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State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

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October 9, 2020

Gregg Galecki
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Subject: Conditional Approval of Power Line Disturbance, Canyon Fuel Company, LLC,
Skyline Mine, C/007/0005, Task #6197

Dear Mr. Galecki:

The above-referenced amendment is approved conditioned upon receipt of 2 clean copies prepared for incorporation. Please submit these copies by November 9, 2020. Once we receive these copies, final approval will be granted.

A stamped incorporated copy of the approved plans will also be returned to you at that time, for insertion into your copy of the Mining and Reclamation Plan.

If you have any questions, please call me at (801) 538-5350.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Christensen".

Steve Christensen
Coal Program Manager

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Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070005
TaskID: 6197
Mine Name: SKYLINE MINE
Title: POWER LINE DISTURBANCE

Environmental Resource Information

Historic and Archeological Resource Information

Analysis:

The amendment meets the State of Utah R645-301-411 requirements for Historic and Archeological Resource Information.

This amendment does not introduce any new element which would change the previous approval of the project (Tasks 6175 and 6177) from a cultural resource perspective. The MRP already contains a cultural resource report done by EPG in 2014 titled "A Cultural Resources Inventory for the Skyline Mine Expansion and Transmission Line Construction Project." This report covers most of the currently proposed powerline. The part that is missing from the report is covered under the Forest Service's Shalom Timber Sale report included in the amendment. In consultation with Charmaine Thompson, Forest Service archeologist, she indicated that these two reports sufficiently clear the project.

tmiller

Fish and Wildlife Resource Information

Analysis:

The amendment meets the State of Utah R645-301-322 requirements for Fish and Wildlife Resource Information.

This amendment does not introduce any new element which would change the previous approval of the project (Tasks 6175 and 6177) from a fish and wildlife perspective. A Species List was pulled from the U.S. FWS IPaC website on July 16, 2020 which indicated the possible presence of Mexican spotted owl, Southwestern willow flycatcher, bonytail gila, Colorado pikeminnow, humpback chub, and razorback sucker. None of the species have critical habitat in the proposed project area. In 2015, a team of biologists from DOGM, DWR, and the Forest Service met at the site to evaluate it for potential habitat for a number of species, including Mexican spotted owl and Southwestern willow flycatcher (see DOGM findings document for Task 4935). It was determined that no suitable habitat for these birds exists in the project area. As for the fish, the project location lies many miles away from their habitat; however, water depletions from upstream mining operations can still affect their habitat. The proposed project, however, will not change the mine's current water depletion.

Consultation was also done between the Division and the Forest Service as well as DWR. During the course of this consultation, each agency determined there were not likely to be any threats to threatened, endangered, or sensitive species from the proposal.

tmiller

Probable Hydrologic Consequences Determination

Analysis:

The amendment meets the State of Utah R645 requirements for Probable Hydrologic Consequences Determination.

The application meets the requirements of R645-301-728 because a narrative was added to Chapter 2, Section 2.5 that offers a description of the potential hydrologic impacts due to the installation of the Swens Canyon Power line. This section was revised to discuss that minor roads and drilling pads may be required for pole placement outlined on Figure 3.2.10-4. Pole # 2 will be installed 40 feet west of Huntington Creek and will be hand dug and set with a helicopter to minimize disturbance. Details of construction are described in detail in Chapter 3, Section 3.2.1. All areas that require a road and/or pad will use silt fencing as sediment control and will be contemporaneously reclaimed.

khinton

Operation Plan

Mining Operations and Facilities

Analysis:

The application meets the R645 requirements for Mining Operations and Facilities.

The application satisfies the requirements of R645-301-526.200 because the narrative on pages 3-58 and 3-72 includes a description of the construction methods involved in the installation of 52 high voltage power poles running from the main mine site to the Swens Canyon ventilation facility. The power line corridor will be approximately 3.05 miles in length and approximately 50 feet wide. The installation will either be with the use of rubber-tired vehicles, tracked vehicles, or on foot with helicopter support. Some of the pole locations require the construction of a 10'x20' earthen pad to enable mechanized pole setters/stabilizers to operate on flat ground. Most of the poles may be installed using an ancillary road as the access point for the mechanized equipment and therefore require no additional pad. Poles located in ground that is too remote or steep to enable mechanized equipment will be installed by hand with power tools and helicopter support. Table 3.2.10-1 gives a breakdown of construction methods for the power poles.

The narrative also states that the ancillary roads and pads will be contemporaneously reclaimed following the installation of the power lines. Page 3-58 states that extensive logging and skid trails exist throughout the proposed power line corridor and commits to reclaiming any disturbance directly associated with the installation of the power poles. Figures 3.2.10-6A through -6C highlight several examples of where logging disturbance currently exists in relation to the proposed power line corridor. Attachment 3.2-B provides electrical contractor pole installation drawings and specifications that illustrate the location and gradient of each pole within the corridor.

jeatchel

Topsoil and Subsoil

Analysis:

The application meets the State of Utah R645 requirements for Soils: Operation Plan.

