



**Report on Abandoned Mine Land
Reclamation Economic Development Pilot
Program (AML Pilot Program)
for FY 2016 – FY 2017**

***Prepared by the Office of Surface Mining
Reclamation and Enforcement (OSMRE)***

I. Introduction and Background

The Abandoned Mine Land Reclamation Economic Development Pilot Program (AML Pilot) for FY 2016 was authorized by Congress under the Consolidated Appropriations Act, 2016 (Public Law 114-113) and enacted on December 18, 2015. Administered by the Office of Surface Mining Reclamation and Enforcement (OSMRE), the AML Pilot provided \$30 million of US Treasury Funds to each of the three Appalachian state AML Programs (Kentucky, Pennsylvania and West Virginia) which have the highest amount of unfunded coal-related problems that are classified as Priority 1 and Priority 2 abandoned mine lands sites and inventoried in the Enhanced Abandoned Mine Land Inventory System (e-AMLIS). The AML Pilot funds are to be used “for the reclamation of abandoned mine lands in conjunction with economic and community development and reuse goals”. This report describes implementation actions for the AML Pilot.

II. Implementation of the AML Pilot Program

OSMRE facilitated a meeting on February 24, 2016, in West Virginia with state AML Program staff from Kentucky, Pennsylvania and West Virginia to obtain input on the implementation on the AML Pilot Program. A second meeting was held on March 16, 2016, in Lexington, Kentucky to solicit input from additional stakeholders on the AML Pilot. OSMRE also participated in workshops with economic development organizations convened by the Appalachian Regional Commission (ARC) in the three states to provide information about the AML Pilot Program and to encourage state and local economic developers to identify opportunities to align and leverage their efforts with AML reclamation projects.

OSMRE released the *Final AML Pilot Guidance Document* to stakeholders on May 2, 2016. This guidance document was developed by OSMRE to assist the states in their selections of projects. The guidance document outlined general criteria by which potential projects should be evaluated for eligibility and successful selection, as well as suggested means by which projects could meet the economic and community development nexus criteria. The guidance document can be viewed at: www.osmre.gov/programs/AML/pilotProgramGuidance.pdf

Between June and September 2016, OSMRE awarded \$30 million in AML Pilot grants to each of the three eligible states. The three states utilized diverse approaches to solicit project applications for the AML Pilot funds. On August 4, 2016, OSMRE celebrated the first AML Pilot project to break ground with an event at the Ehrenfeld Economic Development Project in Pennsylvania, which involved the cleanup of a coal refuse waste pile.

III. Current Status of Projects by State:

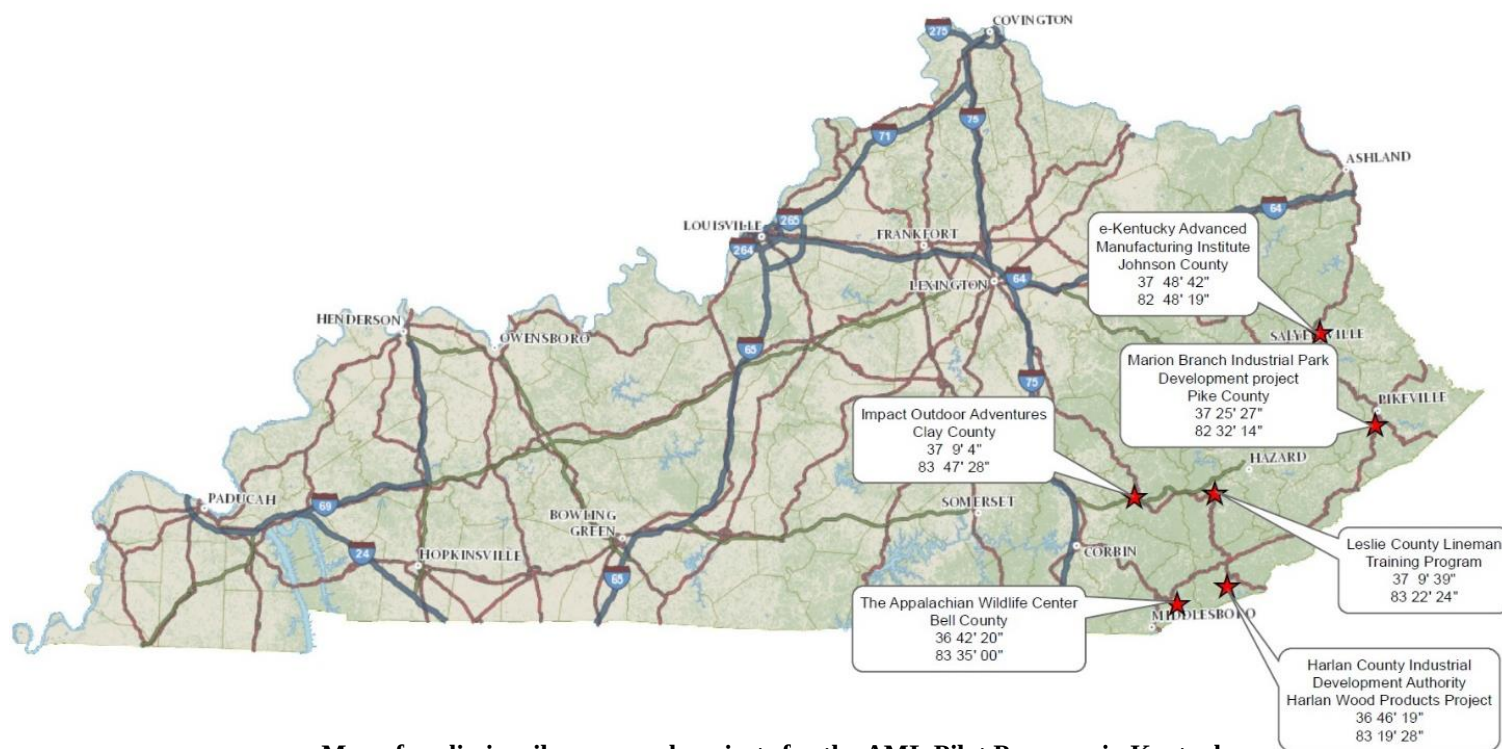
As of March 17, 2017, OSMRE has completed its review of 28 project applications submitted by the three state AML Programs and is currently reviewing two projects from Kentucky. Applications are reviewed on a rolling-basis to efficiently provide feedback to each state. OSMRE has confirmed that 26 of the 28 completely reviewed projects meet the eligibility criteria to receive AML Pilot funds and has granted preliminary approval. Outlined below are the 26 projects preliminarily approved for AML Pilot funds which include: 6 in Kentucky, 14 in Pennsylvania, and 6 in West Virginia. Based on the requested amounts for AML Pilot funding for these selected project proposals, all three state AML Programs are at or near their \$30 million threshold in AML Pilot grants.

