Dear Interested Parties,

The Montana Department of Environmental Quality (DEQ) and the Office of Surface Mining Reclamation and Enforcement (OSMRE) Western Region have prepared a joint Final Environmental Impact Statement (EIS) for Western Energy Company’s (Western Energy) proposed new permit area (C2011003F), known as Area F (project or project area), at the existing Rosebud Mine, which surrounds the city of Colstrip, Montana, and the Colstrip Steam Electric Station (Colstrip Power Plant). The proposed project area is located in Rosebud and Treasure Counties adjacent to existing Permit Area C, about 12 miles west of Colstrip (see attached figure).

Under the Proposed Action, an additional 6,746 permit acres would be added to the existing Rosebud Mine. The area of disturbance within the project area would be 4,260 acres, of which 2,159 acres would be disturbed by mining; the remainder would be disturbed by highwall reduction, soil storage, scoria pits, haul road construction, and other miscellaneous disturbances. Although the project would expand the Rosebud Mine’s surface disturbance, Western Energy does not propose to increase the total annual production output of the mine.

Under the Proposed Action, mining operations in the project area would last 19 years, extending the operational life of the mine by 8 years. In addition, approximately 70.8 million tons of recoverable coal would be removed. As with other permit areas of the Rosebud Mine, all coal mined in the project area would be sold and combusted locally at two power plants—the Colstrip and Rosebud Power Plants.

The Draft EIS was issued on January 5, 2018, and was available for public review and comment for 60 days. Minor revisions were made to the Final EIS based on public and agency comments including factual corrections and clarification of information.

The Final EIS evaluates the environmental impacts resulting from the project, pursuant to the requirements of the Montana Environmental Policy Act and the National Environmental Policy Act of 1969. The Final EIS analyzes in detail the proposed project, known as the Proposed Action (Alternative 2), along with No Action (Alternative 1), and one action alternative (Alternative 3), which includes additional environmental protection measures beyond those required under the Montana Strip and Underground Mine Reclamation Act (MSUMRA).

The Final EIS is not a decision document but will help DEQ and OSMRE managers make an informed decision with respect to the approval of Western Energy’s mine permit application package for the project. DEQ will decide whether to approve the permit in accordance with the requirements of MSUMRA (82-4-201 et seq., Montana Code Annotated [MCA]) and its implementing rules (Administrative Rules of Montana [ARM] 17.24.301-1309). Pursuant to 75-1-201(4), MCA, DEQ may not withhold, deny, or impose conditions on the Area F permit based on the information contained in the EIS. This EIS also helps DEQ managers make a more fully informed decision regarding two other Western Energy applications: (1) an application for a new Montana Pollutant Discharge Elimination System permit (MT 0031828) for project area outfalls that would discharge into West Fork Armeals Creek, and (2) an application to modify Montana Air Quality Permit #1570-07 to include Area F. The EIS also helps OSMRE prepare the Mining Plan Decision Document (MPDD) for the Department of the Interior Assistant Secretary for Land and Minerals recommending approval, disapproval, or conditional approval of the Area F mine plan. A MPDD will be prepared because Western Energy’s proposed project constitutes a
A major revision to the current Rosebud Mine operations. The Bureau of Land Management (BLM) is a cooperating agency on the EIS because it is the federal agency responsible for leasing federal coal lands under the Mineral Leasing Act.

The Final EIS will be available November 30, 2018, on DEQ’s web page (http://deq.mt.gov/Public/eis) and on OSMRE’s web page (https://www.wrcc.osmre.gov/initiatives/westernEnergy.shtm). Digital copies of the document will be available at the DEQ Headquarters, the OSMRE Western Region Office, the BLM Miles City Field Office, the BLM State Office, and the Rosebud County Library. Hard copies of the Final EIS will be available upon request and will also be available for review at the DEQ Headquarters, the OSMRE Western Region Office, the BLM Miles City Field Office, and the BLM State Office.

Montana DEQ Headquarters (Lee Metcalf Building)
1520 East 6th Avenue
Helena, Montana 59620-0901
Between the hours of 8:00 AM and 5:00 PM Monday through Friday (Closed Saturday and Sunday)

BLM Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301
Between the hours of 7:45 AM and 4:30 PM Monday through Friday (Closed Saturday and Sunday)

Rosebud County Library
201 North 9th Avenue
Forsyth, Montana 59327-0007
Between the hours of 11:00 AM and 7:00 PM Monday through Thursday; 11:00 AM to 5:00 PM Friday; 10:00 AM to 1:00 PM Saturday (Closed Sunday)

DEQ will issue a Written Findings to document a decision on the project a minimum of 15 days after publishing the Final EIS. OSMRE will issue a Record of Decision to document a decision on the project a minimum of 30 days after publishing the Final EIS.

Thank you for taking the time to consider this project. If this letter has not been sent to the correct representative, please help us update our records. If you have any questions, please contact us directly at (303) 293-5025 (Elizabeth Shaeffer) or (406) 444-1760 (Peggy MacEwen).

Sincerely,

Elizabeth Shaeffer, Manager
Field Operations Branch
OSMRE Western Region

Peggy MacEwen, Acting Director
for Interim Director, George Mathieus
Montana Department of Environmental Quality

Enclosed: Project Map
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1999 Broadway, Suite 3320
Denver, Colorado 80202
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[Signature]
Elizabeth Shaeffer, Manager
Field Operations Branch
OSMRE Western Region

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Peggy MacEwen, Acting Director
for Interim Director, George Mathieux
Montana Department of Environmental Quality

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