



Consultants in Natural Resources and the Environment

Public Scoping Report

Western Energy Company Rosebud Mine Area B (AM5) EIS

Colstrip, Montana

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Public Scoping Report

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Introduction

The Montana Department of Environmental Quality (DEQ) is preparing an environmental impact statement (EIS) to disclose the potential environmental impacts of the proposed Amendment (AM5) to the Area B operating permit (C1984003B) at the Rosebud Mine in Colstrip, Montana. The EIS is being prepared to meet the requirements of the Montana Environmental Policy Act (MEPA) and will help DEQ managers determine whether Western Energy Company's (Western Energy) amendment application should be approved. This EIS also will help DEQ managers make a more fully informed decision regarding Western Energy's application for a new Montana Pollutant Discharge Elimination System permit for amendment area outfalls. Under MEPA, the first phase in preparing an EIS is to conduct "scoping." DEQ asked for comments from federal, tribal, state and local governments and interested persons and groups to help identify issues likely to involve significant impacts and possible alternatives to be considered in the EIS.

During the formal public scoping phase of the project, DEQ sought input from the public and interested organizations and agencies. This report documents the results from the formal public scoping process, conducted between March 31 and April 30, 2018. The main sections of this report are:

- Public scoping activities
- Scoping results

Proposed Project

The proposed AM5 project area is in Rosebud County, beginning approximately 1 mile southwest of Colstrip, and lies generally north of the Little Wolf Mountains. Western Energy, a subsidiary of Westmoreland Coal Company (Westmoreland), operates the Rosebud Mine, a surface coal mine. The proposed AM5 project area (surface and subsurface) is owned by state, federal, and private entities.

Approval of the Area B AM5 permit application would result in an expansion of the Rosebud Mine operation southwest of Colstrip and extend the mine life until 2047. The current Area B permit area encompasses approximately 6,063 acres and is located in Township 1 North, Ranges

40 and 41 East. AM5 would expand the permit area, adding 9,108 acres in Township 1 North, Range 40 East and modify the existing mine plan.

Public Scoping Activities

Public scoping provides an opportunity for public and agency involvement during the early planning stages of the analysis. The intent of the scoping process is to gather comments, concerns, and ideas from those who have an interest in or that may be affected by the proposed action. Several methods were used to inform the public and solicit comments. These methods included a press release, legal notice, distribution of a scoping newsletter, and a public open house. Each of these public involvement activities is described below.

Press Release

On March 30, 2018, DEQ sent a news release announcing the scoping period and public open house to 9 media outlets and the Montana Governor's Office via email (Table 1).

Table 1. Media Recipients of DEQ's Press Release.

<i>Associated Press</i>	<i>Montana Living</i>
<i>Billings Gazette</i>	Montana Public Radio
<i>Bozeman Daily Chronicle</i>	Newslinks
<i>Independent Press</i>	Ravalli Republic
KXHL	

Legal Notices

Legal notices were published in the *Forsyth Independent Press* and *The Billings Gazette* announcing the scoping period and public open house (Appendix A). Legal notices were published in *The Billings Gazette* on March 31 and April 7, 2018, and in the *Forsyth Independent Press* on April 5 and April 12, 2018.

Scoping Newsletter and Letters

DEQ sent a newsletter announcing the scoping period and open house. The newsletter was sent to a mailing list consisting of the following:

- Elected officials and local governments
- State and federal agencies
- Adjacent and nearby landowners
- Individuals that had expressed previous interest in the Rosebud Mine

The newsletter was distributed to about 600 people via U.S. mail on March 30, 2018. It briefly described the proposed expansion of the Rosebud Mine, identified the project location and description, provided the environmental review timeline, provided information for the public open house planned for April 11, 2018, and provided information on how to submit comments on the proposed AM5 expansion. On April 9, 2018, a postcard was sent to the mailing list

notifying recipients of a correction to the public comment deadline, which was stated in the newsletter as April 27, 2018. The postcard provided the corrected public comment deadline of April 30, 2018. See Appendix A for a copy of the newsletter.

In addition, a tribal scoping letter was distributed to 17 tribal representatives via U.S. mail on April 20, 2018. Similar to the newsletter, the letter invited the recipients to comment on the proposed project and included a brief description of the expansion including the location and anticipated environmental review timeline. See Appendix A for a copy of the tribal scoping letter.

