



State of Utah

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

at C/007/005 Incoming
cc: Karl
Jim

August 28, 2008

Mr. Gregg Galecki, Environmental Coordinator
Canyon Fuel Company, LLC - Skyline Mine
HCR 35, Box 380
Helper, Utah 84526

Subject: Reconnaissance Inspection – UPDES Permit No. UT0022540 – Skyline Mine.

Dear Mr. Galecki:

On August 26, 2008 I met with you and conducted reconnaissance and storm water inspections in regards to the UPDES Permit facility referenced above. Specifically we discussed the current facility conditions and the recent upset event at Outfall 001. An accompanying tour of the outfalls, sediment basins, effluent discharges and receiving waters was also conducted. No deficiencies were noted during the inspections and no written response is required at this time, however please pay particular attention to the "Recommendations" section of the narrative report as these items will be reviewed during the next DWQ inspection. A separate response to your August 12, 2008 letter is forth coming.

Enclosed are copies of the inspection reports for your records. I appreciate your efforts to facilitate the inspections and keep me informed of the operations. If you have any questions, please contact me at (801) 538-6779 or by e-mail at jstudenka@utah.gov.

Sincerely,

Jeff Studenka, Environmental Scientist
UPDES IES Section

Enclosures

cc (w/encl): Jennifer Meints, EPA Region VIII
Claron Bjork, SE District Health Department
Dave Ariotti, SE District Engineer
Daron Haddock, Division of Oil Gas & Mines

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DIV. OF OIL, GAS & MINING



United States Environmental Protection Agency
Washington, D.C. 20460

Water Compliance Inspection Report

Section A: National Data System Coding (i.e., ICIS)

Transaction Code N	NPDES U T 0 0 2 3 5 4 0	yr/mo/day 0 8 0 8 2 6	Inspection Type R	Inspector S	Fac. Type 2
1	2	3	11	12	17
Remarks					
21					
Inspection Work Days 67 2	Facility Self-Monitoring Evaluation Rating 70 5	BI 71 D	QA 72 N	Reserved 73 74 75 80	

Section B: Facility Data

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number) CANYON FUEL CO. SKYLINE MINE State Hwy 264 ~ 5 miles SW of Scofield, UT	Entry Time/ Date 2:10pm / 8-26-2008	Permit Effective Date 12-1-2004
	Exit Time/ Date 3:00pm / 8-26-2008	Permit Expiration Date 11-30-2009
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s) No one was contacted for this site visit. [Gregg Galecki, Environmental Coordinator, (435) 448-2636]	Other Facility Data (e.g., SIC NAICS, and other descriptive information) Bituminous Coal Underground Mining Facility SIC Code 1222 NAICS 212112 SEE ATTACHED	
Name, Address of Responsible Official/Title/Phone and Fax Number Wes Sorensen, Mine Manager Canyon Fuel Company, LLC Skyline Mine HCR 35 Box 380 Helper, UT 84542 (435) 636-2619	Contacted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Section C: Areas Evaluated During Inspection (Check only those areas evaluated)

<input checked="" type="checkbox"/> Permit	<input checked="" type="checkbox"/> Self Monitoring Program	<input type="checkbox"/> Pretreatment	<input type="checkbox"/> MS4
<input checked="" type="checkbox"/> Records/Reports	<input type="checkbox"/> Compliance Schedule	<input type="checkbox"/> Pollution Prevention	
<input checked="" type="checkbox"/> Facility Site Review	<input type="checkbox"/> Laboratory	<input checked="" type="checkbox"/> Storm Water	
<input checked="" type="checkbox"/> Effluent/Receiving Waters	<input checked="" type="checkbox"/> Operations & Maintenance	<input type="checkbox"/> Combined Sewer Overflow	
<input type="checkbox"/> Flow Measurement	<input type="checkbox"/> Sludge Handling/Disposal	<input type="checkbox"/> Sanitary Sewer Overflow	

Section D: Summary of Findings/Comments

(Attach additional sheets of narrative and checklists, including Single Event Violation codes, as necessary)

SEV Codes	SEV Description

Name(s) and Signature(s) of Inspector(s) Jeff Studenka, Environmental Scientist 	Agency/Office/Phone and Fax Number(s) DWQ (801) 538-6779	Date: 8-28-08
Name and Signature of Management Q A Reviewer Mike Herkimer, Manager UPDES IES Section 	Agency/Office/Phone and Fax Number(s) DWQ (801) 538-6058	Date: 9/2/08

INSTRUCTIONS

Section A: National Data System Coding (i.e., ICIS)

Column 1: Transaction Code: Use N, C, or D for New, Change, or Delete. All inspections will be *new* unless there is an error in the data entered.

