

# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

*JK*

January 2, 2007

TO: Internal File

THRU: Karl R. Houskeeper, Environmental Scientist/Engineering, Team Lead *KRH bryan*

FROM: Priscilla W. Burton, CPSSc, Environmental Scientist/Soils *PWB bryan*

RE: Midterm Permit Review; Star Point Refuse, C/007/0042, Sunnyside Cogeneration Associates, Task ID #2620

**SUMMARY:**

The mid-term review was initiated on August 29, 2006. This memo addresses the administrative contents of the MRP. There have been no changes to the soils handling, storage or reclamation plans since permit issuance.

Approval is not recommended until the following item is resolved:

**R645-301-112.230**, The Office of Surface Mining determined that the Star Point waste was not subject to payment of abandoned mined land fees (see 2004 Incoming document 0004.pdf). The resolution of the Abandoned Mine Reclamation Fee correspondence must be included in the narrative Section 112.230 and in Exhibit 112.230a.

**TECHNICAL ANALYSIS:**

## GENERAL CONTENTS

### IDENTIFICATION OF INTERESTS

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**Analysis:**

The Applicant, Sunnyside Cogeneration Associates (SCA), is a Utah joint venture between Sunnyside Holdings I, Inc. and Sunnyside II, L.P. Information regarding the ownership and control of these entities and other parent or controlling corporations is described in Section 112.300-330 through Sec. 112.340-420 of the MRP. The information provided includes:

- Ownership or control relationship to the applicant
- Percentage ownership
- Location in the organizational structure
- Addresses of the corporations within organizational structure
- Officers and directors

Information regarding the Applicant, resident agent, abandoned mine reclamation fee, owners, controllers, etc. is also written in Section 112-200-210 through 200-230.

The Resident Agent for the Star Point Waste Fuel Mine is Michael J. Blakely, Plant Manager. His mailing address is given in Section 112.220 of the MRP.

Section 112.500 states that Sunnyside Cogeneration Associates and the United States, Bureau of Land Management (BLM), and Plateau Mining Corporation (PMC) own the surface land within the permit area.

Plateau Mining Corporation, the United States (BLM), and Carbon County are landowners contiguous to the permit area (Section 112.600).

Mine Safety and Health Administration (MSHA) numbers and the Applicant's interest in contiguous lands are in Section 112.700 through 112.800 of the application.

The application states that Cypress Plateau Mining Corporation's name was changed to Plateau Mining Corporation and that all references to Cypress Plateau infer Plateau Mining Corporation.

Section 112.230 anticipates that an exemption from payment of abandoned mine land fees will be granted in the near future, similar to the exemption granted in 1994 for the material obtained from the Sunnyside Mine Wash Plant (see correspondence in Exhibit 112.230a). In fact, the Office of Surface Mining did determine that the waste was not subject to payment of fees (see 2004 Incoming document 0004.pdf). The resolution of the Abandoned Mine Reclamation Fee correspondence must be included in the narrative Section 112.230 and in Exhibit 112.230a.

**Findings:**

The information provided does not meet the Identification of Interest requirements of the Regulations. Prior to Approval, please provide the following in accordance with:

**R645-301-112.230**, The Office of Surface Mining determined that the Star Point waste was not subject to payment of abandoned mined land fees (see 2004 Incoming document 0004.pdf). The resolution of the Abandoned Mine Reclamation Fee correspondence must be included in the narrative Section 112.230 and in Exhibit 112.230a.

**VIOLATION INFORMATION**

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

The Applicant, any of the Applicant's subsidiaries, affiliates or persons controlled by or under common control with the Applicant has not had a federal or state mining permit suspended or revoked in the last five years or has forfeited a mining bond or similar security deposited in lieu of bond.

Previous violations of received by Star Point Waste Fuel are noted in Section 113.300-350.

**Findings:**

The requirements of this section of the regulations are considered adequate in regard to the Star Point Waste Fuel permit application.

**PERMIT TERM**

Regulatory References: 30 CFR 778.17; R645-301-116.

**Analysis:**

The permit term is for a period of five years. The permit was first issued in 2003. The life of the operation is anticipated to be 20-30 years, during which time the refuse pile will be used as a fuel source at the Sunnyside Power Plant.

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**Findings:**

The requirements of this section of the regulations are considered adequate in regard to the proposed permit application, Star Point Waste Fuel C/007/042.

**OPERATION PLAN**

**MINING OPERATIONS AND FACILITIES**

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

**Analysis:**

The mine life is estimated to be twenty years. Volume of waste to be mined is estimated at 4,710,000 cu yds. Approximately 1,430,000 cu yds will be removed from the site every five years for the first fifteen years. Table 523.100a relates the tonnage of coal mine waste to be moved as 200,000 tons/year which equates to 833 tons/day, 104 tons/hour, 15 truck trips/day or two trucks an hour. In accordance with this operating plan, the Permittee's annual reports indicate the following has been excavated from Refuse Pile A to date:

Date of Annual Report	Tonnage
2005	226,568
2004	235,510
2003	67,342

Three refuse piles (A, B, and C) are illustrated on Maps 521.100e and 731.120b. Map 521.1100d and e shows the sequence of mining (Section 521). SCA will use a standard mobile fleet of excavation equipment that may include all or some of the following: dozers, front-end loaders, end-dump trucks, scrapers, backhoes, and support equipment.

Existing structures and facilities are listed in Table 526.111a and shown on Figure 521.100a, Figure 521.100b. The consultant's report found in Exhibit 624.200a recommended sorting, crushing, and blending of the coarse with the fine waste, but the Permittee does not intend to conduct those operations at the site (Division communication with Mr. Rusty Netz, January 6, 2003).

**Findings:**

The information provided meets the requirements the Operation Plan Mining Operations and Facilities requirements of the Regulations.

## **EXISTING STRUCTURES:**

Regulatory Reference: 30 CFR 784.12; R645-301-526.

### **Analysis:**

In 2003, Section 526.111 of the PAP, listed the following existing structures:

- Coal Waste Refuse Pile
- Vegetation/Soil Test Plots
- Sediment Pond No. 5
- Sediment Pond No. 6
- Accounting/Surface Operations Office
- Surface Operations Bathhouse
- Surface Foreman's Office, Salt Storage, Achieves
- Excess Spoil Disposal Area (Former Pond Treatment Area)
- Concrete Slab (Part of fuel storage/dispensing structures that have been removed.)
- Shop Building
- Sediment Pond No. 9

Exhibit 526.112a provides photographic documentation of the structures that existed at the time of permit issuance. In October 2006, several building structures were demolished (review Task 2333). Table 526.111a and Figure 521.100a were revised accordingly.

### **Findings:**

The information provided in the PAP meets the minimum requirements for the existing structures section of the regulations.

## **RECOMMENDATIONS:**

Approval is not recommended until the issue of abandoned mine land payments are brought up to date.