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General Manager

March 10, 2014

Sent via Email on March 10, 2014

C/007/0033
3/10/2014
Task ID #4521

Utah Division of Oil, Gas & Mining Coal Program (DOGM)
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Permit Supervisor:

Subject: Intermountain Power Agency (IPA) Response on actions required to abate State Violation (NOV) No. 10132, issued 11/26/2013 to Wildcat Loadout Facility, C/007/0033

IPA is respectfully submitting via email amendments to our DOGM Permit C/007/0033 Wildcat Loadout Mining and Reclamation Plan in response to NOV # 10132.

For your convenience, an electronic copy of all submittal materials have been sent to DOGM via email to ogmcoal@utah.gov on March 10, 2014 with 3 copies of the full-size maps transmitted via United States Postal Service which should be delivered early this week.

Please let us know if you have any comments once your staff has had the opportunity to review the enclosed information.

If you have any comments or questions, please contact me at (801) 748-1471.

Sincerely,



Lance C. Lee
Project Manager
Intermountain Power Project

cc: James A. Hewlett (via email)
Intermountain Power Agency
Minh T. Le (via email)
William W. Engels (via email)

Los Angeles Aqueduct Centennial Celebrating 100 Years of Water 1913-2013

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: INTERMOUNTAIN POWER AGENCY

Mine: WILDCAT LOADOUT

Permit Number:

C/007/0030

Title: ACTION PLAN TO MITIGATE COAL FINES ACCUMULATIONS CITATION

Description, Include reason for application and timing required to implement:

RESPONSE TO NOV #10132

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: 6.83 Disturbed Area: 6.83 increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # 10132
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

JAMES HEWLETT RESIDENT AGENT 3-9-14 [Signature]
 Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 9th day of March, 2014

Notary Public: Marlene Conrad, state of Utah.

My commission Expires: 4-15-2017

Commission Number: 666061

Address: 2416 W. Tanya Ave

City: West Jordan State: UT Zip: 84088



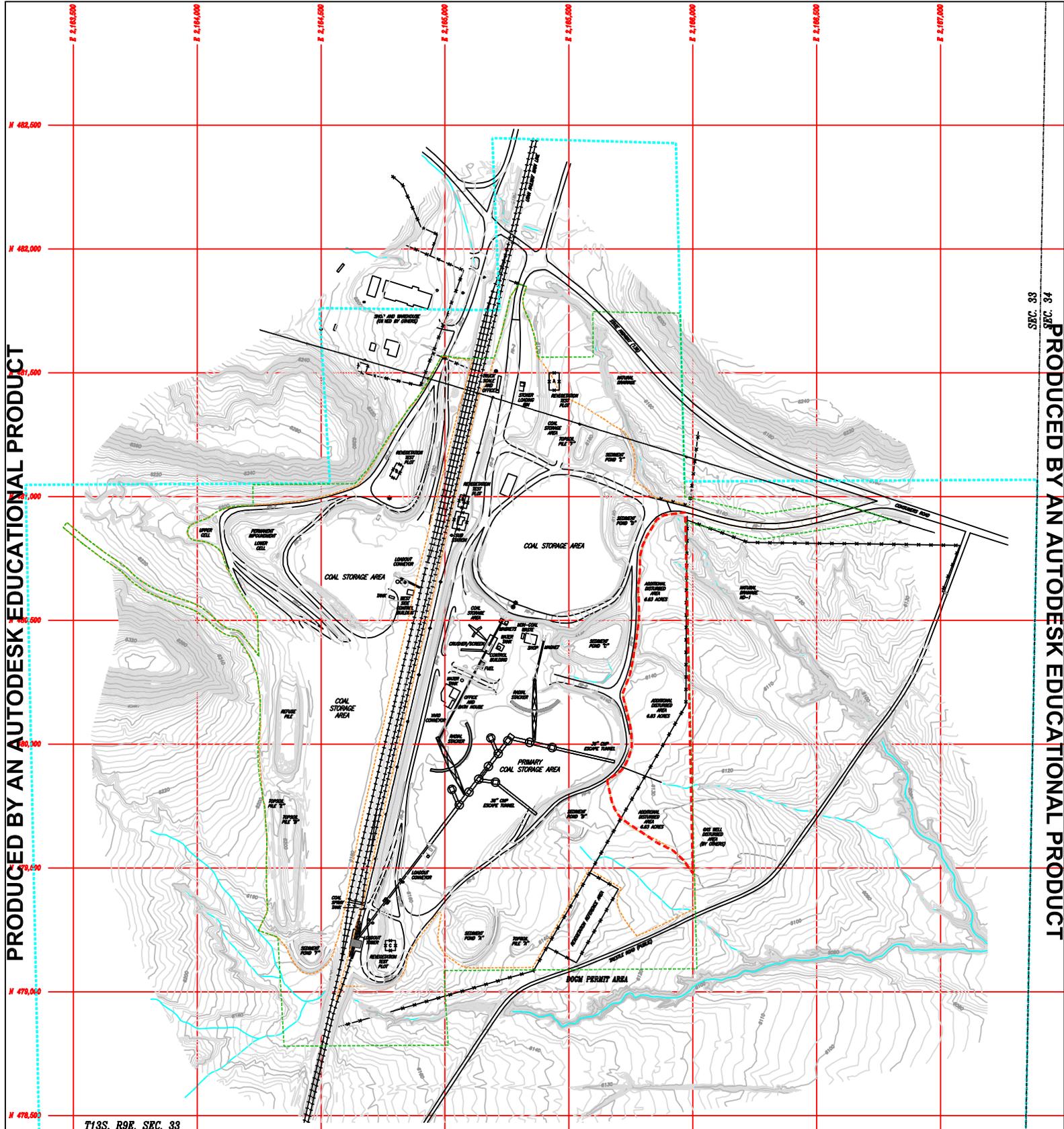
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Assigned Tracking Number:

