



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Bureau of Mining Programs Update

January 11, 2018

Note: updated data will be inserted immediately prior to the meeting.

Tom Wolf, Governor

Patrick McDonnell, Secretary

Non Regulatory Agenda

- Processing Completion Reports
- Bonding-Direct submittal of Bonds
- Surface Water Protection-Underground Bituminous Coal Mining Operations
- Blaster's License Suspension
- Pre-applications
- Engineering Manual
- Civil Penalties
- Sub F
- Alkaline Addition



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

NPDES

NPDES Permitting Update

- As of November 30, 814 Draft Permits have been sent to EPA
- EPA has commented or objected on 391
- Issues
 - Checklist
 - Sufficiently Sensitive Methods
 - Monthly Calls
 - WETT

NPDES Permitting Statistics

	Issued	Could be Issued	Pending
Comments	376	14	1
No Comments (142 No Comment Letters)	377	41	5 (Awaiting 30 Days)



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Historical Applications

▶ Historical Application Progress (Coal)

- As of November 30
 - 1574 of 1629 have been disposed
 - 55 (3.4%) remaining for action
 - 33 Renewals

4 Pottsville/51 California

0 Cambria/0 Greensburg/0 Moshannon/0 Knox



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

TRUSTS

Trust Agreement/bond Status

	Dec 2015	Aug 2017	Nov 2017
Total Agreements (165)	132	141	141
Bonds	75	75	75
Fully Funded Trusts	44	51	51
Partially Funded Trusts	11 + 2 ABS	12 + 3 ABS	12 + 3 ABS

Financial Summary

	Dec 2015	Aug 2017	Nov 2017
Bonds	\$226.2 M	\$ 234.2 M	\$ 233.3M
Fully Funded Trusts	\$72.9 M (\$82.6 M)	\$ 100.6 M (\$93.9 M)	\$100.5 M (\$ 93.9 M)
Partially Funded Trusts	\$62.2 M (\$124 M)	\$89.7 M (\$138.1 M)	\$ 90.8 M (\$ 138.1M)



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

LRFGs

Land Reclamation Financial Guarantees

	Count (last report)	Average Amount
LRFG Operators	120 (119)	\$356 K (\$3 M Max)
LRFG Permits	212 (209)	\$201.5 K (\$2.1 M Max)
	Aug 2017	Nov 2017
Total Underwritten	\$43.3 M	\$42.7 M

LRFG Account Reserve

Use of reserve (86.162b(e))

1. Reclamation Liabilities
2. Bio-energy Crop Bonding
3. Transfer to Rec Fee Account

▶ LRFG Account Status/Limits

As of November 30, the LRFG Account balance was \$14,390,989.10

\$10 M Designated

Potential Expenditures

\$34,000 Ralph Smith

\$200,000 Contingency

▶ LRFG Risk Management

- 4 Companies are close (<\$2.5 M) to limit.
- And of them, 2 are at limit (\$3.0 M)



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Reclamation Fee Accounts

Rec Fee Account Revenue-4th Qtr 2017

Month	Coal Civil Penalties	Interest
October	\$20,850.48	\$3,664.21
November	\$	\$
December	\$	\$
FY Total	\$ (\$)	\$

Other Revenue-4th Qtr 2017

Month	LRFG Premiums	LRFG Interest
October	\$17,205.91	\$14,889.18
November	\$	\$
December	\$	\$
FY Total	\$	\$

Other Revenue Transactions

- LRFG Interest
\$106,017.10 (October 2017)
- FY 2016-2017 Civil Penalties transferred
\$500,00.00 (October 2017)

▶ Reclamation Fee Account Status

FY end Balance (June 30)	\$3,654,770.76
16-17 FY Expenditures	\$483,642.01
Proj. Expenditures (FY 17-18)	\$827,486.00
FY 17-18 Expenditures (Dec)	\$

86.17(e)(1)

The reclamation fee will be used by the Department to pay the construction costs and operation and maintenance costs associated with treating postmining pollutional discharges at ABS Legacy Sites, and the moneys may not be used for any other purpose.

86.187(a)(1)(iv)

