



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

SW by [signature]

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Partial: XXX Complete: ___ Exploration: ___
Inspection Date & Time: 9/8/2000 / 8:00a.m.-3:00p.m.
Date of Last Inspection: 8/29/2000

Mine Name: Sunnyside Refuse/Slurry County: Carbon Permit Number: ACT/007/035
Permittee and/or Operator's Name: Sunnyside Cogeneration Associates
Business Address: P.O. Box 10, East Carbon, Utah 84520
Type of Mining Activity: Underground ___ Surface XXX Prep. Plant ___ Other ___
Company Official(s): Rusty Netz
State Official(s): Bill Malencik Federal Official(s): None
Weather Conditions: Partly Cloudy, 80's
Existing Acreage: Permitted 310 Disturbed 202 Regraded ___ Seeded ___
Status: Exploration ___ Active XXX Inactive ___ Temporary Cessation ___ Bond Forfeiture ___
Reclamation (Phase I ___ Phase II ___ Final Bond Release ___ Liability ___ Year ___)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

Table with 4 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include categories like PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK; AIR QUALITY PERMIT; BONDING & INSURANCE.

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(Continuation sheet)

PERMIT NUMBER: ACT/007035

DATE OF INSPECTION: 09/08/2000

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

GENERAL COMMENTS

A partial inspection of the Sunnyside Cogeneration Mine was completed on 9/8/2000. These are the highlights of the inspection:

-Midterm was completed on 8/22/2000. There were three follow-up items:

- 1) Grouting the riprap to the clear water pond inlet. The pond inlet was regraded. Riprap was stockpiled adjacent to the inlet. The work has not been completed.
- 2) Repairing the road going down to the railcut pond. This work was completed satisfactorily.
- 3) Repairing the ASCA drainage so the runoff will flow into the railcut pond. All the work had been completed. It consisted of constructing a moderate size berm that would make certain that the runoff would go to the railcut pond. The small ancillary road to the ASCA treatment was given routine erosion protection. Rusty stated he would look to seeding the road this fall.

-The permittee obtained liability insurance from Hartford Steam Boiler. The effective date is 7/1/2000 to 7/1/2001.

-At 6:00 p.m. on 8/27/2000, a lighting storm hit the plant. It knocked out the air quality recorders. The same storm hit the power plants at Castle Gate, Huntington, and Bonanza. The plant was in operation on 9/8/2000.

-Air quality permit was renewed by DEQ on 2/4/1998.

-Bonding is currently for \$1,900,000.00. OSM pointed out that the company holding the bond has received a "C" rating according to Rusty Netz. Pam is working with Brian Burnett to correct this problem.

-Annual report was submitted and is part of the official record.

1. PERMIT

The permittee has obtained Division approval to receive and do a test burn on coal tar. Coal tar from Geneva Steel would be taken to the Cogeneration plant for a test burn. The public at East Carbon have voiced concerns about this project. The project is hung up because of the value of the materials from Geneva Steel.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The majority of the site's diversions were clean and appeared to be capable of functioning as designed. Some diversion maintenance is required, due to sediment buildup. It is the permittee's intent to clean the diversions requiring maintenance. This was completed prior to the inspection.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The disturbed area contains eleven impoundments, of which seven are sediment ponds. There are four slurry approved impoundments. Slurry cell one and two are non-MSHA impoundments.

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The east and west slurry cells are MSHA impoundments. All slurry cells are inactive. This occurred when the Sunnyside Mine closed and no longer washed coal in 1994. The pond inspection reports were reviewed for the second quarter. No problems were noted.

No impoundment was discharging during the inspection.

6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES

The permittee has an approved site to store spoil and tippie processing waste. Currently, spoil is stored in the decommissioned slurry cell as approved in the MRP. The waste is being placed in the slurry cell #1. When slurry cell #1 is filled, the operation will move to slurry cell #2.

Three sites were approved so that coal material would be stored on the spoil piles and not on the refuse pile. The three spoil piles were inspected for the second quarter.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The permittee is currently mining the west slurry cell and contiguous refuse pile. No mining has started on the east slurry cell.

Inspector's Signature: _____



Wm. J. Malencik

#26

Date: September 18, 2000

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

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cc: James Fulton, OSM
Rusty Netz, Cogen
Price Field office

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