

**BEFORE THE WYOMING INDUSTRIAL SITING COUNCIL
STATE OF WYOMING**

IN THE MATTER OF THE INDUSTRIAL SITING PERMIT)
OF MEDICINE BOW FUEL & POWER, LLC) DOCKET DEQ/ISC 07-01

ORDER

WHEREAS, Medicine Bow Fuel & Power, LLC (Permittee) has a permit to construct its coal to liquids plant in Carbon County; and

WHEREAS, the Permittee petitioned the Wyoming Industrial Siting Council (“Council”) on September 20, 2013, for a delay in providing a current construction schedule and socioeconomic report; and

WHEREAS, Wyoming Statutes § 35-12-106(c) provides: “the council may allow the amendment of a permit or application for a permit for good cause if the holder demonstrates to the council at its next meeting that the requested change is in compliance with local ordinances and applicable land use plans and will not significantly add to adverse environmental, social and economic impact in the impacted area”; and

WHEREAS, on December 18, 2013, the Permittee appeared before the Council at its next meeting and provided a presentation and suggested language to amend its current permit conditions (“requested amendment”). The Permittee reported that the size and complexity of the project has been moving forward, but at a much slower pace than originally projected. The Permittee requested a 30-month grace period from providing a current socioeconomic report and construction schedule. The Permittee also provided information regarding the requested amendment’s compliance with the requirements of Wyoming Statutes § 35-12-106(c) and the Council’s Rules and Regulations; and

WHEREAS, other parties to this permit, members of the public, and the Permittee provided comments that the Permittee’s communication of the progress of the project could be improved with the local communities as part of this requested amendment; and

WHEREAS, the Permittee provided good cause that the requested amendment, with some modifications embodied in this Order, is in compliance with local ordinances and applicable land use plans, will not significantly add to adverse environmental, social and economic impact in the impacted area, and otherwise meets the requirements of Wyoming Statutes § 35-12-106(c) and the Council’s Rules and Regulations.

NOW, THEREFORE, the Council hereby grants the Permittee’s requested amendment, as modified by the Council, and adds the following language to the terms and conditions found on pages 21 through 25 of the Findings of Fact, Conclusions of Law and Order issued on January 16, 2008:

17. The Permittee will provide an updated socioeconomic report and updated construction schedule to the Division by June 18, 2016. The updated construction schedule will show the resumption of

construction taking place no later than March 2017. The information provided shall include the following:

- a. At least nine months prior to the date on which site construction activity will resume, but no later than June 18, 2016 (other than the monitoring, maintenance, and minor construction described in (c) below), the Permittee shall submit the following then current and updated information to the Division with sufficient copies for the parties:
 - i. Construction schedule;
 - ii. Manpower curve (i.e., number of construction workers by quarter);
 - iii. Socioeconomic analysis based on the updated construction schedule and the updated current project description;
 - iv. Updated project description to all state and local government bodies with regulatory jurisdiction over the project; and
 - v. Updated housing plan.

Such updated information and any additional changes provided by the Permittee must be approved by the Council before construction can recommence.

- b. Upon receipt of the information required in subsection (a) above, the Division will process the information pursuant to Condition 15.
- c. The Permittee may continue site activity necessary for monitoring and maintenance of existing facilities, including water wells or necessary permit activity, including minor construction activity of the type and nature conducted to date, with minimal (if any) impacts;
- d. If the Permittee fails to submit the items listed in clause (a) of this permit condition by thirty (30) months (June 18, 2016) from the date that this permit condition is approved, Permit No. ISC 07-01 will terminate and the Permittee will no longer have the right to construct under Section 106 without seeking a new permit.
- e. The updated project description submitted pursuant to clause (a) above shall expressly contain provisions whereby the Permittee commits to the following:
 - i. Provide on-site emergency services, including fire, ambulance, security and medical, at the project site and any labor camp facility, and will not rely on such services from local communities; and
 - ii. Construct sufficient housing facilities to provide housing to workers for demand over and above what the local communities can reasonably provide, as evidenced in the housing plan to be submitted above. These housing facilities (which will include temporary labor camps and RV sites, as well as might include more permanent facilities) will be located as required in Condition No. 3 of ISC Permit 07-01, based on consultation with the local communities and must meet all local and state permitting requirements. The labor camps will be full service, providing housing, food, recreational, security, and emergency services, including fire and medical.

- f. Except as provided in subsection (c), no construction may recommence at the facility without approval by the Council. Information submitted under this permit condition shall not be considered pre-approved.

18. During the 30-month extension period described in Condition 17 above, the Permittee must:

- a. Provide quarterly reports to the parties to the permit which include progress and a timeline with critical path key dates, and significant events leading to the commence of construction for the project.

- i. The quarterly communication will occur on or before the following dates:

March 31, 2014 – First Quarter of 2014 Communication

June 30, 2014 – Second Quarter of 2014 Communication

September 30, 2014 – Third Quarter of 2014 Communication

December 31, 2014 – Fourth Quarter of 2014 Communication

March 31, 2015 – First Quarter of 2015 Communication

June 30, 2015 – Second Quarter of 2015 Communication

September 30, 2015 – Third Quarter of 2015 Communication

December 31, 2015 – Fourth Quarter of 2015 Communication

March 31, 2016 – First Quarter of 2016 Communication

- b. The Permittee shall notice and hold biannual public meetings in the affected area at the Permittee's expense. The public meetings will include a progress report including a timeline with critical path key dates, and significant events leading to the recommencement of construction for the project. The Permittee shall publish notice of these meetings no sooner than two weeks before the date of the scheduled meeting. The Permittee shall provide the Division with written notification that publication has been made and the date of the meeting.

- i. The biannual public meetings must take place on or before:

June 30, 2014 – First 2014 Public biannual meeting

December 31, 2014 – Second 2014 Public biannual meeting

June 30, 2015 – First 2015 Public biannual meeting

December 31, 2015 – Second 2015 Public biannual meeting

May 31, 2016 – First 2016 Public biannual meeting

- c. If the terms of this permit condition are not met, notice and reasonable opportunity to correct the failure will be given to the Permittee. If the failure is not resolved during that opportunity, then the permit will be suspended. This does not waive the right to revoke the permit during that period.

So ordered this 18th day of December 2013.

/s/
Signature on file

Shawn Warner, Chairman
Industrial Siting Council
DEQ/ISD Herschler 4W
122 West 25th Street
Cheyenne, WY 82002
(307)777-7369