



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Rusty Netz Environmental Coordinator

OGM Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0070035
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 20, 2007
Start Date/Time:	12/20/2007 12:00:00 PM
End Date/Time:	12/20/2007 3:30:00 PM
Last Inspection:	Thursday, November 15, 2007

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Overcast, Temp. 20 Deg. F.

InspectionID Report Number: 1508

Accepted by: dhaddock *OK*
12/21/2007

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **SUNNYSIDE REFUSE & SLURRY**

Address: **ONE POWER PLANT RD, PO BOX 159 SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

310.00	Total Permitted
202.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

Inspector's Signature: _____

Karl Houskeeper

Date Thursday, December 20, 2007

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

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

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 Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference 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, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The following permits were reviewed:

- Mining permit C/007/035 issued February 3, 2003 and expires February 4, 2008.
- UPDES permit #UT0024759 effective August 1, 2007 and expires midnight July 31, 2012.
- Air Quality Permit DAQO-702038-02 issued November 1, 2002, remains in effect.
- SPCC plan is only applicable to plant site which is not within the permit area.
- Certificate of Insurance effective 08/01/2007 and terminates 08/01/2008.
- Reclamation agreement is dated December 1996 and signed by both parties.

2. Signs and Markers

The mine ID sign is located adjacent to the tipple on a light pole. The MSHA Refuse Pile sign was also checked during the inspection and contained the required information.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds were inspected on September 25, 2007. Outfall 004 (Clear Water Pond) has been de-activated and the flow from this area is now directed to outfall 009 (Pasture Pond). This change has received Division and UPDES approval.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2007 water monitoring information is in the EDI website, but has not been uploaded. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

The November 2007 discharge monitoring reports were reviewed. No discharges occurred.

6. Disposal of Excess Spoil, Fills, Benches

Excess spoil #1 & #2 were inspected on September 25, 2007. The inspections were certified by a P.E.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected on September 25, 2007 and certified by a registered P.E. in the State of Utah. The pile appeared stable with no visible hazards.

20. Air Quality Permit

DAQO-702038-02 issued November 1, 2002, remains in effect. Air Quality Permit DAQE-691-99 issued August 13, 1999 was replaced by DAQO-702038-02. The permit was modified to allow the usage of a diesel generator on the power plant site. The Air Quality Permit covers both the power plant and mine site. The power plant site is not regulated by DOGM.

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21. Bonding and Insurance

A Pledge and Escrow agreement dated January 4, 2002 is in place. The escrow agency is Wells Fargo for SCA. SCA has invested \$1,780,250.19 in federally guaranteed Treasury Notes as of December 31, 2006. The required bond amount is \$1,720,000.