

PUBLIC SERVICE COMMISSION
Reclamation Division

Memorandum

TO: Commissioners Christmann, Haugen-Hoffart, and Kringstad
Steve Kahl, Executive Director
Brian Johnson, Special Assistant Attorney General

FROM: ^{JWE} Jonathan Emmer, ^{MT} Monty Johnson, and ^{Shawn} Shawn Nixon

DATE: September 12, 2025

SUBJECT: Application for Revision 29 to Permit NACT-0201 held by The Coteau Properties Company, Case No. RC-24-082

On February 7, 2024, the Reclamation Division received Coteau Properties Company's (Coteau) application for Revision No. 29 to Surface Coal Mining Permit No. NACT-0201. On February 15, 2024, the Reclamation Division deemed the revision significant and Coteau resubmitted the application on February 19, 2024. Revision No. 29 makes changes to the post-mining topography, post-mining land use, and the post-mining surface water probable hydraulic consequences. The revision also updates the introductory, legal, financial, compliance information, environmental, operations, and reclamation sections of the permit. The Reclamation Division has completed its review of this revision application and respectfully recommends approval.

Coteau applied for Revision No. 29 to allow for a considerable amount of an existing overburden stockpile, located in Section 14, T145N, R88W, to be used for reclamation activities close to its current location. As a result, changes to the post-mining topography were necessary for approximately 2,957 acres in Sections 3, 4, 9, 10, 11, 14, 15, and 16 of T145N, R88W as depicted in Figure 1. The modified post-mining topography will aid in the overall contemporaneous reclamation of the permit area. These post-mining topography modifications required updates to numerous sections of the permit including the ephemeral drainageways map, ephemeral drainage profiles map, extended mine plan map, post-mining area slope map, post-mining cross sections map, post-mining topographic development map, and reclamation procedures and schedule. The post-mining surface water probable hydraulic consequences were also updated to reflect the changes made in these sections.

Revision No. 29 was considered a significant revision application and was subject to the public notice requirements. Coteau submitted affidavits of publication of the required newspaper notices. We notified the appropriate agencies, affected landowners, and the advisory committee members. No technical deficiency comments from advisory committee members were received. No other comments or objections to this revision application were received.

Adequate performance bond is currently in effect for the mine-wide Consolidated Bonding Plan at the Freedom Mine, which was last updated on May 12, 2025. This and other permits at the Freedom Mine are covered by self and collateral bonds totaling \$215,000,000, which is approximately \$10,300,000 above the current worst-case cost scenario of \$204,622,522. This worst-case cost scenario was determined adequate by the Reclamation Division on June 17, 2025, and the Commission approved Coteau's bond increase to \$215,000,000 on September 10, 2025. Approval of Revision No. 29 was delayed by the Reclamation Division until the worst-case bond estimate was updated and approved.

Approval of Revision 29 to Permit NACT-0201, Case No. RC-24-082

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Attached for your consideration at the September 24th Commission meeting are the proposed motion, revision approval form, and the newspaper notice that we must publish following revision approval.

Attachments

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Figure 1: Revision No. 29 Updated Post-Mining Topography Area.

