Dear Interested Citizen,

You are invited to participate in the Montana Department of Environmental Quality’s (DEQ) environmental review process for Western Energy Company’s (Western Energy) proposed Area B amendment (AM5) at the Rosebud Coal Mine. Approval of the AM5 application to the Area B operating permit would result in an expansion of the Rosebud Mine operation west of Colstrip, Montana. The current Area B permit area is owned or controlled by Western Energy and encompasses approximately 6,063 acres. AM5 would add coal reserves to the existing Rosebud Mine and extend the mine life until 2047. DEQ deemed Western Energy’s AM5 application administratively complete on May 24, 2017 and is now preparing an environmental impact statement (EIS). The EIS is being prepared to meet the requirements of the Montana Environmental Policy Act (MEPA) and will analyze the potential impacts of the proposed project.

Under MEPA, the first phase in preparing an EIS is to conduct “scoping.” The purpose of scoping is to identify the environmental issues associated with the proposed project. An interdisciplinary team of technical experts is currently working to determine the scope of the analysis to be contained in the EIS. DEQ is asking the public for comments to help identify issues that would likely involve significant impacts and possible alternatives to be considered in the EIS. Public comments are being accepted by DEQ through April 30, 2018.

DEQ is hosting an open house and public scoping meeting to provide the public with information on the proposed project and an opportunity to submit written and oral comments directly to DEQ personnel. The scoping meeting will take place on Wednesday, April 11 from 4 pm to 7 pm at the Colstrip City Hall, 12 Cherry Street, in Colstrip. The open house portion of the meeting will be from 4 pm to 5:30 pm. A brief presentation from DEQ regarding the EIS and permitting process will begin at 5:30 pm, followed by the opportunity for the public to provide oral and/or written testimony.

We encourage you to attend the public scoping meeting to share your scoping comments with DEQ.

Sincerely,

Jen Lane, MEPA Coordinator
Montana Department of Environmental Quality
Project Location

The proposed AM5 area is in Rosebud County, beginning approximately 1 mile southwest of Colstrip, and lies generally north of the Little Wolf Mountains. AM5 would add 9,108 acres to the current Area B permit area at the Rosebud Mine. The proposed AM5 area (surface and subsurface) is owned by state, federal, and private entities, although no federal subsurface areas would be mined.

Current land uses include livestock grazing, pastureland, agricultural cropland, wildlife habitat, and industrial/commercial. The primary pre-mine surface land use within the proposed AM5 area is livestock grazing. The proposed AM5 area would be adjacent to the southern boundary of the existing Area B permit area, primarily in the Lee Coulee and Richard Coulee drainages. The eastern part of the proposed AM5 area includes part of the Big Sky Mine permit area (C1988004B), which was previously mined and reclaimed. A large portion of the proposed AM5 area burned in 2012.

Project Description

AM5 would increase the existing 6,063-acre Area B permit area by 9,108 acres, bringing the new permit area to 15,171 acres. Western Energy uses an area surface mining method at the Rosebud Mine to extract coal. In advance of each mining pass, soil (topsoil, subsoil, and tree soil) would be removed from the area, hauled to regraded areas for immediate use in reclamation, or stockpiled for later reclamation. Next, the overburden (sedimentary rock material covering the coal seams) would be drilled and blasted. After leveling the blasted material with a dozer to create a stable work surface, a dragline would then be used to strip the overburden from the mine pass. Overburden would be cast into the mined-out pit created by the preceding pass.

After the dragline exposes the coal seam in each pass, the coal would be drilled and blasted. A loading shovel, front-end loader, or backhoe would load blasted coal into coal haulers. The coal would be transported from Area B via new and existing portions of the Area B haul road to Area C and Area A for crushing. After being processed in the Area C crusher, crushed coal would be sent to the Colstrip Power Plant via an existing 4.2-mile conveyor. If processed in the Area A crusher, which is adjacent to the Colstrip Power Plant, coal would be sent on a different existing conveyer that is much shorter in length. Coal with higher sulfur content (an estimated 105,000 tons/year) would be trucked to the Rosebud Power Plant from both crusher sites. Western Energy does not propose to ship any coal from Area B by rail.

If approved, AM5 would extend the mine life of Area B until 2047. Reclamation would be concurrent to and following mining and would facilitate the following post-mine land uses: livestock grazing, pastureland, agricultural cropland, wildlife habitat, and industrial/commercial.

Additional information regarding the proposed Rosebud Mine Area B AM5 expansion, including Western Energy’s application, can be found on or requested through DEQ’s Coal Program website.

http://deq.mt.gov/Public/ea/coal

Project Timeline

- **Public Scoping**
  - March and April 2018

- **Alternatives Development**
  - Spring and Summer 2018

- **EIS released for public comment**
  - Fall 2018

- **Final EIS Completed/Record of Decision**
  - Spring 2019
Public Scoping Meeting Schedule

DEQ has scheduled an open house and public scoping meeting.

**Wednesday, April 11**
4:00 pm – 5:30 pm Open House
5:30 pm – 7:00 pm Public Comment

**Colstrip City Hall**
12 Cherry Street
Colstrip, MT 59323

Additional Information

Additional information regarding the proposed Rosebud Mine Area B AM5 expansion, including Western Energy’s application, can be found on or requested through DEQ’s Coal Program website:


How to Provide Scoping Comments

DEQ needs your input to identify issues or concerns that should be analyzed in the EIS for the proposed Area B AM5 expansion of the Rosebud Mine. You can provide comments in three ways:

1. Attend the open house and public meeting on April 11th and provide written and/or oral comments to DEQ staff there.

2. Send written comments to:
   **Montana Department of Environmental Quality**
   **Attn:** Jen Lane, MEPA Coordinator
   PO Box 200901
   Helena, MT 59620-0901

3. Submit comments electronically to:
   Email: western-energy-area-b-eis@eroresources.com

Please include your address, phone number, e-mail address, and other personal identifying information in your comment. You should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time.

**Please submit all comments by April 30, 2018.**

DEQ will make reasonable accommodations for persons with disabilities wishing to participate in the public scoping meeting. For questions regarding the public scoping meeting, please contact Jen Lane at (406) 444-4956 or jlane2@mt.gov.