

The proposed rule is characterized as “atomic” for small businesses, with OSM Director Pizarchik’s intent being described as wanting to make the company decide whether they are “willing to risk their ability to ever mine coal again, against the possibility that they won’t be able to restore the stream.”

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Contr. 3	One thing we seem to be silent on when you talk about additional financial assurances is alternative bonding approaches. Are you thinking of changing that at all?
OSM 1	Not in the broad sense. But definitely when it comes to the bonding for restoration of form and function of the stream. We’re talking full cost bonding for that. And, that would not be covered by alternative bonding systems because, as the Director has said, they are not designed to handle that sort of shock to the system. If we had a number of streams that were not restored and a number of bond forfeitures, for example, that the alternative bonding system would cover. And, we also think that the decision of whether or not to impact a stream should be a financial decision of the permittee. That they have their resources at risk. That they are actually evaluating their (intelligible)... if they impact a stream as (unintelligible). .. the bonding risk of not being able to restore the stream.
Contractor	Will that be like a supplemental assurance bond concept?
OSM 1	It could be. Now we did get some comments in the stakeholder outreach that that should be allowed to be rolled into the regular permit bond. That it might not have to be a separate instrument. But, it definitely have to be a separate calculation to ensure that there is a full-cost bond for that stream restoration.
Contractor	I guess one question goes to the forfeiture aspect, the worst case. I mean, if you did everything you would under the permit, but the stream just doesn’t come back.
OSM 1	Yeah.
Contractor	You know, I’m sure that’s subject to forfeiture? Because, as you know, that’s the atomic bond.
OSM 1	I know. And, I think that is the Director’s intent, frankly. As we’ve talked about this, it’s the idea that a company has to make the decision. Are they willing to risk their ability to ever mine coal again against the possibility that they won’t be able to restore the stream? (unintelligible – various)

[REDACTED]

>> One thing that you seem to be silent on when you talk about [REDACTED] Are you thinking of changing that at all?

>> Not in the broad sense, but definitely [REDACTED]

[REDACTED]

>> Would that be like a [REDACTED]

>> It could be. Now we did get some comments in the stakeholder outreach that that should be [REDACTED]

[REDACTED]

>> I know. And I think that is the director's opinion. As we've called talked [REDACTED]

[REDACTED]

about this, it's the idea that [REDACTED]

[REDACTED]