At many of the proposed project sites that have received OSMRE's preliminary approval for AML Pilot funding, construction and other field-related activities have not yet commenced due to several factors, including applicants working with their state and local development authorities to secure other private and public funding; finalizing design and planning approvals/permits; resolving land acquisitions; and addressing access issues. In addition, applicants continue to work with the state AML programs to prepare and submit a scope of work to OSMRE that includes: site-specific details; project timelines; and completed environmental documents, such as those needed to support compliance with the National Environmental Policy Act (NEPA). Once this informational package is submitted to OSMRE, the Bureau will review and grant final approval based on the site-specific information and compliance with NEPA requirements followed by issuance of an authorization to proceed (ATP). The ATP allows each state AML program to award contracts and subcontracts for the expenditure of AML Pilot funds. To date, 13 of the 26 preliminarily approved AML Pilot projects have received OSMRE's ATP to begin construction and other field activities. Of these, seven projects have commenced work on-site.

Kentucky

Kentucky received project proposals for the AML Pilot Program from local and state government entities and submitted a total of 10 projects. Six have received preliminary approval by OSMRE and awarded a portion of the \$30 million. Two projects are currently under OSMRE review and the remaining two projects were not approved. Applicants were referred to other potential funding sources that better align with the projects' objectives.

Located across six counties in eastern Kentucky, the six approved AML Pilot projects include two outdoor recreation/conservation/education projects, two industrial improvement projects, and two professional development/training projects. Projects were selected for AML Pilot funding based on their potential to create long-term economic benefits in local coal communities. These projects will result in estimated outcomes that include: increased tourism attracting over 600,000 visitors to the region; workforce training for over 225 students annually; opportunities for educational outreach activities to over 100,000 participants; over \$139 million in generated revenue; the reclamation of 34 miles of public trails; 3,000 new jobs created; and broader impacts that will yield infrastructure development, stronger local businesses, and restoration of public lands. In addition, the pilot projects have the potential to leverage an additional \$3 for every \$1 of AML Pilot Program funding from public and private economic development funds. Additional information can be found through the Kentucky Energy and Environment Cabinet at the following link: www.eec.ky.gov



Map of preliminarily approved projects for the AML Pilot Program in Kentucky

Appalachian Wildlife Center

Status: Preliminary OSMRE approval

Location: Bell County

Requested AML Pilot Funding: \$17 million

Additional Funding: \$1.8 million awarded by ARC through the POWER 2016 Federal Funding Opportunity and \$8.2 million committed by other project partners

AML Site Info: Priority 3 unreclaimed and previously reclaimed

Project Partners: KY Department of Fish and Wildlife Resources, Bluegrass International Fund, Appalachian Regional Commission, Asher Land & Minerals Co., Monsanto, Jamieson Construction, and Cumberland Surety

The Appalachian Wildlife Center comprises 246 acres and is the most extensive project proposal in Kentucky approved for AML Pilot funding. Its centerpiece is the construction of a visitor center that features the largest elk restoration and viewing effort in the United States and is projected to bring \$124 million into the regional economy. The facility will include: a visitor center with a museum and theater, auto tour loop, trails over 19 square miles, and a wildlife and nature preserve on 12,000 acres of previously mined land. Scheduled to open in 2019, this project is expected to attract over 600,000 annual visitors, directly reach over 100,000 students in the region as part of its educational program, and spur future growth and diversification of the local economy. The Wildlife Center will directly employ 94 people at well-paying salaries and will result in the indirect creation of over 2,000 regional jobs.

East Kentucky Advanced Manufacturing Institute (eKAMI)

Status: Preliminary OSMRE approval

Location: Johnson County

Requested AML Pilot Funding: \$2.5 million

AML Site Info: Priority 3 adjacent AML lands

Project Partners: Kentucky Cabinet for Economic Development, Shaping Our Appalachian Region, One East Kentucky, Eastern Kentucky Concentrated Employment Program, Lockheed Martin, and Vincennes University

The East Kentucky Advanced Manufacturing Institute (eKAMI) is located adjacent to abandoned mine lands and will operate and maintain a training center that provides a computer numeric controlled (CNC) training program in advanced manufacturing. The center will train up to 100 students annually to industry-recognized skill certification. The immediate beneficiaries include: students (many former coal industry employees) and regional employers seeking qualified CNC machinists.

