

Minutes of the
Board of Minerals and Environment
Telephone Conference Call Meeting

DENR Lower Level Conference Room
523 East Capitol Avenue
Pierre, South Dakota

November 19, 2015
10:00 a.m. CST

CALL TO ORDER AND ROLL CALL: The meeting was called to order by Chairman Rex Hagg. The roll was called and a quorum was present.

BOARD MEMBERS PARTICIPATING: Rex Hagg, Glenn Blumhardt, Linda Hilde, Doyle Karpen, Bob Morris, Pete Bullene, Dennis Landguth, Gregg Greenfield, and Daryl Englund.

BOARD MEMBER ABSENT: None.

OTHERS PRESENT: Mike Cepak, Eric Holm, Bret Graves, and Patty McQuay, DENR Minerals and Mining Program; Brian Gustafson and Kyrik Rombough, DENR Air Quality Program.

APPROVAL OF MINUTES FROM OCTOBER 15, 2015, MEETING: Chairman Hagg noted that on page 10 of the minutes from the October meeting, Mark Tieszen's name should be deleted because Mr. Tieszen did not provide testimony.

Motion by Blumhardt, seconded by Hilde, to approve the minutes of the October 15, 2015, Board of Minerals and Environment meeting, as amended. A roll call vote was taken, and the motion carried with Blumhardt, Bullene, Englund, Greenfield, Hilde, Karpen, Landguth, and Hagg voting aye.

Morris abstained from voting on the portion of the minutes regarding LAC Minerals (USA) LLC'S petition because he did not participate in that hearing.

MINING ISSUES:

Consent Calendar: Prior to the meeting, the board received a table listing the department recommendations for transfers of liability, exchange of surety, release of surety, and releases of liability (see attachment).

Motion by Karpen, seconded by Landguth, to accept the department recommendations for releases of liability and transfers of liability as shown on the consent calendar. A roll call vote was taken, and the motion carried unanimously.

CLEAN POWER PLAN: Brian Gustafson reported on EPA's Clean Power Plan and the actions the state has taken in response to the EPA's final rule published in the federal register on October 23, 2015. The Clean Power Plan was implemented by EPA to control greenhouse gases (in this case carbon dioxide) from electric generating units. The rule directly impacts Big Stone I, a

coal-fired power plant near Big Stone City, and Deer Creek Station, a natural gas-fired combustion turbine near Volga, and it indirectly impacts everyone the way the rule is setup.

Attorney General Marty Jackley joined a lawsuit with 23 other states against EPA's Clean Power Plan and the state is awaiting the outcome of that lawsuit. In the meantime, DENR is moving forward with developing a 111(d) plan to comply with the Clean Power Plan.

DENR is setting up a website to provide information about the Clean Power Plan, announce stakeholder meetings, and other related activities, and to allow stakeholders to provide input on how DENR should develop its 111(d) plan. If the lawsuit is unsuccessful, DENR will request a two-year extension in September 2016 and submit its 111(d) plan in September 2018.

Mr. Gustafson answered questions from the board.

NEXT MEETING: The next board meeting is January 21, 2016, in the Matthew Training Center in Pierre.

ADJOURNMENT: Motion by Morris, seconded by Englund, that the meeting be adjourned. A roll call vote was taken, and the motion carried.

The meeting was digitally recorded and a copy of the recording may be obtained by contacting the Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501; telephone number 605-773-3886. The recording is also available on the DENR website at <http://denr.sd.gov/boards/schedule.aspx>.

Approved this 21st day of January 2016.

Linda Hilde 1/24/2016
Secretary Date

Dunbar 1/24/2016
Witness Date

***South Dakota Board of Minerals & Environment
Consent Calendar***

						<i>November 19, 2015</i>
<u>License/Permit Holder</u>	<u>License/ Permit</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety No.</u>	<u>Surety Company/Bank</u>	<u>DENR Recommendation</u>
<u>Releases of Liability:</u>						
Bowes Construction, Inc. Brookings, SD	83-164	164019	\$20,000	HGMW-10- 206-0065	Hudson Insurance Company	Release liability.
			SW1/4 SW1/4 Section 26; T126N-R53W, Marshall County			
Stromseth Construction Watertown, SD	90-414	414004	\$20,000	5769123	Ohio Farmers Insurance Company	Release liability.
			E1/2 NE1/4 & NE1/4 SE1/4 Section 25; T117N-R52W, Codington County			
<u>Transfers of Liability:</u>						
Glen Haines dba Haines Trucking LLC Faith, SD	91-422	422004	\$1,000 \$1,000	8506 39663	Farmers State Bank, Faith Farmers State Bank, Faith	Transfer liability.
			SE1/4 Section 30; T9N-R24E, Ziebach County			
Transfer to:						
Ziebach County Highway Department Dupree, SD	83-246		EXEMPT	NA	NA	

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<u>Transfers of Liability:</u>						
Steven T. Horning Watertown, SD	98-672		\$5,000 \$6,000	13332 14772	ReliaBank, Watertown ReliaBank, Watertown	Transfer liability.
		672001	SW1/4 Section 23; T99N-R53W, Turner County			
Transfer to:						
Allen S. Abbas dba A & M Trucking Chancellor, SD	02-743		\$500 \$3,000 \$1,500 \$1,500 \$1,000 \$1,000 \$1,500	56308 81888 6424194 6433105 6444053 6455200 234349	First National Bank, Pierre First National Bank, Pierre Home Federal Bank, Lennox Home Federal Bank, Lennox Home Federal Bank, Lennox Home Federal Bank, Lennox ReliaBank Dakota, Tea	
Midland Contracting, Inc. Huron, SD	03-768		\$20,000	929292924	Western Surety	Transfer liability.
		768004	NE1/4 Section 18; T109N-R62W, Beadle County			
Transfer to:						
Darwin Ochsner Alpena, SD	15-992		\$1,000	214050	First National Bank, Huron	

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<u>Transfers of Liability:</u>						
DOT – Mitchell Region Mitchell, SD	83-10		EXEMPT	NA	NA	Transfer liability.
		10299	W1/2 Section 1; T96N-R68W, Charles Mix County			
Transfer to:						
Walter Soulek Lake Andes, SD	05-810		\$2,000	101274	First National Bank, Pierre	