

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

October 24, 2005

TO: Internal File

THRU: Karl R. Houskeeper, Environmental Scientist III/Engineering, Team Lead

FROM: Wayne H. Western, Environmental Scientist III/Engineering, Bond

RE: Demolition of Buildings and Utilities, Sunnyside Cogeneration Association, Star Point Refuse, C/007/0042, Task ID #2333

SUMMARY:

The Permittee submitted an amendment to update the MRP to show that buildings at the Star Point Refuse facility will be demolished before final reclamation. The buildings are scheduled to be demolished at final reclamation. While the buildings will be demolished, the foundations will remain until final reclamation. The Permittee does not request bond release for the demolition of the buildings.

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Form of Bond

The Permittee has an escrow agreement with the Division through Wells Fargo for \$1,254,000. The policy number for this escrow agreement is 15152700.

TECHNICAL MEMO

Determination of Bond Amount

The Division determined the bond amount in 2003 as part of the permit application and escalated the bond until 2008. Since then, the Division changed the escalation period from permit renewal to permit renewal to midterm to midterm. The current bond amount \$1,254,000 and is considered adequate to insure reclamation.

Findings:

The information in the MRP is considered adequate to meet the minimum requirements of the Bonding and Insurance Requirements sections of the R645 Rules.

RECOMMENDATIONS:

The Division should approve the amendment.