

MINING AND RECLAMATION ADVISORY BOARD (BOARD)

**Thursday April 22, 2010
Rachel Carson State Office Building
1st Floor, Conference Room 105
Harrisburg, PA
10:00 A.M.**

Voting Members/Alternates: Bob Burns (Alternate), Jack Chamberlin (Member), Richard Fox (Alternate), Josie Gaskey (Alternate), Bruce Golden (Member), Mark Killar (Alternate), Curtis Kratz (Alternate), Darryl Lewis (Alternate), Representative Jeffrey Pyle (Member), Tara Smith (Alternate), David Strong (Member), Burt Waite (Member).

Other Attendees: Molly Adams (DEP), Bill Allen (DEP), Dana Aunkst (DEP), Shuvonna Ballard (DEP), Brian Bradley (DEP), Bruce Carl (DEP), Jim Charowsky (DEP), Malcolm Crittenden (DEP), Joe Deklinski (Alternate), George Ellis (Alternate), Duane Feagley (Alternate), Rod Fletcher (DEP), Steve Hoffman (IRRC), Dan Lapata (DEP), John Meehan (DEP), Richard Morrison (DEP), Paul Pocavich (DEP), George Rieger (OSM), Mike Smith (DEP), Mike Terretti (DEP), John Varner (DEP), Sue Wilson (Alternate).

Meeting Called to Order

Mr. Ellis chaired the morning session, 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 January 7, 2010 were adopted with several changes to correct typographical errors.

Correspondence

The Board reviewed a letter the Board sent to the EPA regarding coal combustion waste. They also went over reappointment letters which were sent to various members.

Committee Reports

Policy

No Report

Reclamation

Mr. Strong updated the Board on the project using paper mill sludge and chicken manure. The project has been stalled due an inability to secure the necessary amount of nitrogen credits to continue at this time.

Regulation, Legislation and Technical

The Board was briefed by the Chair of the Committee regarding the RLT's March 15 meeting pertaining to the Department's proposed regulation change on coal permit fees. The RLT made the recommendation that the Board accept the regulation change regarding permit fees as stated in Section 86.17(b) & (c) but not the proposed annual administrative fee as stated in Section 86.17(d) & (f). A motion was made to accept this recommendation and then seconded but before a vote was taken an amendment was added that the Board continue to monitor the status of the Bureau of Mining and Reclamation's deficit and continue to review options not limited to annual administrative fees and take unspecified actions if required. A vote was taken and it carried. Then another motion was made to again amend the original motion to state that since the annual administrative fee was dropped that the permit fees be increased to a level that it would provide \$400,000 in revenue to the Department. A vote was taken on this motion and it carried. A final vote was taken to accept both amendments recommended by RLT and it also carried.

Project XL Report

Mike Smith gave a presentation on a study that followed a group of remining operations that went back and treated acid mine discharges. The concept was to measure individual loads per each discharge. Rather than measure performance they looked at the water quality in-stream to determine improvement. There was an agreement in place with the EPA to allow DEP to experiment with a wider variety of treatment options than were reflected in the federal regulations. A motion was made to give a favorable recommendation for the project. It was seconded and carried.

Primacy Bond Forfeiture Reclamation

John Varner and Malcolm Crittenden gave a presentation about reclamation efforts in the Cambria District. There are 19 treatment sites within the District. The District has 13 design contracts and another 13 construction contracts. A question was posed asking where the funding comes from for the reclamation efforts. Mr. Allen explained that there were different funds to pay for different types of work. For example, the cost for designing treatment systems utilized the Released Bonds Restricted Revenue Account while the construction cost of these treatment systems were covered under the Coal General Operations Fund.

Total Dissolved Solids (TDS) Update

Dana Aunkst informed the Board about the Department's efforts to regulate waste water standards. The goal is to target the highest concentrations of TDS. During the 90-day public comment period, they discovered that the scope of industries that would be impacted by new regulations was far broader than they imagined. They restructured the regulations. Specific exemptions were added to the regulations, such as existing authorizations, bond forfeiture sites, and abandoned mine discharge sites. They also plan to allow for a variance in the amount of discharge.

Office of Surface Mining (OSM) Oversight Activities

Mr. Rieger updated the Board on oversight activities. OSM is developing a more comprehensive view on protecting streams and increased data collection before permits are issued. The proposed regulations will be put out for discussion in a similar manner as the Commonwealth. The focus for the proposed regulations is mountain top mining, thus several meetings have/are being held in West Virginia and Kentucky. There are no meetings scheduled in Pennsylvania or Ohio.

2009 Reclamation & Remining Incentives Report

Mr. Meehan presented the report to the Board. 1.3 million dollars worth of reclamation (219 acres) was accomplished by the coal mining industry last year at no cost to the Commonwealth using various remining incentive programs. Comments and recommendations are due to the Department by May 18, 2010.

Remining Operator Assistance Program (ROAP)

James Charowsky gave an overview of ROAP and a study performed to determine the benefits of the program. ROAP was state funded but was discontinued because of lack of funds. The purpose of the program was to provide incentives to coal operators to remine abandoned mine lands in an effort to have them reclaimed at low cost to the Commonwealth. The incentives were in the form of cost reimbursements of certain modules of the surface mine permit application. The total financial assistance for ROAP was \$986,000 for 60 projects. The study found that the benefits of the program were inconclusive because while cost/acre to reclaim was lower than average but the accuracy of the acreage stated was in doubt because no accurate acreage readings were completed prior to the start of the program. A recommendation of the study was that if ROAP was ever refunded again that more monitoring of data be completed prior and post of each project.

2010 Bond Rate Guidelines

Mr. Carl updated the Board on the 2010 bond rates that went into effect on April 1.

Commonwealth Bonding Program

Mr. Allen discussed whether the Department could pick up or continue something similar to the conversion assistance program. The hope is to develop a new program. Conversion assistance has grown from five million dollars to 12 million dollars based on a ten percent forfeiture rate. The belief is that the market could support more bonding in an effort to assist operators in the weak economy. The Board referred the matter to the technical committee.

Proposed Rulemaking Update

Coal fees were discussed in RLT meeting. Due to EQB by June 1. Coal Ash regs are on agenda for July 20th. There substantial revisions made due to comments period. Regs for remining financial guarantees should be published in PA bulletin for comment on May 1.

BAMR Projects/Status Report

Since the last MRAB meeting in December 2009, there are 12 new projects underway bringing the total to 36 projects with a total of 836 acres under reclamation at a cost of \$19,159,250. No projects have yet been completed in this calendar year. There are 188 future contracts planned with 4,649 acres to be reclaimed at a cost of \$111,181,791.

New Business

A motion was made to accept the final 2008/2009 MRAB Annual Report. The motion was seconded and the motion carried.

Open Time

No official business discussed.

Adjourn

With no further questions or comments, Mr. Strong called for the meeting to be adjourned. The motion was seconded and the meeting was concluded.