

MINING AND RECLAMATION ADVISORY BOARD (BOARD)

**Thursday January 7, 2010
Rachel Carson State Office Building
1st Floor, Conference Room 105
Harrisburg, PA
10:00 a.m.**

Voting Members/Alternates: George Ellis (Alternate), Bruce Golden (Member), Sue Wilson (Alternate), Ed Helfrick (Member), Tara Smith (Alternate), Richard Fox (Alternate), David Osikowicz (Member), Representative Jeffrey Pyle (Member), Darryl Lewis (Alternate), David Strong (Member), Curtis Kratz (Alternate).

Other Attendees: Joe Deklinski (Alternate), Josie Gaskey (Alternate), Richard Morrison (DEP), Scott Van de Mark (PA Env. Council), Dr. Rick Stehouwer (PSU), Jim Charowsky (DEP), Shuvonna Ballard (DEP), Duane Feagley (Alternate), Jeff McNelly (ARIPPA), Amy Wolfe (Trout Unlimited), Tom Callaghan (DEP), Bruce Carl (DEP), Dan Koury (DEP), Paul Pocavich (DEP), Bill Allen (DEP), Dan Lapata (DEP), Bob Burns (Alternate), Keith Brady (DEP), Brian Bradley (DEP).

Meeting Called to Order

Mr. Osikowicz chaired the meeting, and called the meeting to order at approximately 10:00 a.m. He welcomed everyone and asked that they introduce themselves.

Adoption of Minutes

Minutes from MRAB meeting of October 22, 2009 were adopted with several changes to correct typographical errors.

Correspondence

No correspondence to report.

Committee Reports

Policy

Committee had nothing to report.

Reclamation

Committee had nothing to report.

Regulation, Legislation and Technical

Prior to the full Board meeting the Regulation, Legislation and Technical (RLT) Committee met to develop recommendations to make to the Board pertaining to the Department's proposed increase in coal permit fees. Following their committee meeting the RLT made the following recommendations to the full Board:

- Because permit fees have not been increased since 1982, a permit fee increase is reasonable.
- Any increase in permit fees should be dedicated exclusively to finance the mining program permitting process.
- DEP should not do anything to discourage or provide disincentives to remaining activities.
- It is reasonable to ask industry to contribute to funding some part of the mining program.
- MRAB will continue to advise DEP on appropriate permit fee assessment and allocations.

Upon hearing these recommendations the Chair opened the meeting up for discussion. Some of the discussion dealt with a MRAB member's concern on the dramatic increase of the initial proposed permit fee increase from \$250 to over \$11,000. After the discussion the Board voted to accept the recommendations presented by the RLT unanimously.

Alternative Mine Reclamation Techniques

Scott Van de Mark from the PA Environmental Council gave a presentation on the use of poultry manure combined with paper mill sludge used in the reclamation of mine sites. Warm season grasses were grown in the mixture to produce a biomass crop that can be used in biofuel applications. The Switch Grass used usually takes roughly three years to become established.

The crop yield produced was roughly twice what was accomplished with conventional techniques and were a little more than two tons per acre. They are in the process of experimenting with different varieties of warm season grasses on a larger scale. They are also looking into ways of making this method more cost effective to compete with conventional mine reclamation. Currently it is \$600 for conventional reclamation per acre. The cost of the pilot project was roughly \$1,000 per acre. Mr. Strong made the observation that the cost difference is offset by the fact that the land in the pilot project produces a renewable crop where conventional methods generally do not. Dr. Rick Stehouwer of Penn State University assisted Mr. Van de Mark in his presentation.

Reclaiming Primacy Bond Forfeiture Sites

Dan Koury from the Pottsville DMO gave a progress report on the reclamation of several primacy bond forfeiture sites. Pottsville DMO used repermitting, sole source grants, Act 181 land reclamation contracts and BAMR to reclaim several ABS forfeitures within their district. He explained a couple of the difficult cases where geographical and land-ownership problems make reclamation of the sites a challenge.

2009 Bond Rate Guideline Update

Bruce Carl presented an update on bond rate guidelines. Five million cubic yards are of have been graded so far. The low bid is 51 cents per cubic yard which brought down the average. The average is roughly 80 cents. Costs have seemed to have plateaued, not showing much difference over the last three years. Revegetation costs remain largely unchanged. Pasture costs have increased due, in part, to an increase in mulch costs.

Mr. Carl is looking to publish complete results and guidelines in the Pennsylvania Bulletin as soon as possible. The effective date for the guidelines in April 1.

Beneficial Coal Ash Update

Keith Brady updated the Board on the guidelines for coal ash beneficial use. BMR held four public meetings and a 45 day comment period on the proposed regulation package. By December 22, 2009, roughly 1100 comment papers had been received. 750 – 800 were received from the Sierra club in Pittsburgh via a mass email campaign.

ABS Legacy Trust Update

Bill Allen presented updated figures. A few more fully and partially funded trusts have been established with approximately a one and a half million dollars. The database has also been updated to show the estimated and actual value of trusts. Revenue reports for December were not available. 136,000 dollars has in civil penalties have been collected. 25,000 dollars in conversion assistance revenue has been collected. As of the end of the year the O & M account is still around 4 million dollars. 300,000 dollars was transferred into the legacy account from the O & M account. None of the figures reflect interest.

There are currently 104 discharges from 60 permits. Annual O & M costs are about 61,000 dollars based on some contracts already in place. As of the time of the meeting, the reclamation fee in zero dollars.

Proposed Rulemaking Update

Bill Allen further discussed the proposed rulemaking package. This is the rulemaking presented to the Board for recommendation in October. The fees portion was separated out and the rest of the package has been sent to Policy Office. BMR hopes that it will go to the EQB for the March or April meeting for consideration.

BAMR Projects/Status Report

Brian Bradley on BAMR projects. In 2008, 142 projects were completed at a cost of 42 million dollars. In 2009, 24 projects were completed at a cost of nine million dollars. There are currently 44 active projects at a cost of 56 million dollars. Designs for 187 projects at 110 million dollars are underway. 20 contracts awarded at a cost of 21 million dollars. 14 of those were for health and safety concerns. Three projects were for water concerns.

New Business

Upcoming meetings have been scheduled for April 22, & October 28, in Harrisburg. The July meeting was moved to July 15 with the location and annual field trip to be determined.

A suggestion was made by a Board member about having a status report presented on the Remining Operator Assistance Program (ROAP) at an upcoming meeting. Because of the proposed fee increases and the elimination of the Small Operator Assistance Program, the Board wondered if ROAP could be rejuvenated to assist coal operators.

Open Time

A request was made concerning total dissolved solids issues brought up in previous meetings. It was requested that the Department update the Board on the TDS issue as it affects the mining program.

Adjourn

With no further questions or comments, Mr. Osikowicz called for the meeting to be adjourned. The motion was seconded and the meeting was concluded at approximately 12:30 PM.