Public Scoping Open House and Meeting

DEQ held a scoping open house and meeting at the Colstrip City Hall on Wednesday, April 11, 2018, from 4:00 to 7:00 pm. Thirty-seven people attended the event. A list of attendees is in Appendix B.

Twice during the open house, DEQ's MEPA coordinator gave a brief introduction of DEQ resource specialists in attendance and the EIS/permitting processes, followed by a brief description of the proposed project. Members of the public were allowed five minutes each to provide public oral testimony. Nine attendees provided public oral testimony. Resource-specific exhibits were on display around the room (Appendix C) during the open house, and attendees were invited to visit each exhibit, gather information, write comments, and ask questions of resource specialists. The resource specialists included staff from DEQ and ERO Resources Corporation, the third-party consultant assisting DEQ with preparation of the EIS.

Scoping Results

Methods for Comment Collection and Analysis

The objective of the scoping process was to gather comments, questions, and concerns from the public regarding the proposed AM5 expansion. DEQ collected comments in the form of written submissions sent via U.S. mail and email, oral testimony, and comment forms distributed at the public scoping open house.

Scoping Results

During the course of the public scoping process, DEQ received 43 comment submissions. These were from organizations (SouthEastern Montana Development Corporation, Northern Plains Resource Council, and Sierra Club, which acted on behalf of the Montana Environmental Information Center); two businesses (Talen Montana, LLC and Green Land & Livestock); and 38 individuals (two submissions listed two signatories).

Of the 43 comment submissions received, 12 (approximately 28 percent) were based on the same form letter. Of these 12 submissions, 6 had additional and/or unique content. The other

31 submissions (approximately 72 percent of the total received) were unique letters. A list of all those who submitted comments can be found in Appendix D.

Based on an initial review of all the submissions, content analysis codes were developed and used to code and group comments by topic area. A summary of the comments is included in the next section. The content analysis codes, along with coded submissions, are included in Appendix D. All comment submissions can be found in the Project Record.

Summary of Scoping Comments

Public scoping comments are summarized below and grouped into categories to assist review. Following each summary statement is a corresponding content analysis code and descriptor (e.g., “1000, MEPA Process”) and the number of submittals that included a comment similar to the statement.

Air Quality

- Evaluate and disclose impacts on air quality (3200, Air Quality): 9
- Evaluate and disclose the potential for and impacts of emissions as a result of mining, transport, and combustion of coal (3200, Air Quality): 5
- The EIS should take into consideration air quality analyses in previous EISs (3200, Air Quality): 1

Analyze Power Plant as Connected Action

- Consumption of the coal mined at the Area B AM5 should not be included in the EIS (1001, Connected Actions Under MEPA): 1
- Consider the impacts of combustion of coal from the Colstrip Station and Rosebud Power Plant as connected actions (1001, Connected Actions Under MEPA): 3

Bonding and Financial Assistance

- Westmoreland is on the verge of bankruptcy and does not have the financial stability to pay for reclamation for the proposed project (1200, Westmoreland Financial Stability): 14
- Conduct a thorough review of Westmoreland’s financial standing and their ability to pay for expansion, development, closure, and reclamation (1200, Westmoreland Financial Stability): 3
- Question whether Westmoreland requested to self-bond this expansion (1201, Adequacy of Area B Bond): 1
- Consider Westmoreland’s failure to reclaim existing areas of the mine (1202, Status/Quality of Bond Release or Reclamation in Other Areas): 15
- Westmoreland has made no progress toward permanent reclamation in other areas of the mine (1202, Status/Quality of Bond Release or Reclamation in Other Areas): 7
- The Rosebud Mine does a great job mining and reclaiming the land to the strict standards of both the state and federal agencies (1202, Status/Quality of Bond Release or Reclamation in Other Areas): 6

- Question regarding the percentage of the Rosebud Mine that has been reclaimed and how expansion will ensure reclamation of new and old areas (1202, Status/Quality of Bond Release or Reclamation in Other Areas): 2

Cumulative Impacts

- Analyze all relevant and connected past, present, and reasonably foreseeable future actions related to mining and combustion of coal in the project area (4800, Cumulative Effects): 4

