

**Public Service Commission  
Reclamation Division**

**Memorandum**

To: Commissioners - Christmann, Haugen-Hoffart, and Fedorchak  
John Schuh - General Counsel  
Steve Kahl - Executive Director

From: <sup>ZAB</sup> Zanna Brinkman, <sup>JE</sup> Jonathan Emmer, and <sup>BR</sup> Preston Ripplinger

Date: June 06, 2023

Subject: Approval of Revision No. 42 to Permit No. NAFK-8405 held by Falkirk Mining Company, Case No. RC-22-144

On March 4, 2022, Falkirk Mining Company (Falkirk) filed the application for Revision No. 42 to Permit NAFK-8405 to add 3,359.7 acres to the permit in all or portions of Sections 1, 2, 3, and 5 of T146N, R82W and Sections 33, 34, 35, and 36 of T147N, R82W, McLean County. All introductory, legal, financial, compliance information, environmental, operations, and reclamation sections of the permit have been revised. The stand-alone Ground Water Hydrology document and the worst-case reclamation Bond estimate have also been updated with this revision. The Reclamation Division has completed its review of this revision application and respectfully recommends that it be conditionally approved. The condition is no overburden or coal removal may occur in the NW1/4 of Section 2, T146N, R82W where the coal ownership is 100% United States of America, or the NE1/4 of Section 3, T146N, R82W where the coal interest is fifty percent owned by the United States of America until Falkirk obtains a lease from the Bureau of Land Management and the U.S. Department of the Interior approves the mining plan for this tract as required by 30 CFR 746.11. Until that mining plan is approved, surface disturbances on the described federal coal tract must be limited to those activities that are needed for carrying out mining on the adjoining tracts where the coal interests are privately owned or where federal mine plan approval was previously granted.

The 3,359.7-acre addition to the permit represents a northward extension of Falkirk's mining and reclamation operations north of State Highway No. 200 as depicted in Figure 1. The acreage associated with the permit area will increase from 9,790.3 acres to 13,150 acres. Federal coal tracts included within the revision addition area are in the NW¼ of Section 2 and the NE¼ of Section 3; however, those tracts are not planned for mining and Falkirk has not obtained the federal coal lease for these tracts. The Revision No. 42 addition area only proposes mining in the N½ of Section 1, T146N, R82W and this area will be mined from 2025 to 2031. The premining land uses of the addition area includes cropland, native grassland, wetlands, residential/farmstead, shelterbelts, county roads, and trails. The postmining land uses will be similar to the premining land uses.

Revision No. 42 was deemed a significant revision to Permit No. NAFK-8405 and was subject to the public notice requirements. Falkirk submitted affidavits of publication of the required newspaper notices. We notified the appropriate agencies, the permit area landowners, and the U.S. Fish and Wildlife Service

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of the revision application. We received no objections or requests for informal conferences on this revision application.

The worst-case reclamation cost increased and Falkirk Mine submitted Collateral Bond No. CB-9503-6 to increase their total bond to \$114,823,633 for Permits NAFK-8405, NAFK-8705, and NAFK-9503 at the Falkirk Mine. The bonding instruments were properly executed and accepted by the Reclamation Division.

Attached for your consideration at the June 7<sup>th</sup> Commission meeting are the proposed motion, revision approval form, and newspaper notice that we must publish following revision approval.

Attachments

Falkirk Mine\Permits\NAFK - 8405\Revisions\No. 42\Rev42\_apprvl\_memo\_6-6-23

**Figure 1.**  
**Revision No. 42 Addition Area**