Harlan Wood Products Project

Status: Preliminary OSMRE approval

Location: Harlan County

Requested AML Pilot Funding: \$2.5 million

Additional Funding: \$10.5 million from Harlan Wood Products LLC

AML Site Info: Priority 3 previously reclaimed

Project Partners: Harlan Wood Products LLC

This project will construct the infrastructure, road access, and water storage facilities for the new Harlan Wood Products production center that will produce wood pellets to be sold as biomass fuel. Approximately 75,000 tons of wood pellets will be produced annually at this facility for export to international markets. The site is located on a reclaimed abandoned mine land site. This project will directly employ 30 to 35 people and result in approximately 60 new indirect jobs. The project proposal requests \$2.5 million from the AML Pilot and will leverage an additional \$10.5 million from Harlan Wood Products, LLC.

Impact Outdoor Adventure

Status: Preliminary OSMRE approval

Location: Clay County

Requested AML Pilot Funding: \$500,000

AML Site Info: Priority 3 unreclaimed and previously reclaimed

Project Partners: Operation UNITE, Clay County Industrial Board

Impact Outdoor Adventures, a non-profit organization, proposes to create an Outdoor Adventure Park for mountain bikes adjoining 15 miles of existing trails. This project will include an archery center and a horse barn and equine center on a 47 acre tract donated by the Clay County Industrial Board. The completed project will employ 4 to 5 people in permanent positions with the potential for more while increasing the number of annual visitors to the area.

Lineman Training

Status: Preliminary OSMRE approval

Location: Leslie County

Requested AML Pilot Funding: \$1.2 million

AML Site Info: Priority 3 adjacent AML lands

Project Partners: Hazard Community & Tech College and Big Sandy Community & Tech College

This project will establish an electrical lineman training program at the Kentucky Community and Technical College System (KCTCS). Workers would be trained for use of fiber optics and splicing of dark fiber. The field lab for the training program is located adjacent to AML sites and it will be utilized for practical training experience. The project is expected to train 125 people (primarily displaced former coal miners) and generate \$15 million in wages over five years.

Marion Branch Industrial Park Project

Status: Preliminary OSMRE approval

Location: Pike County

Requested AML Pilot Funding: \$5 million

Additional Funding: \$43.5 million from national and regional investors

AML Site Info: Priority 3 unreclaimed and previously reclaimed

Project Partners: KY Transportation Cabinet, US Army Corps of Engineers, US Department of Commerce Economic Development Administration, US Housing and Urban Development Community Development Block Grant, SF Loan (pending), ARC Grant (pending), USDA Rural Development Loan and Grant Program

This project invests in digital technology infrastructure development near existing AML projects to further develop the Marion Branch Industrial Park. Planned work includes a 50,000 sq. ft. industrial building, a broadband conduit, and foundation fill. Tens of millions of dollars have already been committed from other sources and are currently being utilized on the ground. The infrastructure provided by the project will attract small and large companies to the area, resulting in a stronger local economy and long term stability of the community. Project developers expect to attract over 1000 additional well-paying jobs to the area, and to stabilize the tax base of local communities.

South Fork Elk View Waterline and Campground Project

Status: Under review for preliminary OSMRE approval

Location: Breathitt County

Requested AML Pilot Funding: \$1.9 million

Project Partners: Kentucky River Area Development District, Breathitt County Water District

This project plans to construct a water supply line to the elk viewing area located on HWY 1098. Additionally, hydrants, storage tanks, a pump station and a campground with bathhouse and playground will also be constructed. It is estimated to initially create 10 – 15 jobs and increase economic development through adventure tourism.

