

AML ADVISORY COMMITTEE
Minutes
Semi-Annual Meeting
May 28, 2008

A regular meeting of the AML Advisory Committee was called to order at the Department of Mines, Minerals and Energy's Buchanan-Smith Building at 1:30 p.m. pursuant to the notice sent to all committee members.

The following members and visitors were present: Jerry Baird, Alpha Natural Resources; Eddie Hannah, Lonesome Pine Soil and Water; Phil Shelton, UVA College at Wise; Wade Biddix USDA - Natural Resources Conservation Service; Ian Dye, Office of Surface Mining; Glenn Graham, Lonesome Pine Soil and Water; Martha Podren, TVA; Roger Williams, and Butch Lambert, Department of Mines, Minerals and Energy.

Members absent: Carol Doss, Upper Tennessee Roundtable; and Gerald Ramsey, Consolidation Coal Company.

Jerry Baird presided, Roger Williams recorded the proceedings of the meeting, and Dawn Bays transcribed the minutes. One change requested to the minutes of the September, 2007 meeting. Under Committee Business, the name should have been Jerry Baird rather than Eddie. Also, the item of RAMP may be deleted from the current agenda. A motion was made by Eddie Hannah to accept the minutes, seconded by Phil Shelton. Minutes of the September, 2007 meeting were approved unanimously with changes.

DMLR– Butch Lambert

There are changes taking place within our agency due to this additional funding. Some of those changes are now being put in place, and we will continue that process over the next couple of years of how we will be able to manage this money more efficiently with on the ground projects.

DMLR PROGRAM UPDATE – Roger Williams

At the last meeting we had just received word that we won a national AML award for the Middle Fork Gob Pile Project. This project is one of the enhancement projects where we actually reclaimed an old gob pile by removing incidental coal as part of the reclamation effort. We were able to accrue about \$120,000 savings on the reclamation. We only paid about \$4,000 for tree planting on the project. We have planted 18,000 trees on all the enhancements so far, including 100 chestnuts. The award

is called the Category II Award and is given to smaller sites which cost less than \$1 million. Our project is unique in that it shows you do not have to spend a lot of money to reclaim sites.

This particular site is a 10 acre refuse pile. It flowed into the McClure River. The old mining had dumped the gob right into the creek and buried the creek very deep. Downstream was a classic clogged stream with tons of refuse. The AML enhancement operator came in and did coal removal of the refuse pile. We used a lot of the sandstone that was in the pile to construct the channel. Some natural channel design was done. Water was encountered from an old underground mine, about 250 gallon per minute that had to be diverted around as they worked to keep it from washing on down into the pile. The operator (Bobby Hill, Virginia City Enterprises) paid all the expense except for planting trees. We were fortunate that OSM's awards group recognized this as a significant project that met the small category requirements.

Since winning the award, we have been inundated with these types of projects. We have seven in progress. We have approximately six more pending. We are seeing interest in removing piles that we reclaimed with AML dollars years ago. All of them we believe will be burned at the Dominion Power Plant. Dominion is advertising the power plant will remove all these old abandoned refuse piles and burn them. This will clean up the environment while producing low cost power. As long as there is coal in these reclaimed sites, you still have potential for spontaneous combustion. If that happens, the pile can become a real hazard.

Next I would like to discuss the recently published AML reclamation incentive rules. We are not really excited about these OSM rules, because they make it restrictive from the way we operate the enhancement program. Our comments have not been negative, but we have expressed they may inhibit the AML enhancement process. The AML Enhancement Rule is the best vehicle in getting these gob piles reclaimed outside of the Title V of permit requirements. This new regulation would be more relaxed but would still require significantly more work than the AML enhancement rule. Most people in the business prefer the AML enhancement.

Several incentives are proposed in the rules. One is a waiver or rebate of AML fees. Second, some of the AML fees can be used to offset the cost of the financial bonding for such operations.

Arbor Day, 2008

On April 4, 2008, we had our fourth annual Arbor Day Celebration. We had it on a site that the Nature Conservancy got some money from Dominion to perform a carbon capture project. We used it to restore about an 86 acre site on Flint Gap on Forest Land Products property using Appalachian Reforestation Initiative guidelines. The area had been reclaimed and the post mining land use was unmanaged forest. We got with VPI and Forestry and they recommended we take all the existing vegetation off. The site was actually ripped because it was compacted and we used a modified Appalachian

Reforestation Initiative procedure. We planted trees this spring in partnership with the Nature Conservancy. We had the Chestnut Foundation as a partner and also the Take Pride in America. We had in attendance Deputy Secretary of Interior, Lynn Scarlet; President/CEO of the America Chestnut Foundation, Marshal Case; OSM Director in Washington, Brent Wahlquist. OSM presented Mr. Case an award for his volunteer efforts in restoring the American Chestnut to the forest.

Area high school students were in attendance planting chestnuts. About two acres of trees were planted by students. Tubes were used in hopes of protecting these chestnut trees. Some of the trees that are in the tubes are 100% American Chestnut.

The Flint Gap site was not an AML site, but it could have been. This was a formally reclaimed site that was planned to be part of the new technology reclamation to capture carbon. Va Tech will do a lot of research on this site to determine how much carbon capture can be done. We hope to get some carbon capture with the tree planting, realizing it will not be nearly as efficient as pumping CO₂ into un-mined coal seams.

We incorporated standards of learning (SOL's) on biology and earth science in the presentations made to the students.