Columns 3-11: NPDES Permit No. Enter the facility's NPDES permit number - third character in permit number indicates permit type for U=unpermitted, G=general permit, etc. (Use the Remarks columns to record the State permit number, if necessary.)

Columns 12-17: Inspection Date. Insert the date entry was made into the facility. Use the year/month/day format (e.g., 04/10/01 = October 01, 2004).

Column 18: Inspection Type*. Use one of the codes listed below to describe the type of inspection:

A	Performance Audit	X	Toxics Inspection	6	IU Non-Sampling Inspection with Pretreatment
B	Compliance Biomonitoring	Z	Sludge - Biosolids	7	IU Toxics with Pretreatment
C	Compliance Evaluation (non-sampling)	#	Combined Sewer Overflow-Sampling	!	Pretreatment Compliance (Oversight)@
D	Diagnostic	\$	Combined Sewer Overflow-Non-Sampling	{	Storm Water-Construction-Sampling
F	Pretreatment (Follow-up)	+	Sanitary Sewer Overflow-Sampling	}	Storm Water-Construction-Non-Sampling
G	Pretreatment (Audit)	&	Sanitary Sewer Overflow-Non-Sampling	:	Storm Water-Non-Construction-Sampling
I	Industrial User (IU) Inspection	\	CAFO-Sampling	~	Storm Water-Non-Construction-Non-Sampling
J	Complaints	=	CAFO-Non-Sampling	<	Storm Water-MS4-Sampling
M	Multimedia	2	IU Sampling Inspection	-	Storm Water-MS4-Non-Sampling
N	Spill	3	IU Non-Sampling Inspection	>	Storm Water-MS4-Audit
O	Compliance Evaluation (Oversight)	4	IU Toxics Inspection		
P	Pretreatment Compliance Inspection	5	IU Sampling Inspection with Pretreatment		
R	Reconnaissance				
S	Compliance Sampling				
U	IU Inspection with Pretreatment Audit				

Column 19: Inspector Code. Use one of the codes listed below to describe the lead agency in the inspection.

A-	State (Contractor)	O-	Other Inspectors, Federal/EPA (Specify in Remarks columns)
B-	EPA (Contractor)	P-	Other Inspectors, State (Specify in Remarks columns)
E-	Corps of Engineers	R-	EPA Regional Inspector
J-	Joint EPA/State Inspectors—EPA Lead	S-	State Inspector
L-	Local Health Department (State)	T-	Joint State/EPA Inspectors—State lead
N-	NEIC Inspectors		

Column 20: Facility Type. Use one of the codes below to describe the facility.

- 1- Municipal. Publicly Owned Treatment Works (POTWs) with 1987 Standard Industrial Code (SIC) 4952.
- 2- Industrial. Other than municipal, agricultural, and Federal facilities.
- 3- Agricultural. Facilities classified with 1987 SIC 0111 to 0971.
- 4- Federal. Facilities identified as Federal by the EPA Regional Office.
- 5- Oil & Gas. Facilities classified with 1987 SIC 1311 to 1389.

Columns 21-66: Remarks. These columns are reserved for remarks at the discretion of the Region.

Columns 67-69: Inspection Work Days. Estimate the total work effort (to the nearest 0.1 work day), up to 99.9 days, that were used to complete the inspection and submit a QA reviewed report of findings. This estimate includes the accumulative effort of all participating inspectors; any effort for laboratory analyses, testing, and remote sensing; and the billed payroll time for travel and pre and post inspection preparation. This estimate does not require detailed documentation.

Column 70: Facility Evaluation Rating. Use information gathered during the inspection (regardless of inspection type) to evaluate the quality of the facility self-monitoring program. Grade the program using a scale of 1 to 5 with a score of 5 being used for very reliable self-monitoring programs, 3 being satisfactory, and 1 being used for very unreliable programs.

Column 71: Biomonitoring Information. Enter D for static testing. Enter F for flow through testing. Enter N for no biomonitoring.

Column 72: Quality Assurance Data Inspection. Enter Q if the inspection was conducted as follow-up on quality assurance sample results. Enter N otherwise.

Columns 73-80: These columns are reserved for regionally defined information.

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This section is self-explanatory except for "Other Facility Data," which may include new information not in the permit or PCS (e.g., new outfalls, names of receiving waters, new ownership, other updates to the record, SIC/NAICS Codes, Latitude/Longitude).