Royalton Trail Town Development

Status: Under review for preliminary OSMRE approval

Location: Magoffin County

Requested AML Pilot Funding: \$1.9 million

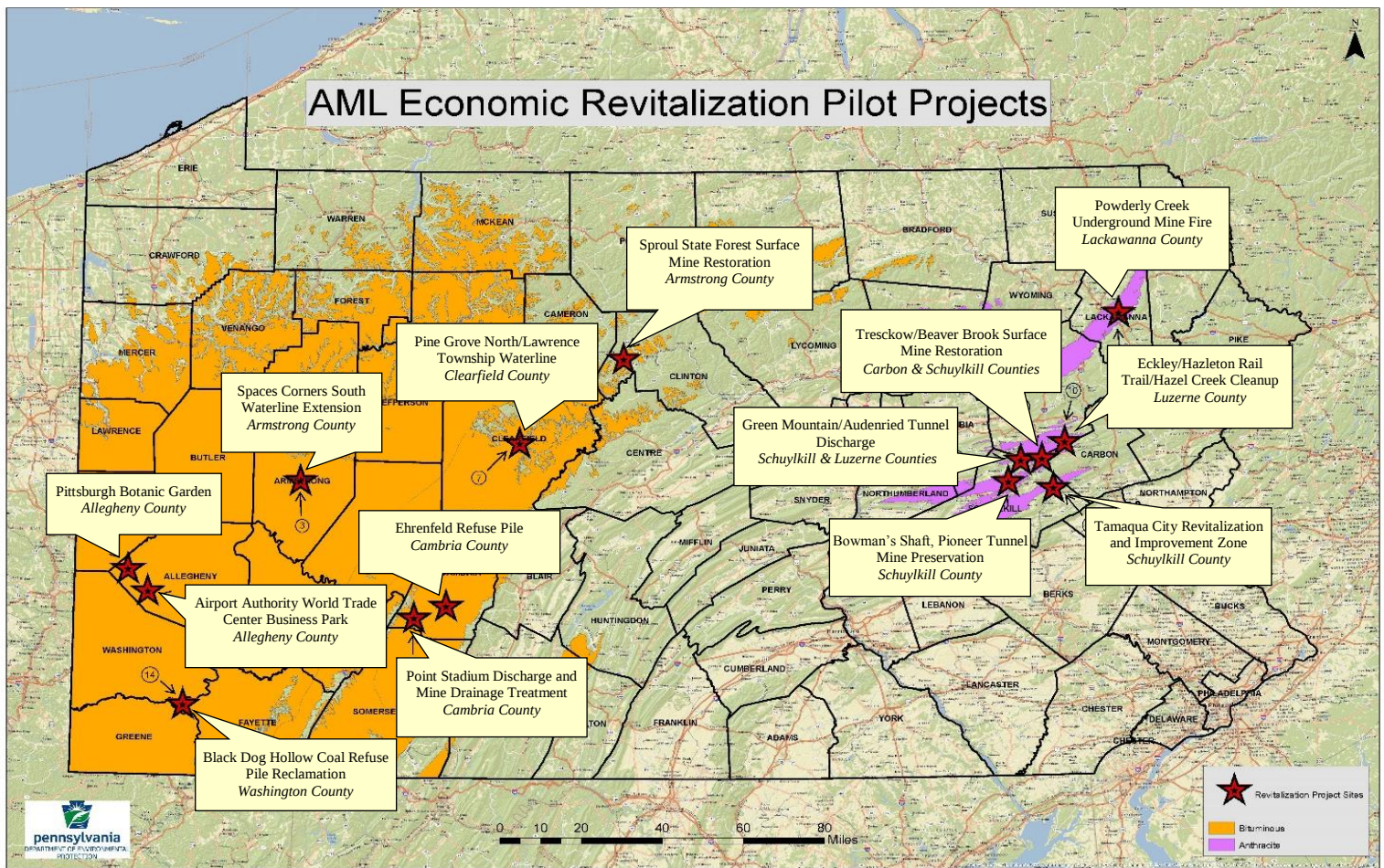
AML Site Info: Priority 3 unreclaimed

Project Partners: Royalton Trail Town Inc., Kentucky Office of Adventure Tourism, Kentucky Department of Travel, Kentucky Department of Parks

This project involves the construction of campgrounds, recreation areas, and support facilities in support of users of the Dawkins Line Rail Trail in order to encourage tourism. The project will support further business creation/development in the area directly impacted by trail users.

Pennsylvania

Fourteen projects have each been awarded a portion of \$30 million to reclaim abandoned mine lands (AML) across 10 counties in Pennsylvania. These projects were selected for funding based on their potential to create long-term economic benefits in the coal communities in which they are located. The selected projects include five surface mine reclamation projects, three acid mine treatment projects, two water supply replacement projects, remediation of two coal refuse piles and an underground mine fire. These projects will result in estimated outcomes that include: more than 600 residential homes and businesses benefiting from upgraded or new water supply systems; hundreds of acres of reforestation and restoration of public lands; significant stream water quality improvements and restored fisheries; and increased tourism through public trail development and mining heritage preservation. The 14 pilot projects have the potential to leverage an additional \$4 for every \$1 of AML Pilot Program funding from other abandoned mine land and abandoned mine drainage funds and/or public and private economic development funds. Additional information can be found through the Pennsylvania Department of Environmental Protection at the following link: www.dep.pa.gov



Map of preliminarily approved projects for the AML Pilot Program in Pennsylvania

Ehrenfeld Coal Refuse Pile Reclamation Project

Status: OSMRE final approval - ATP issued, Project commenced in July 2016

Location: Cambria County

Requested AML Pilot Funding: \$3.5 million

Additional Funding: \$22.5 million from traditional Title IV AML funds to address physical hazards and \$575,000 from other sources

AML Site Info: Priority 2 and Priority 3 unreclaimed

Project Partners: Forest Hills Regional Alliance, Rosebud Mining Company, Pristine Resources Inc., Cambria County Conservation District, Stoneycreek-Conemaugh River Improvement Project, Community Foundation for the Alleghenies, Office of Surface Mining, South Fork & Ehrenfeld Boroughs, Croyle Township, American Chestnut Foundation

The AML Pilot funding will be used to complete reclamation of the 3.2 million ton abandoned Ehrenfeld Coal Refuse Pile. The coal refuse material will be excavated, hauled away, blended with alkaline material, and disposed of. This will result in the elimination of severe on-site erosion, off-site sedimentation, and a source of acid mine drainage runoff. Approximately 62 acres of mine impacted land will be restored, providing developable land within the city limits of Ehrenfeld. Forty dislocated coal miners will be provided employment during project construction. Outdoor recreation is enhanced via convenient access to the Johnstown Flood Memorial Rails to Trails system.



