

MINING AND RECLAMATION ADVISORY BOARD (BOARD)

**Thursday, October 27, 2011
Harrisburg, PA
Rachel Carson State Office Building
Room 105**

Voting Members/Alternates: Josie Gaskey (Alternate), Mark Kellar (Alternate), Michael Kishbaugh (Alternate), Darrel Lewis (Alternate), David Osikowicz (Member), Tara Smith (Alternate), David Strong (Member), Sue Wilson (Alternate)

Other Attendees: Bill Allen (DEP), Shuvonna Ballard (DEP), Tom Callaghan (DEP), Bruce Carl (DEP), Jim Charowsky (DEP), Sarah Clark (House Environmental Resources & Energy), Richard Morrison (DEP), Jeff McNelly (ARIPPA), Paul Pocavich (DEP), Ruth Sitler (DEP), John Stefanko (DEP), Michael Terretti (DEP)

Meeting Called to Order

David Osikowicz 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 both the April 28 and July 14 meetings were presented and approved without comment.

Correspondence

Citizens' Advisory Committee appointed Cynthia Carrow to replace Curtis Kratz on the Board.

Committee Reports

Policy

No Report

Reclamation

No Report

Regulation, Legislation and Technical

Mr. Strong reasserted his intent to resign from the Board once a replacement can be found. He informed the Board that progress on the subject of storing acid mine drainage water for use in hydraulic fracturing was being made. DEP has published a position paper on the subject which is available for review and comment.

DEP Reorganization Update

Mr. Stefanko introduced himself to the Board as the new Deputy Secretary for the Office Active and Abandoned Mine Operations (formerly the Office of Mineral Resources Management). The Bureau of Mining and Reclamation was renamed the Bureau of Mining Programs (BMP). Abandoned Mine Reclamation's title remains unchanged however, the acid mine drainage division was transferred to Bureau of Conservation and Restoration under the Office of Water Management. Oil and Gas Management was made its own deputate. It is anticipated that the reorganization process will be completed around November. There will be no staff changes in any of the district offices.

Mr. Stefanko also briefed the Board about a federal press release expressing the intent of the Department of the Interior's to merge the Office of Surface Mining with the Bureau of Land Management. The Department is reviewing the information carefully for any ramifications.

2010/11 Reclamation Fee Fiscal Report

Mr. Allen presented the draft report and comments to the Board for review. There was a negative interest accrued in the last fiscal year due to an accounting error on the account. There was no reclamation fee in the last fiscal year. Net income for the last year was \$260,000 and comes from the collection of civil penalties. \$106,000 was paid out in reclamation costs. Income is expected to be \$260,000 for the coming fiscal year. Projected expenses are approximately 500,000 for the coming fiscal year. There is approximately \$3.6 Million in the O&M Trust Account. \$5.6 Million is in the ABS Legacy Account. No reclamation fee will be assessed for the coming year.

The report was presented for comment to the MRAB and satisfies the requirement to present the report at a public meeting. The report was published for comment on the Department's website and in the *Pennsylvania Bulletin* in August.

EPA Draft Permit Review Update

To date, 143 permit applications have been submitted to EPA Region III for review. EPA provided comments on 65 permits. Recent progress was made where EPA agreed to focus on a subset of permits. There has also been progress over the handling of effluent limits for sedimentation ponds.

Common comments from EPA concern effluent characterization and TMDL issues. The Department has adopted the federal regulations to help deal with the effluent characterization and is currently working with EPA to find the best way to handle the TMDL.

ABS Legacy Trust Account Update

No additional trust agreements have been signed. The bond remains the same. The program currently underwrites 24 million dollars in conversion assistance. No reclamation fee is anticipated for next year but the Department continues to monitor the status of the account to see if the fee will have to be reinstated because of rising costs.

2011 Bond Rate Guideline Update

Two contracts have been awarded since July. The average cost per cubic yard has come down since July to 82 cents. Six more projects are currently in the bidding process. That makes for 20 projects with roughly four million cubic yards for this year. The average cost of reclamation has declined since July to 82 cents per cubic yard.

Electronic Licensing Update

The Department is making progress in the area of electronic licensing and hopes to have the system up and running by early next year. The Department is currently working on the approvals necessary to work with credit card transactions. Some more testing needs to be done on the system to ensure all the bugs are worked out.

BAMR Status Report

For calendar year 2010 the Department completed 122 projects at a cost of \$13,226,042. A total of 553 acres were reclaimed on these projects. For this calendar year as of September 26 the Department completed 91 projects at a cost of \$9,677,865 with 501 acres reclaimed. There are currently 38 projects under contract with a cost of \$44,241,811 and an estimated 976 acres of reclamation to be completed.

Adjourn

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