The powerline is 3.05 miles long and fifty feet wide (p. 2-104(I)). This is a total disturbed area of 18.46 acres. Figures 3.2.10-4 illustrates where ancillary roads and pads will be constructed for each of the fifty-two power pole locations. Google Earth imagery shows the terrain and location of poles (Section 3.2, end of Appendix B). Surface Facility Drawing 3.2.1-1 shows the power pole locations within the mine facilities yard.

The degree of disturbance required at each power pole differs due to accessibility and slope. Installation will require construction of ancillary roads ending in a 10x20 ft pad or may require only a 10 x 20 pad or may require helicopter assist and no pad at all [p. 2-120(I)].

Ground disturbance will occur at pole locations 3-17, 22, 28-35, and 38-44. Ancillary road blading and pads will be required at all but poles 22 and 28-31. At the latter locations, pads, but no roads will be required (p. 3-58).

Figure 3.2.10-5 provides a typical design for a 12 foot wide road and 10 X 20 foot wide pads.

Track equipment will scoop topsoil with a bucket along ancillary roads and pads (personal communication with Gregg Galecki, 10/8/2020). Topsoil will be protected with silt fence at poles 3-13, 22, 28-35, and 38-44 as described in Section

2.11, page 2-120(l). **Table 11 of Appendix A2 states the soil salvage depths.**

Track equipment will travel from the ancillary road at pad 17 to poles 18-21 and from the pad at pole 22 to poles 23-27, creating minor disturbance to vegetation [p. 2-120 (l)]. e-p 20

Poles 44-52 will be accessed on foot and poles will be installed with hand held power tools and helicopter assist. [p. 2-120 (l)]. Pole #2 will be accessed with track equipment and installed with helicopter assist (p. 3-58). e-p22

The access required for travel from pole to pole is summarized in Table 3.2.10-1.

pburton

Hydrologic Stream Buffer Zones

Analysis:

The amendment meets the State of Utah R645 requirements for Hydrologic Stream Buffer Zone.

The application meets the requirements of R645-301-731.600 because Chapter 2, Section 2.5, Page 2-51i and Chapter 3 Section 3.2, Page 3-58, of the amendment states that installation of the power line will not affect the Stream Buffer Zone of Huntington Creek as installation of the power poles will be greater than 100 from the stream with the exception of pole #2. Pole #2 will be located approximately 40 feet from Huntington Creek (Figure 3.2.10-4). Figure 3.2.10-3 illustrates the approximate pole locations and wire configuration through the Huntington Creek drainage. Pole # 2 will be hand dug and set with a helicopter to minimize the disturbance for the installation. The installation of pole #2 is not expected to adversely affect the water quality or quantity of Huntington Creek.

khinton

Hydrologic Sediment Control Measures

Analysis:

The amendment meets the State of Utah R645 requirements for Hydrologic Sediment Control Measures.

The application meets the requirements of R645-301-732 because a narrative was added including the sediment control features that will be used. Existing vegetation will be used where there are no roads required, and silt fence will be used when blading of the surface takes places in areas where roads and/or drill pads are required during construction and then contemporaneously reclaimed after construction (p. 2-51i).

khinton

Support Facilities and Utility Installations

Analysis:

The application meets the R645 requirements for Support Facilities and Utility Installations.

The application satisfies the requirements of R645-301-526.200 because the narrative on pages 3-58 and 3-72 includes a description of the construction methods involved in the installation of 52 high voltage power poles running from the main mine site to the Swens Canyon ventilation facility. The power line corridor will be approximately 3.05 miles in length and approximately 50 feet wide. The installation will either be with the use of rubber-tired vehicles, tracked vehicles, or on foot with helicopter support.

The installation of the poles is planned to be offset enough not to disturb a gas pipeline that runs perpendicular to the proposed power corridor between poles 24 and 25 as shown in DWG 3.2-10-4.

jeatchel

Maps Facilities

Analysis:

The application meets the R645 requirements for Facilities Maps.