Excavator working at the Ehrenfeld Abandoned Mine Reclamation Project
Photo Credit: U.S. Dept. of the Interior

Airport Authority World Trade Center Business Park

Status: OSMRE Final Approval - ATP issued, Project commenced in November 2016

Location: Allegheny County

Requested AML Pilot Funding: \$500,000

Additional Funding: \$517,000 from traditional Title IV AML funds to address physical hazards and \$31 million from other sources

AML Site Info: Priority 2 and Priority 3 unreclaimed

Project Partners: Pittsburgh International Airport, Allegheny County Airport Authority

This project will reclaim more than 54 acres of abandoned mine land, including two dangerous highwalls. Economic benefits include the creation of the Pittsburgh International Airport World Trade Center, office space, research and development facilities, a 400-room hotel/convention center, and up to six corporate airplane hangars. The project is projected to employ more than 1,200 construction workers, create 7,000 direct and indirect permanent positions, and generate \$250 million in private investment.

Black Dog Hollow/Fredericktown Coal Refuse Pile Reclamation Project

Status: OSMRE Final Approval - ATP issued

Location: Washington County

Requested AML Pilot Funding: \$2 million

Additional Funding: \$3 million from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 2 unreclaimed and previously reclaimed

Project Partners: East Bethlehem Township, Hobo Ventures Inc.

This project will complete reclamation of the abandoned Fredericktown Coal Refuse Pile which is located within 500 feet of 60 homes. The 45-acre coal refuse pile, which has steep, unstable slopes and severely eroded channels, will be regraded to create more stable slopes. It will also be compacted and capped with clean alkaline fill to allow for successful revegetation and recreational use as a public park. Portions of the site will be made available for future industrial development and plans are underway to establish a Recreational and Greenspace Public Park Development area to promote recreational use and tourism.

Bowman's Shaft, Pioneer Tunnel Mine Headframe & Hoist Preservation Project

Status: OSMRE Final Approval - ATP issued, Project commenced in December 2016

Location: Schuylkill County

Requested AML Pilot Funding: \$50,000

Additional Funding: \$119,000 from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 1, 2 and 3; unreclaimed and previously reclaimed

Project Partners: Ashland Community Enterprises, SDL Construction, Keystone Anthracite

This project will paint and erect a salvaged headframe and hoisting drum to exhibit at the Pioneer Tunnel Tourist Coal Mine and Museum in Ashland Borough, PA. The mining artifacts were recovered from the North Mahanoy Colliery, Park No. 1 Shaft in 2015. The exhibit will increase tourism and educate visitors about the heritage of anthracite mining. The museum will accommodate approximately 30,000 guests each season.

Eckley/Hazleton Rail Trail/Hazel Creek Cleanup

Status: OSMRE Final Approval - ATP issued, Project commenced in November 2016

Location: Luzerne County

Requested AML Pilot Funding: \$2 million

Additional Funding: \$800,000 from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 2 and Priority 3 unreclaimed

Project Partners: Greater Hazleton Partnership, Greater Hazleton Chamber, PA Dept. of Conservation and Natural Resources, PennDOT

This project will reclaim a 70-acre abandoned surface mine with 2,500 linear feet of dangerous highwall. Additionally, it will reconstruct wetlands and 3,200 feet of stream. The project will facilitate an extension of the Greater Hazleton Rails to Trails system to connect with the Eckley Miner's Village Historic Park, and improve 7 miles of streams in Hazel Creek and Black Creek making them available for fishing and other recreational uses. This will increase tourism to the area, which currently has over 35,000 annual visitors, and create opportunities for more visitor attractions for fishing, hiking, and sightseeing. Based on the 7 miles of improved stream, the yearly economic benefit is estimated at \$230,000.

Green Mountain Discharge/Audenreid Tunnel Discharge

Status: Preliminary OSMRE approval

Location: Schuylkill & Luzerne Counties

Requested AML Pilot Funding: \$2.5 million

Additional Funding: \$9.5 million from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 2 previously reclaimed

Project Partners: Community Area New Development Organization, Eastern Middle Anthracite Regional Recovery, Eastern Pennsylvania Coalition for Abandoned Mine Reclamation, Schuylkill County Conservation District, Catawissa Creek Restoration Association, Hazleton City Authority, Natural Land Trust, Butler Enterprises, Schuylkill/Columbia County Conservation Districts, Catawissa Creek Restoration Association, Hazleton Environmental, Schumacher Engineering

This project will treat the mine water discharge from the Green Mountain Tunnel and improve the treatment of water from the Audenreid Tunnel. This will result in the restoration of 24 miles of Catawissa Creek for recreation use, as well as deliver potable water to the Hazleton City Authority that will increase the available safe yield of the area's water supply. Additionally, geothermal energy will be recovered from the raw water for cooling and heating the water treatment buildings.

Pine Grove North/Lawrence Township Waterline Extension Project

Status: Preliminary OSMRE approval

Location: Clearfield County

Requested AML Pilot Funding: \$2 million

Additional Funding: \$800,000 from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 1 and Priority 2 unreclaimed

Project Partners: Lawrence Township & Clearfield Municipal Authority

This project will construct a 9-mile waterline extension to service 96 homes and businesses in Lawrence Township which currently have wells/water supplies that are impacted or degraded by former surface and underground coal mining operations. The waterline extension will provide potable water to a rural area and increase the potential for industrial development, new single family dwellings, and small businesses.