Received by Oil, Gas & Mining

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46 388
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T13S, R9E, SEC. 33
T14S, R9E, SEC. 4

- LEGEND** BLM RIGHT-OF-WAY (U-48027)
- - - - - EXISTING BLM RIGHT OF WAY (U-48027)
 - - - - - DOGM PERMIT BOUNDARY
 - - - - - EXISTING DISTURBED AREA BOUNDARY (66.91 ACRES)
 - - - - - PROPOSED ADDITIONAL DISTURBED AREA (6.83 ACRES)



INTERMOUNTAIN POWER AGENCY

WILDCAT LOADOUT - C/007/0030
EXISTING SURFACE FACILITY MAP
PROPOSED DISTURBED AREA EXPANSION

REVISION NUMBER: 7
 PROPOSED DISTURBED AREA EXPANSION: 2014
 DATE: MARCH 2014

SCALE: 1" = 150'
PLATE 1

CONTOUR INTERVAL - 2'
PHOTOGRAPHY DATE: 10/22/2008

R645-301-200. SOILS

HISTORICAL NOTE: In 2004, the Division issued an Order DO-04 for wind-blown fines which had accumulated outside the disturbed area, primarily in the area southwest of the main coal storage pile below sediment Pond B. A complete description of the mitigation plan proposed for DO-04 is included in Appendix P.

Additionally, An Addendum to Appendix P has been included to reflect actions taken to mitigate NOV No. 10132 issued on November 26, 2013, which include defining 6.83 acres of previously undisturbed area as disturbed area with the topsoil to remain in place as per Priscilla Burton's recommendation.

I. Soil Survey and Vegetation Inventory (please see Appendix D, Appendix D Supplement, and Appendix I).

1. Introduction

Appendix D is a survey conducted by the SCS in the Wildcat area and depicts the major soil types here. Appendix D also includes a survey including sampling as performed by Earl Jensen consulting as a soil scientist. Included in this survey is a soil profile description for each soil type identified on the permit area. Plate 11 depicts the soils as outlined by the Order 3 Survey performed by the SCS.

R645-301-211. PREMINING SOIL RESOURCES

The entire disturbed area, with the exception of approximately 20 acres, was disturbed pre-law by previous owners, and no topsoil was saved.