The application satisfies the requirements of R645-301-521.160 and -521.180 because the following detailed maps and

cross-sections have been included in the application:

- DWG 3.2.10-3: Includes an approximate representation of the powerline crossing over Huntington Creek and SR 264.
- Bruno Construction specs E.0 through E.10: Include detailed plan and cross-section maps of every pole within the power corridor, including elevation gradients.
- DWG 3.2.10-4: Illustrates the approximate locations of all of the power poles within the corridor with a description of which holes will require a pad and where ancillary roads will be required.
- DWG 3.2.10-5: Provides a typical plan and cross-section view of ancillary roads, pads, and installed power pole.
- DWG 3.2.10-6A through -6C: Drone photographs of the proposed power corridor with the approximate locations of the poles and a north arrow superimposed. Logging roads and other access roads are distinguished from the proposed power corridor.
- DWG 1.6-3: Skyline Mine Permit Area: Shows a complete overview of the permit area complete with disturbed areas and lease acreages. The proposed power corridor is clearly shown.
- DWG 3.2.1-1_REV16: Offers a plan view of the mine surface facilities, and shows the approximate locations of power poles 45 through 52. These holes will be installed by hand with helicopter support.

jeatchel

Reclamation Plan

Topsoil and Subsoil

Analysis:

The application meets the State of Utah R645 requirements for Soils: Redistribution.

Bruno Engineering construction drawings show the gradient at each power pole location (Section 3.2, Appendix B). Existing vegetation (p. 2-51i) and logged trees placed perpendicular to the slope will provide sediment control (Section 3.2.12 as ASCA Area 43, p. 3-72c). DURING OPERATIONS?

Redistribution of topsoil will be contemporaneous with pole installation (page 2-120(l)). The redistributed soil will be pocked and seeded (p. 4-41(e)). Total area of soil redistribution is estimated at 3.2 acres (p. 4-41(e)). Steep ancillary road construction to poles 41-43 will be reclaimed with the addition of a soil stabilizer [such as PAM 12] (p. 2-120 (l)).

Seed mixes are provided in Tables 4.7-1, 4.7-2, 4.7-4, or 4.7-5 depending on the aspect. Seed mixes are specified by pole number on page p. 4-50a.

At final reclamation, power poles will be cut off one foot below ground. The cut will be covered. Poles will be left on the surface (Section 4.4.2, p. 4-28).

pburton

Contemporaneous Reclamation General

Analysis:

The amendment meets the State of Utah R645-301-352 requirements for Contemporaneous General Reclamation.

In Chapter 4, Section 4.7.11, p. 4-50(a) of the amendment, the Permittee commits to reseeding areas along the corridor immediately following installation.

tmiller

Revegetation General Requirements

Analysis:

The amendment meets the State of Utah R645-301-353 requirements for General Revegetation.

In Chapter 4, Section 4.7.11, p. 4-50(a) of the amendment, it details which areas of the powerline corridor will receive which seed mixes. The seed mixes cited are previously-existing seed mixes found in the MRP. The amendment states that poles 3-25 will be reseeded using the seed mix found in Table 4.7-4. Poles 26-42 will use Table 4.7-5 as their seed mix. Poles 43-47 will use Table 4.7-2 as their seed mix. Finally, poles 48-52 will use Table 4.7-1 as their seed mix. Each of these sections of powerline correlates with the proper intended exposure aspect of each seed mix. The Permittee commits to applying these mixes in the appropriate areas of the powerline corridor immediately following installation.

tmiller

Stabilization of Surface Areas

Analysis:

The application meets the State of Utah R645 requirements for soil stabilization.

Existing vegetation (p. 2-51i) and logged trees placed perpendicular to the slope will provide sediment control (Section 3.2.12 as ASCA Area 43, p. 3-72c). The pipeline corridor will be monitored. Noxious weeds will be controlled. Rills and gullies will be repaired (p. 4-103b).

pburton

Bonding Determination of Amount

Analysis:

The application meets the State of Utah R645 requirements for Determination of Bonding Amount.

The application proposes to build temporary 10'x20' pads for some of the previously approved power poles stretching from the main mine site to the Swens Canyon ventilation shaft facility. In addition to the pads, ancillary roads will also be intermittently built to provide mobile equipment access to the power pole locations. Not all poles will require pads, and the pads and ancillary roads that are constructed will be contemporaneously reclaimed once the poles have been installed and the transmission lines hung. New earthwork line items within the Swens Canyon Vent Facility bonding calculations include labor and rental costs to operate heavy equipment for three 8-hour shifts. New line items within the Swens Canyon Vent Facility revegetation bonding sheet include labor and rental costs to seed, mulch, and fertilize acreages of varying slopes.

The reclamation bond has been increased by \$32,000 to address the reclamation of the proposed pads and ancillary roads. The direct costs for earthwork have been increased by approximately \$10,000, the revegetation costs have been increased by approximately \$13,000, and the demolition costs are unchanged.

The total escalated bond amount is \$5,546,000, and the posted bond amount is \$5,799,000. Since the posted bond is \$253,000 greater than the calculated bond liability, the Permittee is not required to post additional bond at this time.

jeatchel