MINUTES MINING AND RECLAMATION ADVISORY BOARD (BOARD) July 19, 2018

VOTING MEMBERS OR ALTERNATES PRESENT:

David Osikowicz (Original Fuels, Inc.; Chairperson - Member) John St. Clair (Citizens Advisory Council (CAC) – Member) Duane Feagley (PA Anthracite Council - Alternate) Rachel Gleason (PA Coal Alliance - Alternate) Benjamin Wren (PA Senate - Alternate) Leda Lipton (PA House of Representatives - Alternate) Darrel K. Lewis (Snyder Companies - Alternate) Tim Collins (PA Senate - Alternate) Jack Chamberlin (J. R. Chamberlin Surveying - Member) James Schmid (CAC - Member) Terry Dayton (CAC - Member)

OTHER ATTENDEES

Bill Allen (DEP – Mining Programs) Bruce Carl (DEP – Mining Programs) Sharon Hill (DEP – Mining Programs) Eric Oliver (DEP – Mining Programs) Paul Pocavich (DEP – Mining Programs) (Web-Ex) Daniel E. Snowden, D.Ed. (DEP Mining Programs/Board Liaison)

MEETING CALLED TO ORDER/INTRODUCTIONS

The meeting was called to order at approximately 10:00 a.m. Board members and DEP personnel introduced themselves.

APPROVAL OF MINUTES

The minutes from the last meeting were approved without changes.

CORRESPONDENCE

No correspondence was received for the Board since the last meeting.

FIELD TRIP FEEDBACK

Members of the Board thanked the host and organizers of the field trip to the AMD treatment sites for a successful trip. The Board then recommended that a formal thank-you letter be prepared.

COMMITTEE REPORTS

There were no committee reports since the last Board meeting.

PRESENTATIONS

Coal Mining Program Updates

Mr. Allen provided updates to the Board regarding the coal mining program:

- <u>Non-Regulatory Agenda</u>: Several documents are nearing the end of the revision process, and will be published once approved.
- <u>National Pollutant Discharge Elimination System (NPDES) Permitting</u>: The U. S. Environmental Protection Agency (US EPA) and the Bureau of Mining Programs (BMP) continue to communicate with updates concerning Sufficiently Sensitive Methods, Whole Effluent Toxicity Testing (WETT) and other pending issues.

The Checklist has been implemented, with the initial stages starting July 1, 2018. Progress will continue to be monitored by the BMP through the year. Proper use of the Checklist will assist with the US EPA review process.

- <u>Historical Application Progress and the Permit Decision Guarantee (PDG)</u>: Mr. Allen provided updates on the following:
 - Number of coal-related permit applications disposed, along with those remaining for action and their specific District Mining Office (DMO) locations.
 - As of June 30, 2018, less than one percent of historical applications are awaiting processing, with 1,614 of 1,629 applications having been disposed.
- <u>Trust Agreements/Bond Status</u>: Mr. Allen provided details on a few items regarding this topic:
 - Number and value of total agreements (between December 2015 and June 2018) (i.e., bonds, fully-funded trusts and partially-funded trusts (including Alternative Bond System (ABS) sites)).
 - The amount of total agreements, bonds, and partially funded trusts have seen an increase since the March 2018 meeting.
- <u>Land Reclamation Financial Guarantees (LRFG)</u>: Mr. Allen provided details on the increase of LRFG permits and amount underwritten, noting that the total underwritten amount increased since the last report. The Board previously recommended assessing the feasibility of increasing the limit of the LRFG program through an actuary. The DEP is continuing the preliminary processes needed to begin this assessment.
- <u>Reclamation Fee Operations and Maintenance (O & M) Trust Accounts</u>: The Board was shown the current information as of 2018 for the Reclamation Fee Account, including Coal Civil Penalties, LRFG Premiums, and the substantial Civil Penalty transfer from October 2017.
- <u>Regulatory Agenda</u>: Mr. Allen mentioned developments with the following items:
 - Federal Office of Surface Mining (OSM) Program Consistency this regulatory package is scheduled for the May Environmental Quality Board (EQB) meeting.
 - Water Supply Replacement Regulations (25 PA Code, Chapters 287 and 288) this regulatory package would be discussed with the Board in further detail during the meeting.

- Blasting and Explosives Regulations (25 PA Code, Chapters 210 and 211) this regulatory package was published on June 23, 2018
- <u>Application Fee Revenues</u>: Mr. Allen provided revenue figures for the Surface Mining Conservation and Reclamation Act (SMCRA) and Clean Water Fund (CWF) for the fiscal years from 2012 to 2018 (as of June 2018).

Bond Rate Guidelines

Mr. Carl presented the reclamation bond rate guidelines, in terms of the 2019 calendar year costs for grading, revegetation, seed bed preparation and seed.

- <u>Grading (2018)</u>:
 - Three reclamation projects covered 2,138,737 total cubic yards for grading, with costs ranging between \$0.73/cubic yard and \$3.25/cubic yard.
 - The low-bid average grading costs ranged between \$0.76/cubic yard and \$1.48/cubic yard, with a weighted average cost of \$1.16/cubic yard.
 - The overall weighted average grading cost between 2016 and 2018 was \$0.86/cubic yard (projects at 500 feet or less).
- Mulch, Seed Bed Preparation and Seed Costs (2018):
 - Mulch Costs: \$816.65/acre, with weighted average of \$874.82.
 - Seed Bed Preparation Costs: \$196.93/acre, with weighted average of \$284.58.
 - Seed Costs: \$394.91/acre, with weighted average of \$281.66.
- Abandoned Mine Land (AML) Reclamation Revegetation Costs (2018):
 - Two Reclamation projects with 20.5 acres revegetation.
 - Cost per acre of 3 lowest bids ranged from \$1,320 to \$2,044, with weighted average of \$1,538.94.

Water Supply Replacement Regulations

Sharon Hill provided the Board with materials regarding the Water Supply Replacement Regulations. The Board developed several changes, which will be discussed further during the next Regulation, Legislation and Technical (RLT) Committee meeting. Once the changes are integrated in the Regulations by the RLT Committee, the Board plans to continue the regulatory package to the EQB.

Adjournment/Next Meeting

The Board adjourned its meeting at approximately 12:00 p.m. The Board will meet again 10:00 a.m., October 25, 2018 at the Rachel Carson State Office Building, Conference Room 105, 400 Market St, Harrisburg, PA 17105.