Pittsburgh Botanic Garden

Status: OSMRE Final Approval - ATP issued, Project commenced in February 2017

Location: Allegheny County

Requested AML Pilot Funding: \$500,000

Additional Funding: \$216,040 from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 2 and Priority 3 unreclaimed and previously reclaimed

Project Partners: Allegheny County, Pennsylvania Infrastructure Investment Authority, Office of Surface Mining, North Fayette Township, American Chestnut Foundation

This project will address a dangerous highwall, mine subsidence and acid mine drainage while expanding the Pittsburgh Botanic Garden. When completed, the Pittsburgh Botanic Garden will include 18 distinct gardens, a visitor's center, an amphitheater for outdoor concerts and performances, and serve as a center for botanic research. It is expected to attract millions of visitors annually, estimated to create 1,200 jobs and as much as \$88 million in revenue within 10 years of operation.

Point Stadium Discharge, Mine Drainage Treatment & Mine Pool Geothermal Project

Status: OSMRE Final Approval - ATP issued

Location: Cambria County

Requested AML Pilot Funding: \$2 million

Additional Funding: Undetermined financial support from project partners

AML Site Info: Priority 3 unreclaimed

Project Partners: Conemaugh Hospital, Foundation for PA Watersheds, Stoney Creek-Conemaugh River Improvement Project, Cambria County Conservation District, Pennsylvania Environmental Council, Lift Johnstown, Penelec Sustainable Energy Fund, eCap Network, City of Johnstown

This project will improve two miles of stream impacted by acid mine drainage and treat or eliminate discharge from Point Stadium in downtown Johnstown. This project will either provide treatment of the discharge or use the treated water and/or the mine pool as an industrial water supply or as a geothermal energy source. Public facilities in Johnstown could use the geothermal energy to effectively reduce their heating and cooling costs.

Powderly Creek NE Underground Mine Fire and Economic Development Project

Status: OSMRE Final Approval - ATP issued, Project commenced in August 2016

Location: Lackawanna County

Requested AML Pilot Funding: \$2 million

Additional Funding: \$8 million from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 1, 2 and 3 unreclaimed and previously reclaimed

Project Partners: Landowner, Carbondale City, Carbondale Enterprise Development Zone

This project will extinguish the Powderly Creek underground mine fire just outside Carbondale. Additional AML features adjacent to the mine fire area will be reclaimed in order to create conditions suitable for future commercial/industrial development. Air quality will improve with the extinguishment of the fire and a total of 108 acres of AML will be reclaimed. Once completed, over 100 acres of previously undevelopable land will be available for future use. The property is within two miles of two separate interchanges from Route 6 which is attractive for commercial or industrial facilities. There is also the potential for residential expansion to increase the tax base of Carbondale. The additional lands will allow for more athletic fields or parks to increase the quality of life in economically depressed communities.



Powderly Mine Underground Fire Site – Photo Credit: Pennsylvania Department of Environmental Protection

Spaces Corners South/Rayburn Township Waterline Extension Project

Status: OSMRE Final Approval - ATP issued, Project commenced in October 2016

Location: Armstrong County

Requested AML Pilot Funding: \$640,000

AML Site Info: Priority 2 unreclaimed

Project Partners: Rayburn Township Joint Municipal Authority, Pennsylvania Infrastructure Investment Authority

The Rayburn Township Joint Municipal Authority will construct a 9-mile waterline to 160 residences, of which 118 have wells or water supplies impacted by abandoned mine land runoff. Project completion will stabilize the local tax base, and increase the potential for industrial and small business development and the construction of new single family homes.

Sproul State Forest/Fran Contracting Surface Mine Restoration Project

Status: OSMRE Final Approval - ATP issued

Location: Clinton County

Requested AML Pilot Funding: \$3.5 million

Additional Funding: \$4 million from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 3 unreclaimed

Project Partners: Department of Conservation & Natural Resources, Kettle Creek Watershed Association, Trout Unlimited, East Keating & Noyes Townships, Western Clinton Sportsman Club, PA Fish & Boat, Bureau of Forestry (Sproul State Forest), American Chestnut Foundation

This project will reclaim the Camp Run No. 2 AML site in Sproul State Forest and restore water quality in the Rock and Camp Run tributaries of Cooks Run. Acid forming materials will be excavated and removed or treated on site to neutralize acidity. The reclaimed site will be reforested to bring the land and water back to pre-mining conditions, allowing residents and visitors to hunt, fish, hike, sightsee, and use ATVs.

Tamaqua City Revitalization and Improvement Zone

Status: Preliminary OSMRE approval

Location: Schuylkill County

Requested AML Pilot Funding: \$3.6 million

Additional Funding: Undetermined financial support from project partners

AML Site Info: Priority 2 and Priority 3 unreclaimed and previously reclaimed

Project Partners: City, County, PA Department of Community & Economic Development, PennDot, Schuylkill Headwaters, St. Luke's Hospital, Lehigh Anthracite/BET Associates, Tamaqua City Revitalization and Improvement Zone Authority, Tamaqua Area Community Partnership, Tamaqua Industrial Development Enterprises

This project is proposed to remove AML refuse piles and re-grade approximately 19 acres for use as a riparian/park setting (including a part of a proposed rail-trail system). An existing haul road will be improved and will later become a segment of the planned Tamaqua Bypass to directly alleviate traffic congestion and improve access to the area, which will spur new economic growth. Future economic use of the area as part of a broad feasibility study includes a cancer treatment center, meeting and conference space, and geothermal infrastructure.