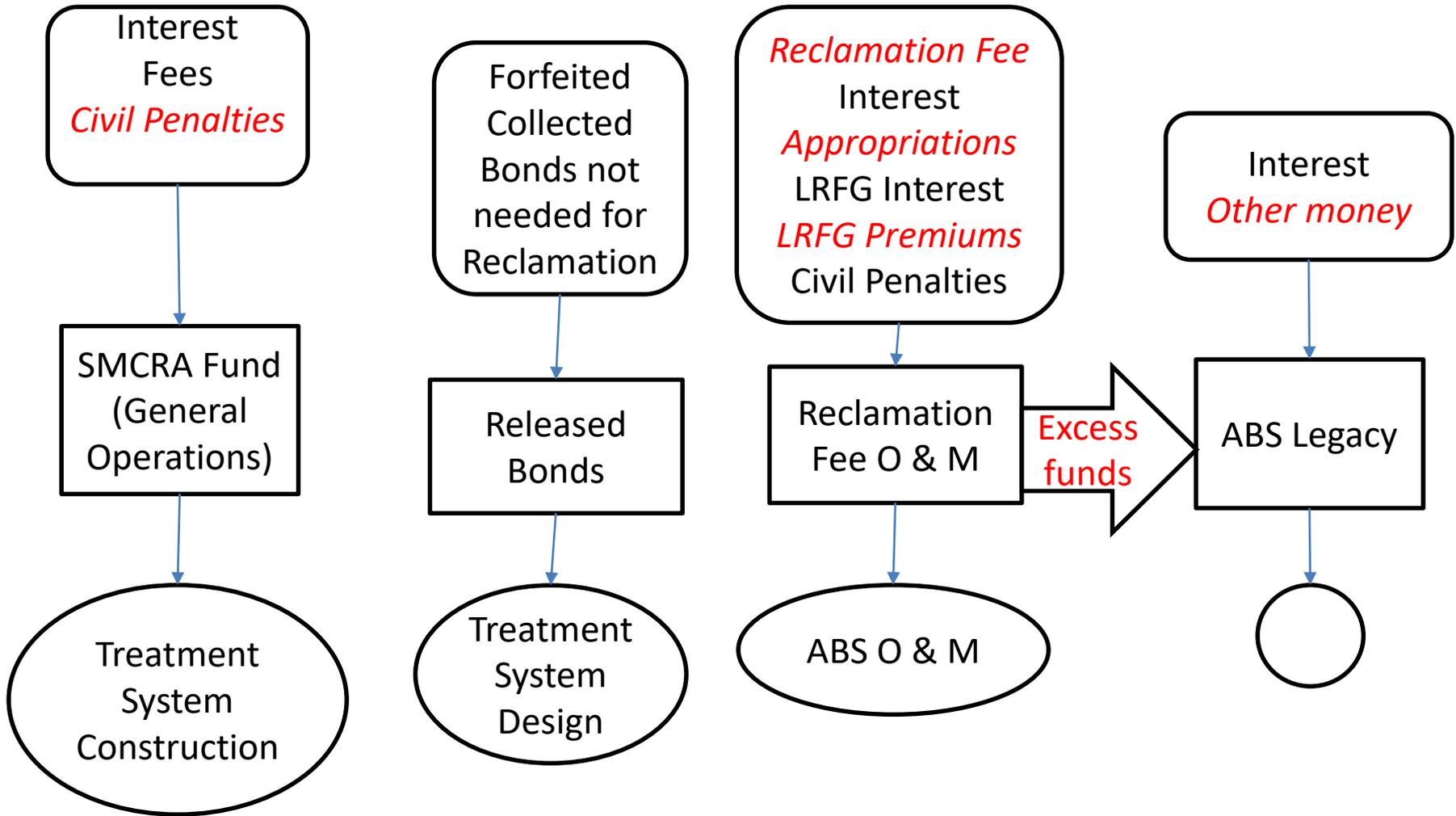
The moneys deposited in the Reclamation Fee O&M Trust Account will be used to pay construction costs and operation and maintenance costs associated with treating postmining pollutional discharges at ABS Legacy Sites, and the moneys may not be used for any other purpose. For purposes of this section, operation and maintenance includes recapitalization costs.

▶ ABS Project Funding Strategy

- SMCRA Account (48%)
 - ABS Treatment Construction (>\$2 M pending)
- Reclamation Fee O & M Account (42%)
 - O & M Contracts/Grants
 - DEP Direct Costs (Sampling and O & M)
- Released Bond Account (8%)
 - ABS Treatment Design (>\$300,000 pending)

▶ ABS Project Other Funds Sources

- Growing Greener
- OSM Title V
 - Required Inspections
 - Federal Civil Penalties



Civil Penalty Transfer Options

- Retain in the SMCRA Fund
 - Funds available for other SMCRA obligations
 - ABS Construction costs (>\$2 M)
- Transfer all or part directly to ABS Legacy Sites Trust Account
 - Progress toward self-sustaining ABS

Civil Penalty Transfer Options

- Transfer total remaining amount to Rec Fee O & M account as previously recommended
 - Relief from Reclamation Fee for several years
 - Does this impact an alternate funding source?
- Transfer some to Rec Fee O & M Account and some to the ABS Legacy Sites Trust Account
 - Provides immediate relief from the Reclamation Fee payments
 - Progress toward a self-sustaining ABS



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Regulatory Update

Regulatory Update

- Regulatory Agenda
 - Chapter 210/211-Routed for Final EQB
 - OSM Program Consistency
 - Water Supply Replacement (87 and 88)



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Application Fee Revenue

▶ SMCRA Coal Fees Revenue

FY 12-13	\$54,417.00
FY 13-14	\$166,110.00
FY 14-15	\$100,962.43
FY 15-16	\$171,235.24
FY 16-17	\$114,200.00
FY 17-18 (Nov)	\$

CWF Mining Fee Revenue

FY 12-13	\$247,800.00
FY 13-14	\$523,296.00
FY 14-15	\$474,729.00
FY 15-16	\$646,950.00
FY 16-17	\$342,805.00
FY 17-18 (Nov)	\$



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION



Bureau of Mining Programs

Bureau of Mining Programs

717-787-5103