Topsoil was removed prior to construction in 1984, and stored and protected for use in final reclamation. Please see Plate 13C for a summary of stored topsoil. Appendix D also includes a topsoil mass balance and includes soil quality data from the Utah State University Testing Laboratory. The mass balance indicates that there may not be sufficient volume of topsoil for final reclamation. IPA has committed to identifying and testing for suitable substitute material either off the permit area or possibly within

Add 6.83 Acres of Disturbance
 Wildcat Loadout / C/007/033
 NOV10132
 March 4, 2014

Reclamation Cost Estimate
 Required Bond Amount

Addition Bond Cost
 March 4, 2014

Direct Costs

Subtotal Demolition and Removal	\$212,052.00
Subtotal Backfilling and Grading	\$220,847.00
Subtotal Revegetation	\$372,984.00
Direct Costs	\$805,883.00

Indirect Costs

Mob/Demob	\$80,588.00	10.0%
Contingency	\$40,264.00	5.0%
Engineering Redesign	\$20,132.00	2.5%
Main Office Expense	\$54,800.00	6.8%
Project Management Fee	\$20,132.00	2.5%
Subtotal Indirect Costs	\$215,916.00	26.8%

Total Cost 2011 Dollars \$1,021,799.00

Number of Years (2016 is next midterm review) 3
 Escalation Factor for 2014 / 1.9 % 1.058
 Escalation \$59,264.00

Total Cost Escalated to 2014 \$1,081,063.00

Number of years 2
 Escalation Factor / Use 2014 factor of 1.9 % 1.038
 Escalation \$41,080.00
 Escalated Reclamation Cost to 2016 \$1,122,143.00
 Bond Amount (rounded to nearest \$1,000) \$1,122,000.00
 Posted Bond 2009 \$1,144,000.00
 Difference Between Cost Estimate and Bond \$22,000.00
 Percent Difference 1.90%

ADDENDUM TO APPENDIX P

RESPONSE TO DIVISION NOV #10132

COAL FINES ACCUMULATIONS

CONTENTS:

- 1) NARRATIVE
- 2) FIGURE, COAL FINES ACCUMULATION OVER 4" MAP

On November 26, 2013, Division Citation NOV #10132 was issued for coal fine accumulations in both undisturbed areas within the current permit area as well as outside the approved permit area. After several meetings and discussions with the Permittee (IPA), the Operator (Wild West Equipment & Hauling), and UDOGM personnel, the following courses of action were agreed upon to mitigate the NOV:

Clean up of accumulations in the areas cited in the NOV and areas where coal fine accumulations are greater than 4" in depth. Refer to Figure 1 "Coal Fines over 4" Map". This will be accomplished by the use of mechanical equipment and the topsoil will remain in place as recommended by Priscilla Burton of the Price UDOGM Field Office. Any sediment controls (straw bales, excelsior logs, etc.) damaged or removed for the clean up will be replaced and additional sediment controls added as needed. The areas will then be reseeded with the Interim seed mix as described in Chapter 4, Pages 3-23 & 3-24 of the MRP, with the exception of the exclusion of Triticale from the cold season grasses as Ms. Burton indicated this particular species did not perform well in the area.

The previously 6.83 acres defined as undisturbed area within the current Permit boundary will be designated as disturbed area as indicated on Plate 1, and monitored regularly for coal fine accumulations.