Tresckow/Beaver Brook Surface Mine Restoration Project

Status: OSMRE Final Approval - ATP issued

Location: Carbon & Schuylkill Counties

Requested AML Pilot Funding: \$5 million

Additional Funding: \$7 million from traditional Title IV AML funds to address physical hazards

AML Site Info: Priority 1, 2 and 3 unreclaimed and previously reclaimed

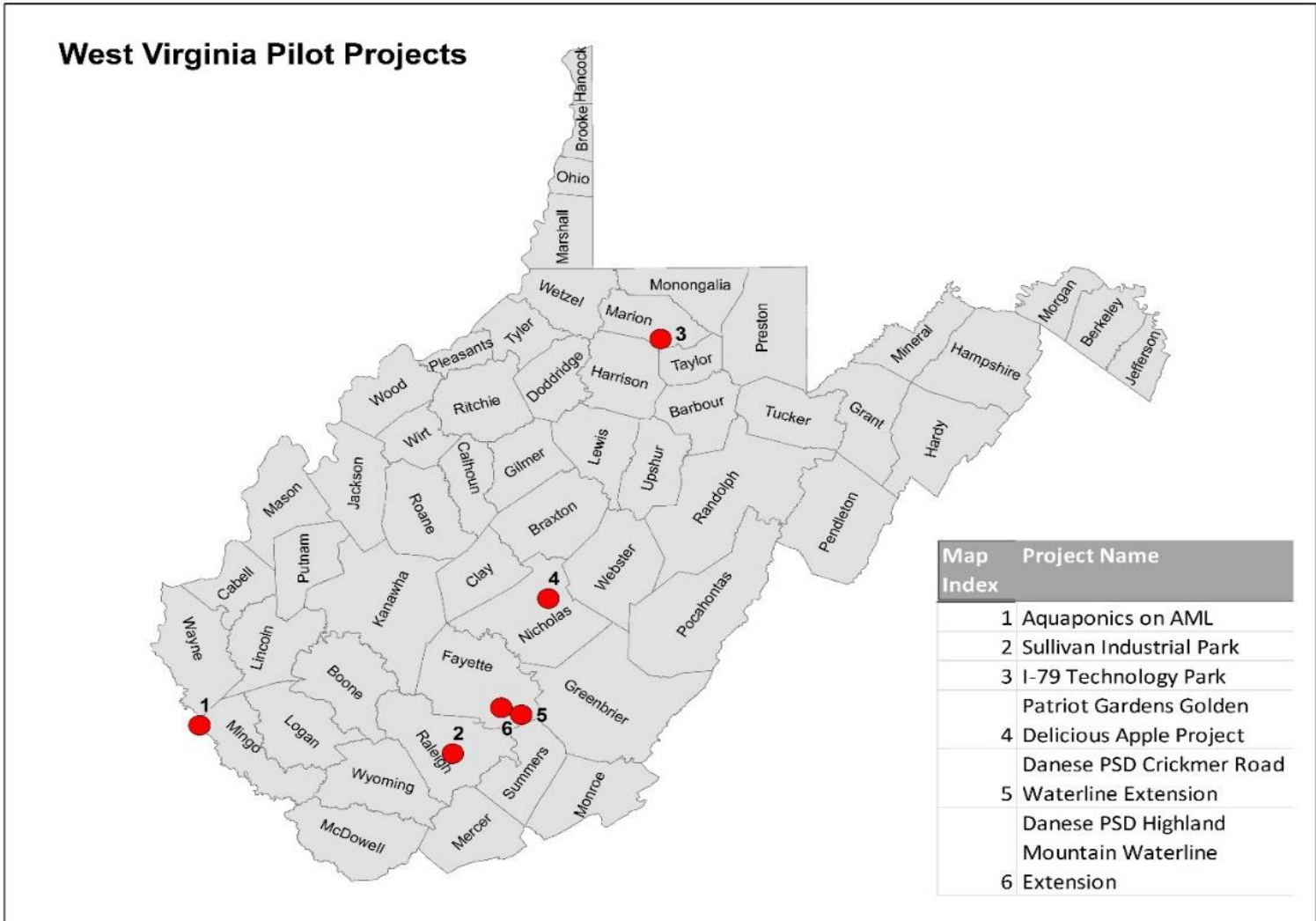
Project Partners: Community Area New Development Organization, PennDot, Tresckow, Kline Twp Authority

This project will backfill several strip pits using mine spoil materials obtained on-site to reclaim 298 acres for future industrial and commercial development. A dedicated access road will also be constructed to the McAdoo Industrial Park. The project will relocate and significantly upgrade a Kline Township Municipal Authority water line to provide enhanced and reliable water service to 400 residential customers in the village of Tresckow.

West Virginia

OSMRE has preliminarily approved a total of six projects from West Virginia for the AML Pilot Program. The six projects include two food production projects, two industrial park projects, and two water supply replacement projects. These projects will result in estimated outcomes that include: new or upgraded water supplies that serve more than 200 homes and businesses; the installation of 17.3 miles of new waterline and 1,500 linear feet of new infrastructure (e.g. utilities, roadways); the creation of over 2,400 new full-time jobs in the region; the construction of three new building pads for future businesses; and reforestation and restoration of public lands totaling 250 acres. Additional information can be found though the West Virginia Department of Environmental Protection at the following link: www.dep.wv.gov

Several of these projects have been delayed in the wake of the catastrophic floods that devastated many communities in West Virginia in June of 2016. The 6 approved pilot projects have the potential to leverage an additional 0.50 cents for every \$1 of AML Pilot Program funding from public and private economic development funds.



