address the conversion of rangeland into cropland as that area is not found within the bond release tract.

- 2. Please change the word "tank" to "tap" in the legend of Attachment VIa, the Revegetation Initiation Dates and Land Use map. The legend should state Southwest Water Tap. (PJR)*

The legend has been updated with the requested changes.

Attachment IX – Native Grassland

- 3. A sentence in the first paragraph of Attachment IX, Native Grasslands, states the 2018 Revegetation Success Standards document has not yet been approved by the PSC. Please revise this statement to reference the recently approved 2022 document. (GAW)*

Freedom Mine – Coteau Properties Company

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Coteau Properties Company, a subsidiary company of The North American Coal Corporation

8 RC-21-383 Filed 07/14/2022 Pages: 4

Response to Bond Release 2 Pre-technical Review Letter

Coteau Properties Company

Dillon Belisle

Narrative has been updated with the requested changes.

4. *Please revise the fourth paragraph on page 1 of Attachment IX to clarify if 2019 and 2020 production samples were conducted in enclosures or cages that excluded cattle. (GAW)*

Narrative has been updated with the requested changes.

5. *The fifth paragraph on page 1 of Attachment IX, Native Grasslands, references the CVSS for production standard calculations, but the standard being used is not in the CVSS. Please include updated CVSS copies of the replacement page(s) for Pfennig's native grassland in Sections 15 and 16 in this bond release application. (GAW)*

A copy of the updated standard calculations has been included in Attachment IXa.

6. *Please identify the first year in which vegetation sampling could be used to demonstrate revegetation success in the first paragraph on page 2 of Attachment IX, Native Grassland. It is suggested that the second sentence in the first paragraph be revised as follows: A variance from the ten-year revegetation responsibility period has been granted for areas of the bond release tract reclaimed in 2014 so vegetation sampling data after 2017 could be used to demonstrate revegetation success. (GAW)*

The narrative has been updated with the requested changes.

7. *The last sentence of the second paragraph on page 2 of Attachment XI, Native Grassland, has been revised to state that the NRCS National Range Handbook indicates that 20 samples is an adequate sample size for grassland with irregular vegetation distribution. The Reclamation Division believes this statement is somewhat misleading and that the entire paragraph in the National Handbook should be included. A statement in the third paragraph on page 2 of Attachment IX states that there were no recognizable differences in vegetation of the reclaimed land, yet the second paragraph implies irregular vegetation distribution. Please revise so the language in paragraphs 2 and 3 are consistent. Perhaps, fewer than 20 samples are needed for this reclaimed land, depending on the purpose for which the estimates are to be used. Please also clarify where this sample size information can be found in the National Range Handbook and cite which version of the National Range Handbook includes this language. (GAW)*

The narrative has been updated with requested changes.

8. *The third paragraph on page 2 of Attachment IX, Native Grassland, indicates ground cover sampling locations are depicted on the Map in Attachment IXc but this information is not provided on the map. Please revise the narrative and or the map to provide clarity.*

The narrative has been updated to provide clarity.

Attachment IXa – Production Standard Calculations

- 9. The loamy correction factor was mistakenly used to adjust 16.79 acres of thin loamy sites in Attachment IXa, when calculating the 2019 and 2020 adjusted yield standard. It would be more appropriate to use an average or prorated average climatic correction value for ecological sites not represented by reference areas instead of just the loamy reference area. If an average or prorated correction value is used, then the third paragraph of Attachment IX should be updated. (GAW)*

Attachment IXa has been updated with the requested changes.

- 10. Please include 2019 and 2020 thin loamy production sampling results in Attachment IXa-2 to demonstrate that the annual adjusted standards were calculated correctly. (GAW)*

Attachment IXa-2 has been updated with the requested changes.

- 11. Please include a copy of the CVSS replacement page(s) for Pfennig's native grassland in Sections 15 and 16 that will be included in the CVSS since the information provided is being altered by combining lands in Sections 15 and 16. (GAW)*

An updated copy has been included.

Attachment IXb – Basal Cover Standard Calculations

- 12. The 2019 and 2020 ground cover standards were developed using 64.9 acres. Please explain why the standard was developed from 64.9 acres instead of the total pre-mine native grassland acreage in Section 16, which was 80.54 acres according to Section B-6, page 32, of the Consolidated Vegetation Success Standard document (CVSS). It seems the same pre-mine acreage used to develop the production standard should be used to develop the cover standard since pre-mine native grassland in Section 16 was converted to cropland and all of Pfennig land uses in Sections 15 and 16 are being cumulated. (GAW)*

The tables have been updated to use the same acreage and calculations that were used for production sampling.

- 13. The 2019 ground cover data shows that live species comprised 57.7 percent of the basal hits. Live basal cover usually amounts to 3 to 6 percent of the total hits. Please clarify if a 10-point frame was used to measure ground cover in 2019 and explain the protocol used when this data was collected in 2019. The 2020 ground cover data shows that live species comprised 11 percent of the basal hits which is a high value but plausible. Perhaps data from a year other than 2019 should be used to demonstrate revegetation success given the results of the 2019 ground cover data. (GAW)*

Coteau utilized a third-party consultant to collect the data. The consultant confirmed that consistent, correct methodology and a 10-point frame was used and was unable to explain the

Ms. Zanna A. Brinkman

July 14, 2022

Page 4 of 4

relatively high cover values for 2019. The data was collected by a third-party with no bias. No changes were made.

Attachment IXc – 2019-2020 Production Sampling Locations

14. Please clarify how a single map is appropriate for showing where production sampling data was gathered during two separate years and how ground cover sample transects are represented on the map. (GAW)

An additional map has been added. Additionally, language has been added to Attachment IXc explaining how and where transects are completed.

We look forward to your review and approval. If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY

/s/

Dillon E. Belisle
Environmental Specialist

Uploaded via Permit Services