

0001



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

4007/031 Incoming
cc: Steve C.
Steve D. &

RECEIVED
JAN 27 2010
DIV. OF OIL, GAS & MINING

January 25, 2010

Vicky Miller, Environmental Engineer
Canyon Fuel Company, LLC – Dugout Mine
P. O. Box 1029
Wellington, Utah 84542

Dear Ms. Miller:

Subject: UPDES Permit No. UT0025593 Minor Corrections, Dugout Canyon Mine.

Per our recent discussions, enclosed is the revised page 7 of UPDES Permit No. UT0025593, as well as revised page 4 of the Fact Sheet Statement of Basis, for your facility referenced above. As you know, this permit was recently renewed effective December 1, 2009 and inadvertently included typographical and clarification errors that were not appropriate.

These minor changes reflect the request made by you during our meeting on January 14, 2010 and do not change the effluent limitations, but rather clarify the Total Flow provisions as appropriate. This minor permit modification is authorized under *Utah Administrative Code R317-8-5.6* and requires neither public notice, nor additional permit fees. Therefore, please replace the previously sent applicable pages with these corrected pages.

If you have any questions with regards to this matter, please contact Jeff Studenka at (801) 538-6779 or via e-mail at jstudenka@utah.gov.

Sincerely,

Mike Herkimer, Manager
UPDES IES Section

Enclosures

cc (w/ encl.): Qian Zhang, P.E., EPA Region VIII
Claron Bjork, SE District Health Department
Dave Ariotti, SE District Engineer
Daron Haddock, Division of Oil Gas & Mines

F:\wp\CFDugoutJan 2010 Permit ltr.doc

authorized to discharge from Outfalls 001, 002, 003, 004, 005 and 006. Such discharges shall be limited and monitored by the permittee as specified below:

Parameter, Units	Effluent Limitations <i>a/</i>			
	Maximum Monthly Average	Maximum Weekly Average	Daily Minimum	Daily Maximum
Total Effluent Flow, MGD, <i>b/</i>	2.0	NA	NA	Report
Total Iron, mg/L	NA	NA	NA	1.1
Total Suspended Solids (TSS), mg/L	25	35	NA	70
Total Dissolved Solids (TDS), mg/L, <i>c/</i>	Report	NA	NA	2,400
TDS, tons/day, <i>c/</i>	NA	NA	NA	1.0
pH, Standard Units (SU)	NA	NA	6.5	9.0
Oil & Grease, mg/L, <i>d/</i>	NA	NA	NA	10

NA – Not Applicable; mg/L – milligrams per liter; MGD – million gallons per day

Self-Monitoring and Reporting Requirements <i>a/</i>			
Parameter	Frequency	Sample Type	Units
Total Flow, <i>b/</i>	Continuous/ Twice Monthly	Recorder/ Measured	MGD
Total Iron	Twice Monthly	Grab	mg/L
TSS	Twice Monthly	Grab	mg/L
TDS, <i>c/</i>	Twice Monthly	Grab	mg/L & tons/day
pH	Twice Monthly	Grab	SU
Oil & Grease, <i>d/</i>	Twice Monthly	Visual, Grab	Yes/No, mg/L

There shall be no visible sheen or floating solids or visible foam in other than trace amounts upon any discharges and there shall be no discharge of any sanitary wastes at any time.

a/ See Definitions, *Part I.A.*, for definition of terms.

b/ The maximum monthly average of 2.0 MGD applies to outfall 001 only. The remaining outfalls shall report the maximum monthly average upon discharging. Flows from outfalls 001 and 005 shall be from a continuous recorder. Flows from the remaining outfalls shall be from either a continuous recorder, or measured at least twice monthly upon discharging. If the rate of discharge is controlled, such as from intermittent discharging outfalls, the rate and duration of discharge shall be reported.

c/ The TDS concentration from each of the outfalls shall not exceed 2400 mg/L as a daily maximum limit. No tons per day loading limit will be applied if the concentration of TDS in the discharge is equal to or less than 500 mg/L as a thirty-day average. However, if the 30-day average concentration exceeds 500 mg/L, then the permittee cannot discharge more than 1.0 ton per day as a sum from all discharge points. Upon previous determinations by the Executive Secretary that the permittee is not able to meet the 500 mg/L 30-day average or the 1.0 ton per day loading limit, the permittee is required to continue to participate in and/or fund a salinity offset project to include the TDS offset credits as appropriate.

The salinity-offset project shall include TDS credits on a ton-for-ton basis for which the permittee is over the 1.0 ton per day loading limit. The tonnage reduction from the offset project must be calculated by a method similar to one used by the NRCS,

Parameter, Units	Effluent Limitations a/			
	Maximum Monthly Average	Maximum Weekly Average	Daily Minimum	Daily Maximum
Total Effluent Flow, MGD, b/	2.0	NA	NA	Report
Total Iron, mg/L	NA	NA	NA	1.1
Total Suspended Solids (TSS), mg/L	25	35	NA	70
Total Dissolved Solids (TDS), mg/L, c/	Report	NA	NA	2,400
TDS, tons/day, c/	NA	NA	NA	1.0
pH, Standard Units(SU)	NA	NA	6.5	9.0
Oil & Grease, mg/L, d/	NA	NA	NA	10

NA – Not Applicable; mg/L – milligrams per liter; MGD – million gallons per day

Discharge monitoring report (DMR) forms shall be submitted on a monthly basis and are due on or before the 28th day of the month after each monitoring period. For example, the DMR form for February would be due by March 28th. A review of the past 3 years of DMR data reveals that Dugout rarely exceeds any permit limitation or requirement and should be able to continue complying with the permit provisions herein. DMR data from 2008 were compiled and included as an attachment to this fact sheet statement of basis.

Listed below are the permit parameters and the associated sampling frequency, type of sample and required units, followed by the applicable permit footnotes as appropriate.

Self-Monitoring and Reporting Requirements a/			
Parameter	Frequency	Sample Type	Units
Total Flow, b/	Continuous/ Twice Monthly	Recorder/Measured	MGD
Total Iron	Twice Monthly	Grab	mg/L
TSS	Twice Monthly	Grab	mg/L
TDS, c/	Twice Monthly	Grab	mg/L & tons/day
pH	Twice Monthly	Grab	SU
Oil & Grease, d/	Twice Monthly	Visual, Grab	Yes/No, mg/L

There shall be no visible sheen or floating solids or visible foam in other than trace amounts upon any discharges and there shall be no discharge of any sanitary wastes at any time.

a/ See Definitions, *Part I.A* of the permit, for definition of terms.

b/ The maximum monthly average of 2.0 MGD applies to outfall 001 only. The remaining outfalls shall report the maximum monthly averages upon discharging. Total Flow from outfalls 001 and 005 shall be from a continuous recorder. Flows from the remaining outfalls shall be from either a continuous recorder, or measured at least twice monthly upon discharging. If the rate of discharge is controlled, such as from intermittent discharging outfalls, the rate and duration of discharge shall be reported.