Map of preliminarily approved projects for the AML Pilot Program in West Virginia

Golden Delicious Apple Project (Patriot Gardens)

Status: Preliminary OSMRE approval

Location: Nicholas and Webster Counties

Requested AML Pilot Funding: \$5.3 million

Additional Funding: \$2.5 million from other sources

AML Site Info: Priority 2 and Priority 3 unreclaimed

Project Partners: West Virginia National Guard, Central Appalachia Empowerment Zone, USDA, Pardee Natural Resources, West Virginia State University Extension, ERP Compliant Fuels

The Golden Delicious Apple Project is the most extensive project proposal in West Virginia approved for AML Pilot funding. The West Virginia National Guard will partner with multiple organizations to reintroduce the Golden Delicious Apple Tree to Nicholas and Webster Counties and set up a series of fruit tree orchards on abandoned mine lands to diversify the local economy. This project will plant and maintain approximately 97,000 trees and construct a 50,000 square feet processing and storage facility, commercial greenhouses, and a research station. Based on projects of this type in other states, it can be projected that approximately 550 full-time permanent jobs may be associated with the project when in full production.

Aquaponics on an AML site

Status: Preliminary OSMRE approval

Location: Mingo County

Requested AML Pilot Funding: \$3.6 million

Additional Funding: \$25,000 in-kind, \$75,000 local, and \$120,000 from other Federal funds

AML Site Info: Priority 1, 2 and 3 unreclaimed

Project Partners: Mingo County Redevelopment Authority, Coalfield Development (Refresh Appalachia and Rewire Appalachia.)

The Mingo County Redevelopment Authority will partner with Refresh Appalachia to develop an advanced aquaponic systems. This system will produce commercial quantities of fish and vegetables while utilizing renewable energy and safe free mine water for facility power and temperature regulation. Jobs projected to be directly created include 13 full-time employees (primarily in food production and distribution jobs) and 80 temporary employees (e.g. construction jobs, solar technicians). Indirect benefits include serving 15 clients via university collaborations, educational outreach, and the potential to conduct business with over 1000 customers and 10 suppliers.

Crickmer Waterline Extension

Status: OSMRE Final Approval - ATP issued

Location: Fayette County

Requested AML Pilot Funding: \$829,591

AML Site Info: Priority 2 unreclaimed

Project Partners: ARC Region 4, Danese Public Service District, E.L. Robinson Engineering Co.

The Danese Public Service District will provide water service to 23 customers by installing 4.3 miles of various waterlines because wells in the area have been impacted by pre-law mining practices. This project will provide clean water to homeowners which will help to stabilize the local tax base and improve property values.

I-79 Technology Park

Status: Preliminary OSMRE approval

Location: Marion County

Requested AML Pilot Funding: \$4 million

Additional Funding: \$575,000 from the traditional AML funds to address the environmental hazards and an additional \$12 million from private and public sources

AML Site Info: Priority 1, 2 and 3 unreclaimed

Project Partners: High Technology Foundation, NOAA, Marion County Commission, Triad Engineering, March-Westin Company, First Energy Corporation, Orange Construction, Zayo Group

The Marion County Commission will extend the existing road infrastructure in the I-79 Technology Park. The road expansion will make industrial-sized building pads more accessible for use. The scope of the work will include engineering services, subsurface investigation and stabilization, earthwork, storm drainage construction, erosion and sediment control, paving, and extension of utilities. When completed, the project will have constructed 11 building pads and 10,000 linear feet of utilities (e.g. roadways, power lines) which will attract Federal anchors to the area. It is also projected to create 5,700 full-time, permanent jobs.

Highland Mountain Waterline Extension

Status: OSMRE Final Approval - ATP issued

Location: Fayette County

Requested AML Pilot Funding: \$3.1 million

AML Site Info: Priority 2 unreclaimed

Project Partners: ARC Region 4, Danese Public Service District, E.L Robinson Engineering Co.

The Danese Public Service District will install 13 miles of various waterlines, a pressurized tank, and an 88,000 gallon storage tank. This project will provide clean water to approximately 188 homeowners which will help to stabilize the local tax base and improve property values.

Sullivan Industrial Park

Status: Preliminary OSMRE approval

Location: Raleigh County

Requested AML Pilot Funding: \$12 million

Additional Funding: \$50,000 from other sources

AML Site Info: Priority 2 unreclaimed

Project Partners: Beaver Coal Company, WV National Guard, Raleigh County Commission

The Sullivan tract is a 230 acre AML site with two unreclaimed highwalls. In conjunction with the remediation and development of the site, an additional 10 acres will be donated to the West Virginia National Guard (WVNG) to create a flagship site for the Guard's Special Repair Program. This program currently employs dozens of workers that win projects from the Department of Defense to repair and maintain assets. The end use will be an industrial park in close proximity to I-64 and I - 77 that could attract industrial and defense related business to the area. It is projected the WVNG will create 250 full-time civilian jobs within 5 years of project completion.

IV. Summary

In the first year of the AML Pilot Program, OSMRE has seen interest from public and private stakeholders and funders to align and expand the scope of economic and community development projects in conjunction with AML Pilot investment. Each state AML program has been encouraged to collaborate with its respective state and local economic development authorities and local communities to identify and fund projects with the greatest potential for economic development. OSMRE has also encouraged states to work with local organizations engaged in comprehensive strategic community or regional development.