Department for Natural Resources
Energy and Environment Cabinet

Update 2016

Allen Luttrell, Commissioner

Professional Engineers in Mining
August 26, 2016

Kentucky
UNBRIDLED SPIRIT
Overview – DNR Topics

New Frankfort Building
Reduction of Reclamation Bond Liability
OSM Oversight
AML Pilot Project
Field Office Consolidation
Kentucky Reclamation Guaranty Fund
New Building

All DNR and DEP Divisions at 300 Sower
Viewing Stations for the Public
SMCRA and KPDES permits here!
New Faces

John Small, Deputy Commissioner, Director of Mine Safety

Courtney Skaggs, Director of Mine Reclamation and Enforcement

Jeff Baird, Director of Mine Permits

Danny Hall, Exec. Director, Kentucky Reclamation Guaranty Fund
DNR Strategies to Reduce Reclamation Liability

1. Reduce the length of open highwall and close old slurry impoundments in the eastern coalfield.

2. Assist and facilitate the continued progression of reclamation phases to bond release.

3. Monitor mines in temporary cessation and promote reclamation when appropriate.
Assist and facilitate the continued progression of reclamation phases to bond release

The successful transition of A2 permits to Phase I release will greatly reduce the bond liability. Ex: If the A2 permits of Company A achieved P1, the posted bond would be reduced by $12.1 million.

Monitor time and revegetation requirements for P1 and P2 phase releases. Expedite permitting actions to achieve P2 or bond release status.
OSM Oversight

Increased staff levels at OSM has resulted in increased oversight involvement:

- CHIA
- Underground Mine Pools
- Bond Release Inspections

and a National spotlight on SMCRA Enforcement
Memorandum

To:          Assistant Director Program Support, Regional and Field Office Directors and Title V Division Chiefs
From:       Joseph G. Pizarchik, Director
Office of Surface Mining Reclamation and Enforcement

Subject:    A More Complete Enforcement of SMCRA and Its Implementing Regulations

Purpose of Memorandum:
The Office of Surface Mining Reclamation and Enforcement (OSMRE) is responsible to ensure SMCRA and the associated regulations are directly implemented in Federal program states and through oversight, ensure that State Regulatory Authorities enforce the state counterparts in accordance with their approved state programs. While it is OSMRE’s responsibility to assist the
AML Pilot Project

Effective September 1, 2016:

$30 million for economic development in the eastern coalfield

- 3 years to spend
- Reviewed 20 applications
- 8 projects awaiting OSM approval
- Additional information at eec.ky.gov
Field Office Consolidation

Division of Mine Safety

Martin Office to Pikeville Office

Barbourville Office to Harlan Office

Mine Rescue unit to Middlesboro

More to come....
Kentucky Reclamation Guaranty Fund (KRGF)

Formed in 2013 in response to OSM part 733 letter to fund reclamation in the event of an insufficient bond.

The KRGF has 4 full time employees and a 6 member Commission

Currently working on the final draft of FY14 & FY15 Actuarial Study

Current Fund Balance as of 08/08/2016 is $38,381,953.10