

May 5, 2022

Mr. Zach Trujillo Environmental Protection Specialist Colorado Division of Reclamation, Mining & Safety Department of Natural Resources 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Colowyo Coal Company L.P.
Permit No. C-1981-019
2021 Annual Reclamation Report Review Response

Dear Mr. Trujillo,

Tri-State Generation and Transmission Association, Inc. (Tri-State), is the parent company to Axial Basin Coal Company, which is the general partner to Colowyo Coal Company L.P (Colowyo). The Colowyo Mine operates under the Colorado Division of Reclamation, Mining, and Safety Permit No. C-1981-019. Therefore, Tri-State on behalf of Colowyo is providing this response to the 2021 Annual Reclamation Report review.

Tri-State received the Division's 2021 Annual Reclamation Report review dated April 26, 2022 and provides the following responses to the Division's concerns:

1. The sum of the cumulative total for Acreage in Active Mining Areas, Acres Backfilled and Graded, and Totals for Acreage in Long-term Facilities does not match the Acres Disturbed. The sum of these acres must match the cumulative total for Acres Disturbed and currently there is a discrepancy of 97.4 acres. The four reported numbers need to be updated to accurately report and reflect the cumulative totals in the 2021 ARR Report Form. Please see Figure 1 at the end of this document for additional clarification.

Response: Given the different categories of acreages reported on the ARR form, the Division's request to ensure these acreages match the total disturbed acreages is not achievable. The categories on the form do not include all ground disturbances that occur at a mine site. For example, there are areas that are considered disturbance and are reflected in the total disturbance acres, but those acres not backfilled and graded, are not within the active mining areas, nor part of the long-term facilities. If the Division requires all the different categories of ground disturbances to match the total disturbed acres, then the ARR form needs to be revised to reflect each type of ground disturbance necessary to report the appropriate acreages.

2. Based on the Division's Findings Documents for all approved bond release applications (SL-1 through SL-20), the reported acreages in the 2021 ARR Report Form for Phase I, Phase II and Phase III Bond Releases appear incorrect. Please





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update the acreages for Bond Releases to report all acreages released for their associated phases for the entire Colowyo life of mine. Please see Table 1 at the end of this document for the Division's documented acreages for approved Phase I, Phase II and Phase III Bond Releases.

Response: The Phase I through III bond release acreages presented on the 2021 ARR Report form correctly reflect all bond release acreages within the Colowyo Mine permit boundary. The Division's acreages include areas that have been removed from the permit boundary and regulatory jurisdiction over those lands has been terminated. Tri-State is not required by Rule to report acreages that are outside the permit boundary.

If you should have any additional questions or concerns, please feel free to contact Tony Tennyson at (970) 326-3560 at your convenience.

Sincerely,

—Docusigned by: Cluris Gilbreath

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Chris Gilbreath Senior Manager Remediation and Reclamation

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Enclosure

cc: Tony Tennyson (via email)

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