Demand for Coal

- Demand for coal is declining (1103, Demand for Coal): 5
- Demand for coal is still high as it is a dependable form of energy (1103, Demand for Coal): 2

Fish and Wildlife Resources

- Consider and minimize impacts and disturbance to wildlife in the project area (3800, Fish and Wildlife Resources): 1

Geology and Soils

- Question regarding the potential for full reclamation based on the geology and soil at the site (3300, Geology and Soils): 1

Issues and Development of Alternatives

- Encourage or consider clean energy, noncarbon, natural gas alternatives (2001, Clean Energy/ Natural Gas): 4
- Consider other industrial and commercial uses for land (2100, Clean Energy/ Natural Gas): 1
- A portion of the budget for Area B should be used for reclamation instead of bonding (2100, Clean Energy/ Natural Gas): 1

Issues Outside the Scope of the EIS

- Consider greenhouse gas emissions and impacts on climate change (6300, Issues Outside the Scope of EIS): 19
- Comments referencing federal regulations or federal requirements under the National Environmental Policy Act (6300, Issues Outside the Scope of EIS): 14
- Comments regarding coal ash at the power plant (6300, Issues Outside Scope of EIS): 3
- Other topics not easily categorized (6300, Issues Outside Scope of EIS): 10

MT Constitutional Right

- Montanans have the constitutional right to have a clean and healthful environment (1102, MT Constitutional Right): 2

Noise

- Consider the noise impacts of the proposed project (4600, Noise): 1

Other Resources

- Consider the toxic effects of mining (3000, Other Resources): 3
- Consider the ongoing energy transition (3000, Other Resources): 7
- Conduct a thorough and complete analysis of the issues and effects (3000, Other Resources): 5

- Consider the market and environmental impacts (3000, Other Resources): 4

Position Statements

- Comment in support for the proposed project (2002, Comment in Support): 15
- Comment against the proposed project (2003, Comment Against): 25

Socioeconomic Conditions

- Consider the beneficial socioeconomic conditions if the proposed project was approved (increased employment and tax revenues) (4100, Socioeconomic Conditions): 14
- Consider community transition funding in the EIS (4100, Socioeconomic Conditions): 7

Water Quality

- Consider and disclose the surface water quality and quantity impacts (3400, Water Quality – Surface Water): 18
- Consider the surface water quality impacts as a result of mining, transportation, and coal combustion (3200, Water Quality – Surface Water): 2
- Question regarding surface water quality impacts as a result of the proposed project (3200, Water Quality – Surface Water): 2
- Consider the ground water quality impacts and potential mitigation measures (3300, Water Quality – Ground Water): 3

Vegetation

- Consider the impacts, mitigation, and reclamation of native vegetation (3700, Vegetation): 1
- Consider existing vegetative survey maps as well as information or data about threatened and endangered species, and species of special concern (3700, Vegetation): 2
- Consider measures to prevent and limit the spread of noxious weeds during construction and operation of the proposed project (3700, Vegetation): 1

Next Steps

Information collected during the scoping process will assist DEQ in the development of alternatives and impact analysis for the Draft EIS (DEIS). See Table 2 for the tentative EIS schedule. DEQ will develop alternatives or modifications in the DEIS that would appreciably accomplish the same objectives or results as Western Energy's proposal and reduce or eliminate impacts.

There will be a review period after the DEIS is released during which the public can submit comments on the DEIS. Open houses may also be planned for the DEIS comment period to provide members of the public the opportunity to ask DEQ resource specialists questions about the DEIS and to allow the public to directly submit their written and oral comments to DEQ representatives.

Table 2. Tentative EIS Schedule.

EIS Stage	Timeframe	Public Information or Involvement
1. Initiate EIS Process	Completed	Newsletter
2. Hold Agency and Public Scoping Meetings	Completed	Agency and public scoping open house – April 11, 2018
3. Identify Alternatives to be Studied	Spring-early summer 2018	
4. Release Draft EIS	Winter 2019	Public open houses – Winter 2019
5. Release Final EIS and Issue Written Findings	Spring 2019	

Note: EIS schedule is tentative and subject to change. This is the anticipated schedule as of May 2018.