Section C: Areas Evaluated During Inspection

Check only those areas evaluated by marking the appropriate box. Use Section D and additional sheets as necessary. Support the findings, as necessary, in a brief narrative report. Use the headings given on the report form (e.g., Permit, Records/Reports) when discussing the areas evaluated during the inspection.

Section D: Summary of Findings/Comments

Briefly summarize the inspection findings. This summary should abstract the pertinent inspection findings, not replace the narrative report. Reference a list of attachments, such as completed checklists taken from the NPDES Compliance Inspection Manuals and pretreatment guidance documents, including effluent data when sampling has been done. Use extra sheets as necessary.

*Footnote: In addition to the inspection types listed above under column 18, a state may continue to use the following wet weather and CAFO inspection types until the state is brought into ICIS-NPDES: K: CAFO, V: SSO, Y: CSO, W: Storm Water 9: MS4. States may also use the new wet weather, CAFO and MS4 inspections types shown in column 18 of this form. The EPA regions are required to use the new wet weather, CAFO, and MS4 inspection types for inspections with an inspection date (DTIN) on or after July 1, 2005.



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Washington, D.C. 20460

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G Pretreatment (Audit)	& Sanitary Sewer Overflow-Non-Sampling	} Storm Water-Construction-Non-Sampling
I Industrial User (IU) Inspection	\ CAFO-Sampling	: Storm Water-Non-Construction-Sampling
J Complaints	= CAFO-Non-Sampling	~ Storm Water-Non-Construction-Non-Sampling
M Multimedia	2 IU Sampling Inspection	< Storm Water-MS4-Sampling
N Spill	3 IU Non-Sampling Inspection	- Storm Water-MS4-Non-Sampling
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INSPECTION PROTOCOL

UPDES Permit #: UT0023540 – Skyline Mine
Inspection Type: Reconnaissance Inspection + Storm Water Inspection
Inspection Date: August 26, 2008

Jeff Studenka of the Division of Water Quality (DWQ) visited with Gregg Galecki, Environmental Engineer for the Canyon Fuel Company's Skyline Mine Facility. The purpose for the site visit was to perform an inspection and follow up response to the August 7, 2008 upset condition while already in the area. The upset condition findings and response to the letter documentation dated August 12, 2008 will be addressed under separate correspondence to follow.

FACILITY DESCRIPTION

Location: Up Eccles Canyon on Utah Hwy 264 near Scofield, Utah
Coordinates: Outfall 001 – 39° 41' 05" latitude, -111° 13' 58" longitude
Outfall 002 – 39° 41' 05" latitude, -111° 09' 07" longitude
Outfall 003 – 39° 43' 10" latitude, -111° 09' 15" longitude

Average Flow: ~ 6 MGD (001)

Receiving water: Eccles Creek → Muddy Creek → Scofield Reservoir → Price River

Process: Active underground coal mining operation utilizing long-wall mining technology. Mine water is collected underground at sump locations and continuously pumped to surface via Outfall 001. Surface water from the three disturbed areas is conveyed to above ground settling ponds, each with a discharge point. Outfall 002 is from the rail load out facility near Clear Creek and Outfall 003 is from the waste rock storage site in Scofield.

INSPECTION SUMMARY

There were no deficiencies noted during the last inspection for follow up. A discussion regarding the upset condition, its causes, and overall corrective action process accompanied an above ground facility tour. A visual tour of the facility and surrounding areas were conducted where the sediment ponds, outfall locations and receiving waters were observed. The sedimentation pond in the coal yard (Outfall 001) was still in the process of being cleaned out and the repairs to the damaged water line had been recently completed. At the time of the inspection, Outfall 001 & Eccles Creek were flowing very clear and strong with small isolated areas of coal fines along a few downstream channel edges proximal to the beaver ponds near the confluence with Whiskey Creek. There was very minimal upstream flow as is normal this time of year. Outfalls 002 & 003 were not discharging. No ill effects to wildlife or stream vegetation were observed. The Storm Water Pollution Prevention Plan was verified to be on site and last updated & certified on October 29, 2007.

DEFICIENCIES

No deficiencies with respect to the UPDES permit were noted during the inspection.

REQUIREMENTS

None.

OBSERVATIONS

1. As mentioned above, minimal coal fine deposits along the shallow edges of Eccles Creek immediately down stream of Outfall 001 were observed. You indicated that most of the residual coal fines in the stream channel were manually removed recently with a shovel and bucket.

RECOMMENDATIONS

1. Continue to frequently observe the areas immediately downstream of Outfall 001 for any changes and/or impacts to water quality and/or wildlife until the sedimentation pond clean out project is completed and report any findings or updates to DWQ as appropriate.