From: Karl Houskeeper
To: rnetz@emerytelcom.net
CC: ANGELANANCE@utah.gov; DARONHADDOCK@utah.gov; SUZANNESTEAB@utah.gov
Date: 9/29/2010 8:47 AM
Subject: September 2010 Inspection Reports
Attachments: SCA September 2010.pdf; SPWF September 2010.pdf

Rusty,

Attached is the September inspection reports for SCA and SPWF.

Thanks,
Karl

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Representatives Present During the Inspection:
OGM Karl Houskeeper

Permit Number:	C0070035
Inspection Type:	COMPLETE
Inspection Date:	Thursday, September 16, 2010
Start Date/Time:	9/16/2010 8:00:00 AM
End Date/Time:	9/16/2010 11:30:00 AM
Last Inspection:	Tuesday, August 31, 2010

Inspector: Karl Houskeeper,

Weather: Clear, Temp. 72 Deg. F.

InspectionID Report Number: 2498

Accepted by: jhelfric
9/20/2010

Permitee: **SUNNYSIDE COGENERATION ASSOCIATES**
Operator: **SUNNYSIDE COGENERATION ASSOCIATES**
Site: **SUNNYSIDE REFUSE & SLURRY**
Address: **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
5.50	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:

Richard Safley SCA was present during the inspection.

Inspector's Signature: Karl R. Houskeeper **Date** Thursday, September 16, 2010

Karl Houskeeper,
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.

UTAH DNR OIL, GAS & MINING

Permit Number: C0070035
Inspection Type: COMPLETE
Inspection Date: Thursday, September 16, 2010

Inspection Continuation Sheet

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 performace 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	☑	☐	☑	☐
2. Signs and Markers	☑	☐	☑	☐
3. Topsoil	☑	☐	☐	☐
4.a Hydrologic Balance: Diversions	☑	☐	☐	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☐	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
5. Explosives	☑	☑	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☑	☐	☑	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☐	☑	☐
8. Noncoal Waste	☑	☐	☐	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☑	☐	☐	☐
10. Slides and Other Damage	☑	☐	☐	☐
11. Contemporaneous Reclamation	☑	☐	☐	☐
12. Backfilling And Grading	☑	☐	☐	☐
13. Revegetation	☑	☐	☐	☐
14. Subsidence Control	☑	☐	☐	☐
15. Cessation of Operations	☑	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☐	☐
16.b Roads: Drainage Controls	☑	☐	☐	☐
17. Other Transportation Facilities	☑	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☐	☐
19. AVS Check	☑	☐	☐	☐
20. Air Quality Permit	☑	☐	☑	☐
21. Bonding and Insurance	☑	☐	☑	☐
22. Other	☑	☐	☐	☐

1. Permits, Change, Transfer, Renewal, Sale

The following permits were reviewed:

-Mining permit C/007/035 issued February 3, 2008 and expires February 4, 2013.
-UPDES permit #UT0024759 effective August 1, 2007and 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 08/01/2010 and terminates 08/01/2011.
-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

Second quarter 20010 sediment pond inspections were done on June 25, 2010. Several of the sediment ponds are within .5" to .6" of reaching the 60% clean elevation.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the July 2010 discharge monitoring reports. No discharges occurred from any of the outfalls.

6. Disposal of Excess Spoil, Fills, Benches

The excess disposal sites #1 & #2 were inspected on June 25, 2010.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected on June 25, 2010. The pile appeared stable.

20. Air Quality Permit

DAQ-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.

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.