

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Notice and Agenda**

**Meeting of September 9, 2019**

**Time:** 12:00 p.m. – Conclusion

**Location:** Lignite Energy Council  
1016 E Owens Ave  
Bismarck, ND

**Re:** Lignite Energy Council Quarterly Meeting

**Agenda:**

Discussion of status of current projects, permitting activities, etc. at mines and plants.

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Date: 9 September 2019  
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**Reclamation and AML Topics  
Lignite Energy Council Quarterly Meeting  
September 9, 2019**

**Permitting**

- BNI's significant revision application to add 637 acres to the west permit area was approved in late June.
- Other significant revisions currently under review include a mine closure/postmine topography change for the west permit area at the Beulah Mine and revision associated with a renewal at the Coyote Creek Mine.
- An informal conference has been requested by a landowner on the permit revision and renewal for the Coyote Creek Mine. The informal conference is scheduled for October 1.
- Currently, we have one pending bond release application at the Freedom Mine for 318 acres.

**Federal Coal Leasing/Mine Plan Approval**

- Falkirk's revision that added 1680 acres was approved late last year and included an additional 160 acres of federal coal. The draft mine plan modification decision documents were submitted to OSM in January and were recently approved.
- The lease for 160 acre federal coal tract in Permit BNCR-1101 was issued late last year and the revision associated with the renewal of that permit added plans for mining the federal coal. The draft mine plan decision documents have been prepared and will be sent to OSM shortly.
- BNI's lease application for 3 tracts was expected to be issued yet this fall; however, it may be facing further setbacks.
- BLM and OSM have selected a pending 320 acre federal coal lease application for the Coyote Creek Mine for a pilot project designed to streamline the federal coal leasing and mine plan approval process by combining the NEPA analysis for both actions. The goal was to have leasing and mine approval processes done concurrently and completed in approximately six months.
- Additional federal lease applications are expected to be submitted by Coteau and Falkirk.

**Miscellaneous**

- The Westmoreland bankruptcy is essentially complete. The Beulah Mine is now owned by Westmoreland Beulah Mining, LLC, a subsidiary of Westmoreland Mining, LLC. The next step will be for the new company to file the permit transfer documents.
- The special oversight topic that OSM selected for the upcoming evaluation period (begins on July 1, 2019) is a review of the adequacy of the state's laws and rules for dealing with mining company bankruptcies.
- We hope to have the final draft of the Revegetation Success Standards document circulated in the next several months.
- There is still no Director of OSM and no one under consideration. Glenda Owens continues as the interim director; however, Christian Palich and Lanny Erdos are not serving as senior advisors.
- One NOV has been issued in this year (July 2019).
- One complaint was received on May 15 and we responded. It is anticipated that the complainant will request a formal conference.
- There has been very little activity on pending federal rule changes or regulatory initiatives. Carryover issues include 2016 biological opinion, self-bonding, oversight initiatives, cost

recovery, mine placement of coal ash, blasting, & temporary cessation of mining. A task force of states, OSM, and IMCC personnel is re-evaluating OSM oversight policy and new guidance documents have been issued. OSM recently issued a favorable ruling regarding “failure to initiate operations within 3-years” regulations. In light of recent bankruptcies, self-bonding

- The state and federal budget for the Reclamation Program appears to be in good shape for the near term. Our current budget/grant allocation (July 1, 2019-June 30, 2020) is identical to last year. OSM is currently operating on a continuing resolution (CR).

## **AML Activities**

### **2019 AML Projects**

- **2019 Exploratory Drilling AML Project.** Drilling was conducted to obtain information on underground mines beneath several businesses near Williston. The contract was awarded to Agapito Associates of Colorado. The project has been completed.
- **Williams County Road 9 Phase 7 and Noonan AML Project.** This remote backfilling project stabilized collapsing underground mines at an industrial development near Williston. Drilling was also completed near Noonan. The drilling and grouting contract was awarded to B&C Concrete Pumping of Williston and the materials testing contract was awarded to Material Testing Services of Minot. The grouting portion of the Noonan project was not completed due to time constraints and the Williston portion of the project being larger than anticipated.
- **2019 Morton County Phase 2 AML Project.** This project reclaimed five surface mines and eliminated about 5100 feet of dangerous highwalls in Morton County. The contract was awarded to Logan Valley Contracting of Minot.
- **2019-2020 Sinkhole Filling AML Project.** This will be another 2-year project to fill dangerous sinkholes caused by underground mine collapse. The contract has been awarded to Earthworm Construction of Tolna, ND. To date, one emergency project was completed near Wilton. Regular sinkhole filling work is expected to resume about October 1

**2020 AML Projects:** Data collection and design work is beginning on 2020 projects. Projects are expected to include a surface mine near Regent and completion of the Williams County & Noonan projects.

**AML Assistant Director:** Bill Dodd, Assistant Director of the AML Division, retired April 30 and Joan Breiner has been selected as the Assistant Director.

**AML Reauthorization** The federal AML fee on coal that funds the AML Program will expire September 30, 2021, unless Congress reauthorizes legislation to extend it. The current AML fee on North Dakota lignite is eight cents per ton. Although important work has already been completed to protect the public from the adverse effects of abandoned mines, much more work remains. We have records for more than 1700 abandoned coal mine sites in western North Dakota. At the current rate of funding, we estimate it will take at least 20 years to address all the highest priority AML problems in our state. It is anticipated that re-authorization legislation will be introduced in Congress yet this month.