

PUBLIC SERVICE COMMISSION
Reclamation Division

Memorandum

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

FROM: Jonathan Emmer, ^{JE} Monty Johnson, ^{MO} and Shawn Nixon ^{SN}

DATE: September 12, 2025

SUBJECT: Approval of Revision 52 to Permit NACT-0401 held by The Coteau Properties Company, Case No. RC-25-078

On February 20, 2025, the Reclamation Division received Coteau Properties Company's application for Revision No. 52 to Surface Coal Mining Permit 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 revision also updates the introductory information, legal information, business entity/compliance information, identification of interests and rights of entry, ground water hydrology, fish and wildlife resources, general operations, transportation facilities, surface water management, post-mining land use plans, and post-mining wetlands. The mining activity disturbance schedule has been updated, as have the coal production and reclamation schedules. The Reclamation Division has completed its review of this revision application and respectfully recommends that it be approved.

Coteau applied for Revision No. 52 and corresponding Renewal No. 4 to this permit since mining is scheduled to continue in the existing permit area until 2037, as shown on the extended mining plan map in the permit. The surface and coal ownership information for the permit and adjacent area, and related lease information was updated as necessary. The Pit Layout and Facilities Map was revised to show coal removal subareas through the next permit term and the coal production schedule was updated accordingly.

Revision No. 52 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.

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

Freedom Mine\Permits\NACT - 0401\Revisions & Renewal\Rev52_Ren4\Rev52_Apprvl_memo_9-12-25