



State of Utah

Department of Natural Resources

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February 23, 2007

Mr. Maung Maung, Environmental Engineer
Utah Division of Air Quality
150 North 1950 West
P.O. Box 144820
Salt Lake City, Utah 84114-4820

Subject: DOGM Comments, Draft Utah Division of Air Quality Modified Source Plan Review Dated February 21, 2007, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/0039, Task ID #2743

Dear Mr. Maung:

The following comments are offered on draft Modified Source Plan Review being considered as a revision to the existing Approval Order DAQE-AN1634005-05 dated October 21, 2005, for the public record.

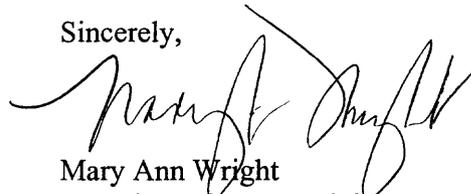
- The Air Quality Approval Order (AO) dated October 21, 2005 allows for five million tons of coal production per rolling 12-month period (Item 15A.). The revised AO will allow seven million tons per rolling 12-month period, but does not specify the size of the storage piles allowable on the surface. Based upon air quality standards, will there be a limitation on the area of coal storage?
- The changes to the existing AO will include an increase in PM₁₀ from 7.62 tons/yr to 20.81 tons/yr. The likely basis for the rise in PM₁₀ is the increased truck traffic associated with the increased production. Yet, there is no report of corresponding increase in loading capacity, consequently the Division is concerned about the potential size of the coal storage piles. Two 7,500 ton stockpiles are shown in Figure 5-2 of the Mining and Reclamation Plan on file in our office.
- The loadout bin is not recognized in list of approved installations in the 2005 Order (Item 7) and was not listed in the recommended order considerations (Item V.8. of the Modified Source Plan Review). Do you have any information on the loadout bin? One 275 ton capacity loadout bin is shown in Figure 5-2 of the Mining and Reclamation Plan on file in our office.

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- Currently the visible emissions from the crusher are set at 15% opacity, the screen at 10% opacity and conveyor points at 10% opacity (Item 9). The Modified Source Review Plan recommends all visible emission sources be limited to 20%. The new opacity limits will set a higher threshold for implementation of dust control strategies at the transfer points and storage pile and will potentially increase allowable movement of coal fines onto adjacent undisturbed areas of the canyon.
- The Modified Source Review Plan recommends in Section 12 that the silt content of the road dust shall not exceed 1.26% by weight, where silt is defined as all material passing a #200 U.S. Standard Sieve. The appropriate ASTM method for measurement should be provided.

Thank you for this opportunity to comment on the draft Modified Source Plan Review. The Memorandum of Understanding (MOU) between DOGM and DEQ, signed September 1, 1999, envisions such cooperation. Please contact Priscilla Burton at (435) 613-1146, Ext. 207 or Pamela Grubaugh-Littig at (801) 538-5268 for further discussion.

Sincerely,



Mary Ann Wright
Associate Director, Mining

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cc: Price Field Office
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