



# 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

Permit Number:	C0070035
Inspection Type:	COMPLETE
Inspection Date:	Thursday, March 21, 2013
Start Date/Time:	3/21/2013 8:00:00 AM
End Date/Time:	3/21/2013 12:00:00 PM
Last Inspection:	Thursday, February 07, 2013

Representatives Present During the Inspection:	
Company	Rusty Netz
OGM	Karl Houskeeper

Inspector: Karl Houskeeper

Weather: Overcast/Raining, Temp. 37 Deg. F.

InspectionID Report Number: 3426

Accepted by: jhelfric  
3/25/2013

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

241.25	<b>Total Permitted</b>
196.65	<b>Total Disturbed</b>
5.35	<b>Phase I</b>
5.35	<b>Phase II</b>
5.35	<b>Phase III</b>

#### 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:

*Karl R. Houskeeper*

Inspector's Signature:

Date Thursday, March 21, 2013

Karl Houskeeper,  
Inspector ID Number: 49

Note: This inspection report does not constitute an official statement of compliance with the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



**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 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 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 as part of the complete inspection:

- Mining permit C/007/035 issued February 4, 2013 and expires February 4, 2018.
- 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 08/01/2011 and terminates 08/01/2012.
- Reclamation agreement is dated December 1996 and signed by both parties.

## **2. Signs and Markers**

The mine identification is posted on a power pole at the entrance into the permit area. The sign is near the fuel area that Savage Trucking utilizes. The sign contained all of the information required by regulations found under the R645 Utah Coal Rules .

## **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The sediment ponds were inspected for the fourth Quarter of 2012 on December 17, 2012. A report was compiled and P.E. certified. Existing sediment levels for all of the sediment ponds was found below the 60% sediment elevation level, which requires that a pond be cleaned.

## **4.e Hydrologic Balance: Effluent Limitations**

The discharge monitoring reports for January 2013 were reviewed as part of the complete inspection. The reports showed that no discharge occurred in any of the months listed from any of the sediment pond outfalls. The reports were submitted to the State of Utah Department of Environment Quality.

## **6. Disposal of Excess Spoil, Fills, Benches**

The excess spoil piles #1 and #2 were inspected on December 17, 2012 for fourth quarter 2012. A report was compiled and P.E. certified. The reports did not show any problem with either excess spoil pile. Excess spoil pile #2, phase #2 is the pile that is being actively utilized.

## **7. Coal Mine Waste, Refuse Piles, Impoundments**

Two smokers were active during the inspection. One is located on the east side of the property where the access point to the old slurry cells was. The other location is on the west side of the property below and east of excess spoil pile #1. Savage was contacted during the inspection to go and extinguish the smokers.

The refuse pile appear stable.

The fourth Quarter 2012 refuse pile inspection was done on December 17, 2012.

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**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

**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.