

MINING AND RECLAMATION ADVISORY BOARD (BOARD)

**Thursday, January 5, 2012
Harrisburg, PA
Rachel Carson State Office Building
Room 105**

Voting Members/Alternates: Jack Chamberlin (Member), Josie Gaskey (Alternate), Ed Helfrick (Member), Bob Hughes (Member), Mark Killar (Alternate), Darrel Lewis (Alternate), Tara Smith (Alternate), David Strong (Member)

Other Attendees: Molly Adams (DEP), Bill Allen (DEP), Robert Altenburg (DEP), Shuvonna Ballard (DEP), Brian Bradley (DEP), Bob Burns (Alternate), Tom Callaghan (DEP), Bruce Carl (DEP), Jim Charowsky (DEP), Sarah Clark (House Environmental Resources & Energy), George Ellis (Alternate), Duane Feagley (Alternate), Rod Fletcher (DEP), Glenn Florence (DEP), Andy McAllister (Alternate), Jeff McNelly (ARIPPA), Richard Morrison (DEP), Paul Pocavich (DEP), John Stefanko (DEP), Michael Terretti (DEP)

Meeting Called to Order

David Strong served as chair for this meeting and called the meeting to order at approximately 10:00 AM. He welcomed everyone and asked that they introduce themselves.

Adoption of Minutes

Minutes from the October 27, 2011 meeting were presented and approved without comment.

Correspondence

The State Conservation Commission has appointed Robert Hughes of the Eastern Pennsylvania Coalition for Abandoned Mine Reclamation to represent them on the Board. Andy McAllister, from the Western Pennsylvania Coalition for Abandoned Mine Reclamation, has been appointed as his alternate.

Committee Reports

Policy

No Report

Reclamation

No Report

Regulation, Legislation and Technical

House Bill 1813 – An Act Amending SMCRA

Mr. Ellis explained that the HB 1813 would establish a program within DEP to provide financial guarantees to qualified surface mine operators to be used in lieu of posting a bond for mine reclamation obligations. The program would be financed by using money originally appropriated in 2001 to assist coal operators in converting from an Alternate Bonding System to a Full-Cost Bonding Program. Bullet points of the Bill are as following:

- Transfer existing revenue in the Conversion Assistance Fund, about \$13 million, to the new Land Reclamation Financial Program.
- Allow DEP, at its discretion, to make a one-time transfer of up to \$500,000 to the Remining Financial Guarantee Program.
- With annual approval from the General Assembly, DEP could transfer up to \$2 million per year for 25 years from the GRT to fund operation and maintenance cost associated with water treatment facilities to help abate post mining discharges at sites that were forfeited between 1982-2001.

This Bill passed the House by 194 to one.

Mr. Ellis requested that the Board draft a letter of support, endorsing the bill. A motion was made, seconded, and carried without comment. Mr. Ellis agreed to draft the letter.

A request was made for the Regulation, Legislation and Technical Committee meet to address the rulemaking necessary with the impending passage of the bill.

Rulemaking Packages Update

The Coal Fee Package received approval from the Governor's office to be republished with a 30 day comment period. The timeframe was unclear at the time of the meeting.

ABS Legacy Trust Account Update

Three new trust agreements were made in this year, increasing the total to 110 with 22 still outstanding. \$193 million in bonds are currently being held by DEP. The Reclamation Fee Account revenue for the first 11 months of the fiscal year is about \$100,000.

EPA Permitting Update

As of December 30, 2011, DEP has sent 155 draft permits to EPA. They have made comments or objections on 78. There are scheduled monthly conference calls with EPA to discuss issues regarding individual permits. The sedimentation pond/TMDL issues remain unresolved. The status quo with EPA remains largely unchanged.

2011 Bond Rate Guideline Update

DEP briefed the Board on reclamation costs of existing and proposed reclamation projects DEP had received from contractors. These rates are used in calculating bond rates. The rates for grading, backfilling and planting are within the normal ranges as past reclamation costs. The new bond rate guidelines will be published in the *Pennsylvania Bulletin* and become effective on April 1.

Electronic Licensing Update

All the credit card merchant accounts have been created. It is currently being tested. The online application does follow the paper application closely and allows for attachment of all necessary forms. One drawback of the system that was noted is that operators must use a credit card to use the system.

DEP's Accelerated Response Program

The Board asked previously if DEP could brief it on how the Department now deals with mine subsidence or other related abandoned incidents since OSM no longer responds to these types of events. An overview of DEP's program was presented to the Board. DEP intends to address these incidents as quickly and effectively as possible. Detailed analysis of the number of incidents and how they were remedied was presented to the Board for review.

Mr. Strong inquired if fluidized bed ash for fill was utilized in situations of subsidence. He was informed that cement with fly ash is used but not fluidized bed ash. Mr. Strong encouraged the Department to look into its use in future applications but was informed that current regulations prevent its use in applications where there is a risk of leaching.

The program also engages in methane mediation but only in instances where the methane can be connected with mining activities and not gas drilling. This is determined by examining the organic fingerprint of the gas in question.

BAMR Status Report

13.4 million dollars were spent on projects for the year. A handout was provided to the Board detailing expenditures and acreage. 46 contracts are currently active and 163 additional projects are currently under the investigation and/or design phase. A request was made that the report list descriptions of the work being done on the individual projects.

New Business

A motion was made to appoint Mr. Hughes to the Reclamation Committee to fill the seat vacated by Mr. Strong. The motion was seconded and carried without comment. Since Mr. Strong was the Chair of the Reclamation Committee, per Bylaws of the Board, the Committee members must select a new chair.

Mr. Strong presented a position paper that was released to the public regarding use of acid mine drainage water in hydraulic fracturing. He expressed concern over definition of certain terms within the paper. He once again expressed the belief that use of acid mine drainage water could go a long way to financing acid mine drainage treatment systems that are currently unfunded.

Open Time

Mr. Strong suggested the Board members no longer be provided with a catered lunch since most meetings end well before. A suggestion was made to provide a cheaper, lighter alternative such as providing bagels and coffee for the members.

Adjourn

With no further questions or comments, Mr. Strong called for the meeting to be adjourned.

DRAFT