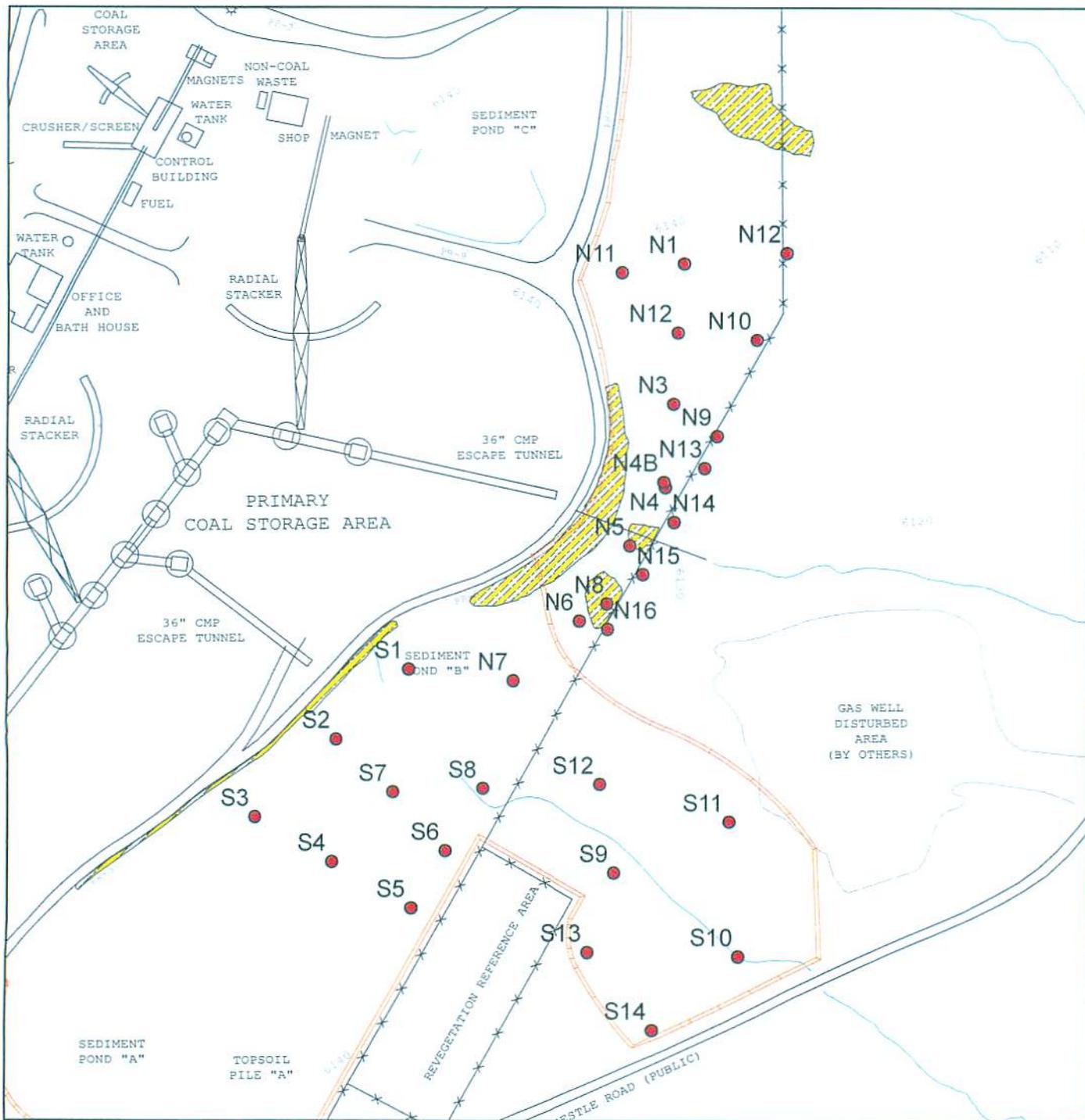
Extend the existing snow/drift fence approximately 600 feet to the North along PR-5 to reduce the accumulations of wind blown fines in the newly defined disturbed area.

Grade/blade the road surface of PR-5 occasionally to reduce dusty conditions in addition to watering.

A revised Reclamation Cost Estimate summary escalated to 2014 dollars has also been completed to include the additional 6.83 acres to be defined as disturbed area which includes an adjustment of \$24,147 for reclamation costs. The current bond amount is sufficient to cover this addition so no additional bonding is required at this time.

Additionally, IPA intends to submit significant revisions to the MRP in the near future, to expand the Permit boundary and designate this expansion as disturbed area, including the possible addition of more sediment controls, potential additional ASCA's, additional control of drop points on stacker conveyors, additional monitoring locations, and other measures to ensure that these accumulations will be controlled and managed as effectively and efficiently as possible.

WILDCAT LOADOUT COAL FINES OVER 4 INCHES



Coal Accumulation Over 4 Inches Random Photograph Sites

Environmental Industrial Services
 Environmental Engineering & Consulting
 31 North Main Street
 Helper, Utah 84526
 (435) 472-3814
 fax (435) 472-8780
 eisec@preciscom.net



**COAL FINES
OVER 4"
FEB 4, 2014**