To: Devine, Lee A CIV USARMY CELRL (US)[Lee.Anne.Devine@usace.army.mil]
Cc: Swenson, Peter[swenson.peter@epa.gov]
From: Melgin, Wendy
Sent: Mon 5/1/2017 2:54:14 PM
Subject: RE: Seven Hills

Thanks Lee Anne. We will be coordinating with George on our HGM comments, we also have concerns with parts of their evaluation.

-----Original Message-----
From: Devine, Lee A CIV USARMY CELRL (US) [mailto:Lee.Anne.Devine@usace.army.mil]
Sent: Monday, May 01, 2017 9:31 AM
To: Melgin, Wendy <melgin.wendy@epa.gov>
Cc: Swenson, Peter <swenson.peter@epa.gov>
Subject: FW: Seven Hills

Wendy
This is a list of things that we sent to Peabody about 1.5 weeks ago regarding things that we believe they still need to address.
Lee Anne

-----Original Message-----
From: Devine, Lee A CIV USARMY CELRL (US)
Sent: Thursday, April 20, 2017 11:43 AM
To: 'West, Bryce' <BWest@peabodyenergy.com>
Cc: Beck, Christopher G COL USARMY CELRL (US) <Christopher.G.Beck@usace.army.mil>; Ricketts, Michael S CIV USARMY CELRL (US) <Michael.S.Ricketts@usace.army.mil>; DeLancey, George J CIV CELRL CELRD (US) <George.J.Delancey@usace.army.mil>
Subject: Seven Hills

Bryce

The list of items that need to be fully addressed that are of concern to us at this point is included in this email below. Regardless of this list, I feel that I must point out to you, my very basic concern relating to this project and compliance with the Section 404(b)(1)Guidelines. I encourage you to review 40 CFR Part 230 and in particular Subpart B 230.10 (c).

Nevertheless here is the list but in no particular order:

Provide further information and analysis to address concerns related to the extent of the proposed biological/chemical, hydrological, and habitat impacts, both direct and indirect, both on and offsite, as well as upstream and downstream, as they relate to the proposed project. Provide information regarding the biological components of the proposed impact site including surveys that outline what species (aquatic/avian/terrestrial) that are present on the site and how the site provides support (habitat(refuge-nursery)/food support). While special attention should focus on T&E species, it should in no way be exclusive to such.

Since we are not aware of any similar project undertaken by your company - Provide instances where your company has mined through resources of similar size and quality (watershed size/volume of resources). Provide background information on how those resources were impacted and what restoration efforts were completed, if any, and the current conditions of the site(s). Provide any information on how current mining technology may improve reclamation/restoration opportunities in a project similar to the current proposal (large contiguous wetland adjacent to larger tributaries with considerable unconsolidated geology).

Provide further information regarding concerns about cumulative impacts from past, present, and future

impacts to the Highland-Pigeon 8-digit watershed (05140202), and the 12-digit watershed, Clear Branch-Pigeon Creek (051402020203). Provide information on expected secondary/indirect impacts to the avoided wetlands/streams and aquatic resources located adjacent to the project both inside and outside the permit boundary including upstream and downstream. It is our assessment that the soils in the area are alluvial/unconsolidated type material and therefore would be potentially "drained" or negatively impacted by the mining process adjacent to them. Identify other similar large contiguous resources within these watersheds, and further identify those that may be economically viable for mining.

Provide information on the unique history of this site and corridor as it relates to mining and interactions with other agencies during previous mining efforts. This should include how the "No Mining Area's" to address the Copperbelly concerns came about between resource agencies and mining companies for the Pigeon Creek corridor. Also how and why conservation easements came about for the area east of Pigeon Creek.

Provide complete/dedicated information related to modeling and determinations as to how the proposed project (levees) would impact flooding and floodplain storage. Provide an analysis that leads to a determination that there would be a no rise or affect to flooding/floodplain storage. This applies to both upstream and downstream impacts.

Provide information on the levee design and construction techniques that would help determine that the structural integrity would be sufficient to provide flood protection for the onsite mining operations, including engineering reviews that address construction techniques and material analysis. Furthermore, provide design information regarding how the proposed "storage basins" would function during flooding events to compensate for the lost storage capacity including how the water would be detained and subsequently discharged back into Pigeon Creek following the flooding events.

Alternative Analysis - Provide further information to address concerns regarding an adequate Alternatives Analysis, and why other alternatives and in particular other locations are not viable options to the proposed project. Identify what those alternatives are that were considered and why they were not selected over the current proposal. What other reserves are present that could meet the applicants purpose and need while avoiding the Seven Hills resources. Provide a market analysis that would be relevant to further provide for making a more informed decision regarding this proposal.

Provide complete information in a revised application which specifically identifies where the higher quality wetlands are onsite and how they are being avoided. Furthermore, as you are aware, in accordance with the 404(b)(1)Guidelines it is presumed that there are practicable alternatives which do not involve a discharge into a special aquatic site for this non-water dependent activity. Therefore, this revised application must clearly demonstrate why there are not practicable alternatives.

At this point these items are considered necessary in any evaluation regarding this project. However, as complete analyses of this information is received, additional information could be identified. Thorough analysis and responses to the identified issues is required.

Finally, I wanted to let you know that we have briefly reviewed that HGM report for the impact site and do have some potential concerns. However, we are reaching out to ERDC for assistance. I did not want to leave that point unnoted in this email, as we are striving to be as transparent as possible in our review of this application.

Thanks
Lee Anne