Acid Mine Drainage Projects

We just finished phase II of the joint DMME/CORPS Powell River Ecosystem Restoration Project on the Lick Branch Area. This site was the worst of the worst as far as acid mine drainage in the State of Virginia. Water was exiting several deep mines in Lick Branch. This site is treating mine drainage from the Mason Seam.

We put in a passive treatment system. It is a series of treatment ponds and then regular aerobic wetlands. We had a clean water diversion that took the clean water surface flow and diverted around the treatment. This site has a compost layer over the limestone. Pipe is underneath the limestone so that the water comes in on top and goes through compost. The compost strips the oxygen off and then it goes through the limestone. At that point the iron and aluminum will not coat the limestone. The metals drop out into the wetlands below. In 10-15 years the compost will need to be replaced as well as the limestone. After treatment the Ph is 7.5 and iron is 6.32. It is early and we are still not getting full treatment on that. Pre-treatment aluminum was 11.6mg and that is down to 1.91mg.

Another site we did was Big Branch. This site had the highest level of aluminum which was 27.8mg. It is 0.14mg now. These are working really well.

On the Phase II sites we just completed, the total cost was \$1.6 million of which the CORP paid 65% and we paid 35% of construction. We are very pleased to have the second phase done. We have total investment of about \$3.4 million.

We will continue to try to target as much of this acid mine drainage as we can. We feel the mussels and the sensitivity of the aquatics are still very high priorities for us. We will give priority to watershed reclamation to sites located in the Powell and Clinch Rivers.

We are installing equalization ponds in hopes of reducing cost and to increase the life design of the ponds. We did have some slope problems and some landslides. We had to install more riprap to keep the slopes stable in order to get the ponds big enough. The SAP cells are lined and the wetlands are not.

Other areas we are looking at for a projects is where reminent coal remains where they have mined around the top of a ridge. Such sites are sometimes referred to as “apple cores”. One area is in Rake’s Ridge. We have a water tank on one end, highwall and bad outslopes. We are looking at removing some of the coal to offset our costs and reclaim the highwall and outslopes as part of it. There are several of these areas around that present a unique opportunity to do some reclamation through a partnering effort with mineral and surface owners.

In the City of Norton, we just signed an agreement to do a preliminary engineering report to eliminate a highwall in conjunction with new sidewalk construction. We had a rock fall from an abandoned highwall in the street near where the Norton Elementary School is located. The City wants to do an enhancement to the sidewalk for safety for school children with some money they received from VDOT. The sidewalk is also not in compliance with the Disability Act. They want to build a new sidewalk and slope it through the area. We are looking at a new sidewalk and highwall elimination project all in one because it needs to be coordinated. We would pass the money to the City. They want us to be involved in all the planning. It will be a large project. Trees will need to be removed and the main gateway into Norton will be improved. We will focus on this in the coming year.

We are looking at the old Grundy Airport area. We have had discussions with the engineers working for the town and county on expanding the airport. They want to lower the mountaintop off and eliminate a lot of AML features. This is the very early stages of discussions. They are hoping to get some Federal money from the Federal Aviation Administration for the runway. They want help with the site construction, for a 6,000 foot runway.

Partnering will be the key on everything, including water projects. We just funded two water projects. One project is with Buchanan County on Looney Creek and Elkins Branch. They have already opened bids on these and already made awards. We are talking with them on expanding waterlines because we got excellent bids on these two projects. Second, we funded a large project on the final phase of Robins Chapel in Lee County this year in the amount of about \$500,000. Next year we are looking at an AML water project between Haysi and Council in the Frying Pan Creek area which is not currently served with water.

Last will be the big push to get water to Hurley and beyond. In meetings, their consultants are developing plans to speed up getting water to the community of Hurley as fast and cheap as we can.

Wade Biddix- NRCS Update

The 2008 Farm Bill passed last week. Fourteen out of the fifteen titles of the Farm Bill are now law. We may have to start administering the new bill quickly. We are not sure whether there is new money coming this fiscal year (2008) that has to be spent and obligated by this September, or whether they will wait until FY09. As part of that package there is some significant funding for the Chesapeake Bay. You will be hearing more on this in the future.

One thing that NRCS has worked on for some time is the North Fork of the Powell River Watershed along with DMME, Daniel Boone Soil, and Water Conservation District and the Lee County Board of Supervisors. In July, 2004 the sponsors formally applied and we did not get funding for a year or so. Then in 2006-2007 the plan was developed. The plan was signed by all the sponsors in February, 2008. It was sent to Washington for authorization. You have to be authorized before you actually get money or request money. We applied for authorization and they commended us for having a good plan, but the fund authorization is being deferred until further notice. That is an agency decision at the national level. We are not sure of the time frame of the deferral. We have a signed and approved plan from the state agencies, but on a national scale we cannot request money for this plan. I'm sure the sponsors are not pleased that the project has come this far and now authorization has been deferred. The plan is to address 39 abandoned mine sites. We provided copies of the plan and letter to the sponsors. The NRCS portion of the construction cost is about \$900,000 (65% federal cost-share) and then actual construction was \$1,483,000. The total project cost with technical assistance and project administration is about \$1.8 million. The local sponsors will have to pay 35% of the construction costs.

COMMITTEE BUSINESS

The next meeting of the AML Advisory Committee will be September 3, 2008, at the Powell River Project.

Meeting adjourned.

Roger L. Williams,
DMME Abandoned Mine Land Services Manager

RLW/dfb

