



Commonwealth of Kentucky Energy and Environment Cabinet

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FOR IMMEDIATE RELEASE

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Energy and Environment Cabinet files emergency regulations to address surface mine bonding inadequacies *Bond amounts not changed in 20 years*

(FRANKFORT, Ky.) – May 4, 2012 – The amount of bonds surface coal mining operations must post to cover the cost of reclamation will be increasing under an emergency regulation filed today by the Kentucky Energy and Environment Cabinet (EEC). The reclamation bond must be filed before a mining permit is issued.

The administration is taking this proactive step in order to avoid the possible loss of federal funds distributed by the federal Office of Surface Mining Reclamation and Enforcement (OSMRE) to the Department for Natural Resources as part of a matching grant, the ability to set bonding amounts for Kentucky mining operations, and loss of funding for Kentucky's Abandoned Mine Lands program.

The EEC, which enforces surface mining laws and regulations, has been working for nearly two years with representatives of the coal industry, the environmental community and the OSMRE to come up with a plan to address the inadequacy issue. This current plan is the result of several proposal submissions and discussions with OSMRE.

“Governor Beshear and I discussed this issue and we both agreed that, in order to move this process along, we must file this emergency regulation,” said EEC Secretary Len Peters. “This emergency regulation is a first step in providing adequate bonding that will more closely mirror the actual cost of reclamation should the EEC be required to perform the reclamation activities.”

The emergency regulation, filed with the Legislative Research Commission (LRC), will be in effect immediately while the ordinary regulation goes through the normal review process that will include public hearings and legislative subcommittee review.

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