

Conventional Bonding Summary of Proposed Changes

August 5, 2004

1. Definitions have been improved

- Mining area page 3 line 37

Old - *Mining area* in the context of the conventional bonding system, this is the portion of the permit area on which the operational area is authorized to move.

New - *Mining area* – in the context of the conventional bonding system, this is the portion of the permit area on which mining and reclamation activities are authorized.

- *New addition* page 3 line 40

Multiple bench – this term applies to operations wherein the cross section looks like a set of steps, as opposed to operations with one highwall. This term does not apply to those operations with a highwall that has been developed with a “safety bench.”

- *Operational area* page 3 line 44

Old - In the context of the conventional bonding system, this is the area in which mining and reclamation take place. The operational area includes the lands affected by clearing and grubbing, topsoil removal and storage, the pit, spoil, remote spoil storage, and other support activities such as haul roads, erosion and sediment controls, water treatment facilities, etc. and all reclaimed areas that do not qualify for Stage 2 bond release. The operational area will seldom occupy a single, continuous parcel of ground. The operator specifies the size of the operational area and its component parts.

new – in the context of the conventional bonding system, the Operational Area is the maximum portion of the permitted area that the permittee is authorized to disturb at any specific time. The Operational Area is described in the permittee’s mining and reclamation plans. The Operational Area must include all of the land affected by mining activities that is not planted, growing and stabilized. The various sub-units of the Operational Area are used with the Bond Rate Guidelines to calculate the sum of the permittee’s liability for mining and reclamation activities. The sum of the permittee’s liability for mining and reclamation activities determines the amount of the bond. The Operational area may float (move) throughout the approved Mining Area within the Surface Mining Permit (SMP).

2. Eliminated one time allowance of “Temporary Exceedence” of pit volumes.

This was in the definitions as *Temporary exceedance* - In the context of the conventional bonding system, these are situations where the actual mining activities exceed the *operational area* dimensions. It is temporary if it happens in 3 or less consecutive pits totaling less than one month in duration, and does not occur more than once over the five-year permit term.

This was also addressed under the monitoring portion in the original TGD as:
In situations where the adequacy of the bond amount will not be affected, permittees should inform the Surface Mine Conservation Inspector (SMCI) of anticipated short-term changes that will affect the size of the operational area and provide a plan for returning the operational area to the aerial dimensions in the permit. If these changes are not a temporary exceedance, the permittee should submit revised bond calculation worksheets.

Effective monitoring of an operation requires the SMCI to compare the dimensions of the various components of the operational area used to calculate the bond with the dimensions found on the site. If the SMCI believes the dimensions exceed the permitted dimensions, the SMCI has two options. The SMCI should measure the dimensions of the operational area using equipment that provides a more precise measurement. Alternately, the SMCI can require the operator to verify the dimensions of the operational area in question.

In cases where the amount of bond exceeds the actual liability and the operational area dimensions exceed the permitted dimensions the SMCI needs to determine if the situation is temporary or permanent. In this context temporary means 3 or less consecutive pits, totaling less than one month in duration, and not occurring more than once over the five-year permit term. A temporary exceedance is merely noted in the inspection report.

If the amount of bond exceeds the liability and the exceedance does not qualify as a temporary exceedance, the operator is given a Notice of Violation for permit conditions. The operator's remedial action is to either reclaim back to the permitted dimensions or submit a revised bond calculation worksheet.

3. Added "Planted, Growing and Stable" wording in place of "Stage II approvable" to the section that describes when reclaimed area can be left out of the operational area.
This is part of the definition of operational area on page 3 line 47
4. Deleted reference to Land Maintenance Financial Guarantees as one of the programs the Department developed or made available to help the industry switch to conventional bonding.
5. Changed publication of the bond rate guidelines to annually instead of publishing in December.
Addressed in new document on page 7 line 23
6. Expanded narrative describing what information is required for the Annual Review.
Also included waiver for partial submittal of the annual review information.
Page 13 line 5

7. Explained why underground mines and preparation plants are reviewed for proper bonds at major permit actions instead of requiring submittal of annual reviews.
Page 12 line 10
8. Added a section about when and how reclamation fees are still collected.
Page 16 line 10
9. Moved verbiage on conversion to conventional bonding, background, and history to an appendix B.
10. Moved bond amount dispute resolution to Appendix A.
11. Removed barrier restrictions from mining area.

Originally described in **III. CALCULATING SITE-SPECIFIC BOND AMOUNTS**

A. Operational Area Concept

The last paragraph said, “Because the mining area is the area on which mining is authorized, it cannot include any of the barrier areas established in 25 Pa. Code § 86.102 unless the necessary waivers are provided with the permit application. The barriers may be removed at a later date through a permit revision.”

This paragraph was dropped to make our program compatible with the Federal regulations when their regulations were modified to remove this restriction.