FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

601 NEW JERSEY AVENUE, NW SUITE 9500 WASHINGTON, DC 20001 May 22, 2008

| SECRETARY OF LABOR, | : | |
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| MINE SAFETY AND HEALTH | : | |
| ADMINISTRATION (MSHA) | : | Docket No. WEVA 2008-434 |
| | : | A.C. No. 46-08923-127245 |
| V. | : | |
| | : | |
| ELK RUN COAL COMPANY, INC. | : | |

BEFORE: Duffy, Chairman; Jordan, Young, and Cohen, Commissioners

<u>ORDER</u>

BY THE COMMISSION:

This matter arises under the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 801 et seq. (2000) ("Mine Act"). On January 31, 2008, the Commission received from Elk Run Coal Company, Inc. ("Elk Run") a motion by counsel seeking to reopen a penalty assessment that may have become a final order of the Commission pursuant to section 105(a) of the Mine Act, 30 U.S.C. § 815(a).

Under section 105(a) of the Mine Act, an operator who wishes to contest a proposed penalty must notify the Secretary of Labor no later than 30 days after receiving the proposed penalty assessment. If the operator fails to notify the Secretary, the proposed penalty assessment is deemed a final order of the Commission. 30 U.S.C. § 815(a).

On September 13, 2007, the Department of Labor's Mine Safety and Health Administration ("MSHA") issued Proposed Assessment No. 000127245 regarding Citation Nos. 7268835, 7273090, and 7273091 to Elk Run. Elk Run states that it timely sent its contest of the proposed penalties for all three citations on October 18, 2007, as indicated by an attached certified mail receipt. However, Elk Run fails to state when it received the assessment. Elk Run alleges that it intended to pay the assessment for Citation No. 7273090, but that it inadvertently failed to pay the assessment. On a date unstated, Elk Run later received a delinquency notice for payment of all three proposed penalties set forth on Proposed Assessment No. 000127245. The operator submits that, upon investigating the matter, it discovered that MSHA did not have its contest of Proposed Assessment No. 000127245. The Secretary states that she does not oppose the reopening of the penalty assessment. We have held that in appropriate circumstances, we possess jurisdiction to reopen uncontested assessments that have become final Commission orders under section 105(a). *Jim Walter Res., Inc.*, 15 FMSHRC 782, 786-89 (May 1993) ("*JWR*"). In evaluating requests to reopen final section 105(a) orders, the Commission has found guidance in Rule 60(b) of the Federal Rules of Civil Procedure under which, for example, a party could be entitled to relief from a final order of the Commission on the basis of inadvertence or mistake. *See* 29 C.F.R. § 2700.1(b) ("the Commission and its Judges shall be guided so far as practicable by the Federal Rules of Civil Procedure"); *JWR*, 15 FMSHRC at 787. We have also observed that default is a harsh remedy and that, if the defaulting party can make a showing of good cause for a failure to timely respond, the case may be reopened and appropriate proceedings on the merits permitted. *See Coal Prep. Servs., Inc.*, 17 FMSHRC 1529, 1530 (Sept. 1995).

Having reviewed Elk Run's request, in the interests of justice, we remand this matter to the Chief Administrative Law Judge for a determination of whether Elk Run timely contested the penalty proposal and, if not, whether good cause exists for granting relief from the final order. If it is determined that such relief is appropriate, this case shall proceed pursuant to the Mine Act and the Commission's Procedural Rules, 29 C.F.R. Part 2700.

Michael F. Duffy, Chairman

Mary Lu Jordan, Commissioner

Michael G. Young, Commissioner

Robert F. Cohen, Jr., Commissioner

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