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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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October 10, 1997

Harold Sallas, General Manager
Sunnyside Cogeneration Associates
1 Power Plant Road
Sunnyside, Utah

Re: Approval of Phase I Bond Release at Old Coarse Refuse Road, Sunnyside Refuse and Slurry, Sunnyside Cogeneration Associates, ACT/007/035 -97BR, Folder #3, Carbon County, Utah

Dear Mr. Sallas:

The phase I bond release at the Old Coarse Refuse Road Area, consisting of 5.5 acres is approved. Adjustment to the bond amount (\$30,885) will be done in conjunction with the permit renewal, which was received on October 7, 1997.

The basis for this decision is attached for your information. If you have any questions, please call me or Pamela Grubaugh-Littig at 801-538-5268.

Sincerely,

A handwritten signature in cursive script that reads "Lowell P. Braxton".

Lowell P. Braxton
Acting Director

Enclosure

cc: Bill Malencik

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DECISION DOCUMENT
PHASE I BOND RELEASE
(OLD COARSE REFUSE ROAD)

SUNNYSIDE REFUSE AND SLURRY
SUNNYSIDE COGENERATION ASSOCIATES
ACT/007/035

SUMMARY OF THE REVIEW PROCESS

Background

The Sunnyside Refuse and Slurry operations are an active, permitted operation (permit issued February 4, 1993) and located near the town of Sunnyside in Carbon County, Utah. A map showing a legal description of the permit area is found in the plan as Plate 1-1. The permit area as described on the map results in a permit area of approximately 305 acres. As provided on Plate 3-1, the total area to be affected over the life of operations includes pre-law and post-law (SMCRA) disturbances and are delineated for the purpose of specific performance standards that may apply to these areas. The total area affected, including future disturbances, is approximately 235 acres. SCA has petitioned for Phase I bond release for the Old Coarse Refuse Road.

Reclamation of Coarse Refuse Road

Reclamation efforts of the Old Coarse Refuse Road were accomplished as contemporaneous (permanent) reclamation during the summer and fall of 1994. All acid and/or toxic forming materials were removed from the outslope of the road and buried on the inside slope of the road with a minimum of four feet of borrow material. The surface foot of borrow had an organic amendment incorporation of 1 ton per acre straw. The surface was then roughened, seeded, fertilized, and mulched with 2 tons per acre straw. The steeper outsoles had an erosion control matting applied after fertilization and seeding. Silt fences were placed at the base of the area to afford interim sediment control measures for the reclaimed area. Drainage control and diversions were re-designed and modified during regrading operations to accommodate reclamation of the area and maintain sediment and drainage controls for the areas adjacent to the Old Coarse Refuse Road.

Public Participation

Sunnyside Cogeneration Associates (SCA) has petitioned for Phase I bond release for the Old Coarse Refuse Road, consisting of 5.5 acres. Public notice was accomplished by publication in the Sun Advocate January 23, 30 and February 6 and 13, 1997. No comments or objections to bond release were received as a result of public notice.

Bond Release Inspection

The Phase I bond release inspection was conducted on June 11, 1997 with the following attendees:

DOGM: Susan White, Robert Davidson, Bill Malencik, Randy Harden, and Pam Grubaugh-Littig.
OSM-WSC: None.
(OSM declined attending the inspection because it is a non-federal permit)
SCA: Rusty Netz and Scott Carlson (consultant for SCA).

Results and Recommendations

Observations and recommendations resulting from the bond release inspection are summarized as follows:

Backfilling and grading of the Old Coarse Refuse road area appears successful. Although steep slope conditions exist both above and below the road area, there are no indications of instability or surface slope failure. Test pits were dug in two locations to ensure that sufficient cover material was placed over the refuse materials during reclamation and it was found that the standards requiring four-foot of cover were met. Roughening of the site, mulching, netting and establishment of vegetation on the site appear successful as only minimal erosion was evident throughout the area. Vegetation appears to well established with good growth and diversity. Diversions and sediment control measures used within and adjacent to the Old Coarse Refuse Road have been maintained and are operational.

The Division recommended that SCA should collect data to evaluate the vegetation for Phase II Bond release. Visually, the site appears to be capable of meeting Phase II bond release criteria. Phase II release would allow for the removal of the silt fences along the base of the area.

The existing bond amount for the entire permit area is \$1,900,000.00, which will be subject to re-evaluation by the Division during the five-year renewal of the permit. Cost information in determining the amount of bond to be released for the Old Coarse Refuse Road is based on the existing bond cost estimate. The permittee has proposed that 60% of the costs associated with backfilling and grading and topsoil placement be released. Based on existing unit cost information, 60% of the earthwork involved in reclamation would be \$30,885.00. This amount is approximately 1.6% of the current bond amount.

Phase I Bond Release
Sunnyside Refuse & Slurry
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Currently, the operator is preparing updated information for permit renewal. This information includes evaluation and updating the reclamation plan and associated costs. Because the amount of bond proposed for Phase I bond release is minimal in comparison to the total bond amount, and that reclamation costs will shortly be revised, adjustment of the bond amount required will be made during permit renewal.

To accommodate phase I bond release for the Old Coarse Refuse Road, the operator shall reduce the earthwork quantities by 60% for that area. By providing a 60% reduction in the earthwork quantities, the updated unit cost information will also be reflected in escalation, contingency and other costs factored into the bond amount.

FINDINGS

The Division finds that the area described as the Old Coarse Refuse Road area, consisting of 5.5 acres, meets the requirements for Phase I bond release. Adjustment to the bond amount required shall be accomplished by the Division in conjunction with the permit renewal process.