

Central Montana RC&D Successful Project Summary

One of the more rewarding RC&D Projects for Central MT RC&D is the development and operation of the Signal Peak Energy underground coal mine in the Bull Mountains of Musselshell County, Montana. Development of the over all project included many different, though necessary project activities over many years.

Early project activities included a 2 year project to block up the mineral ownership of coal into a block of coal, under one ownership. This was done through a “Coal for Land Exchange” in which the checkerboard pattern ownership of coal was changed to a single block by exchanging multiple parcels of very high quality land throughout Montana into public ownership in exchange for coal ownership. The RC&D provided extensive public information about that process and coordinated several public forums related to the exchange and related EIS.

In the early 1990’s the Bull Mountain Coal Field was considered part of the “Powder River Coal Region” and under federal rules, there was a moratorium on additional coal mine development within the Powder River Coal Region. Central MT RC&D again organized multiple public forums to educate the general public about the issue so their input would count when the Bull Mountain Coal Fields were being considered for removal from the Powder River Coal Region, thereby voiding the moratorium for development.

Over a period of several years, Central Montana RC&D played a role in public information, rules interpretation, tax incentives and input in the planning processes for this project, including assistance to several groups to participate in negotiations with federal agencies and EIS work related to this coal development. In addition, Central Montana RC&D played an important role on informing state agencies, adjoining counties and legislative committees about the project and the expectations in the area of resulting impacts.

In June of 2008 the project was purchased by a group of firms who within one month were in full development of the project. Surface and underground facilities were built over the next year, including a 35 mile railroad spur to ship the coal. The project is nearing full scale coal production. This project has always been considered both an economic development project and a conservation project by the RC&D Council. The coal from Signal Peak is some of the cleanest in the country, which translates to significant reductions in emissions from those power plants and manufacturing facilities that utilize this coal. The project employs 190 + full time jobs; will more than double the taxable valuation of Musselshell County; invested over 400 million dollars into the economy during the current economic downturn; has already resulted in an additional 2.6 million dollars in MT Coal Board Impact Funds; will pay many millions in production taxes to the local area and the State of Montana for the foreseeable future.