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In C/0070042, 2009, Incoming  
For additional information

# 2008 Annual Report

## Sunnyside Cogeneration Associates

### Star Point Waste Fuel

#### C/007/042





**SUNNYSIDE COGENERATION ASSOCIATES  
STAR POINT REFUSE (WASTE FUEL)  
C/007/0042  
2008 ANNUAL REPORT**

Submitted to:

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

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For additional information

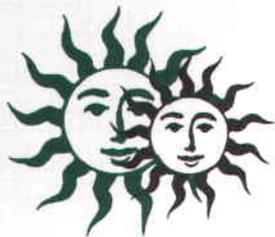
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C/007/042 Incoming  
cc: Karl H.

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MAY 18 2009

DIV. OF OIL, GAS & MINING



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

#3287

OK

May 14, 2009

Darron Haddock  
Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: Annual Report for 2008  
SCA Star Point Mining Permit, C/007/042

Dear Mr. Haddock:

Please find enclosed two copies of SCA's Annual report for 2008, for coal mining and reclamation operations at the SCA Star Point site. This report is inclusive of the activities that occurred within the SCA Star Point Mining Permit area during 2008.

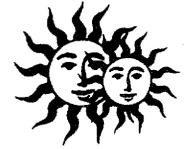
Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

cc. Steve Gross  
William Rossiter  
Maggie Estrada  
Paul Shepard  
Rusty Netz  
Plant File

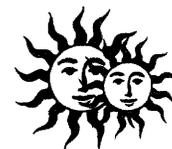
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Date: 5/14/09 For additional information



**SUNNYSIDE COGENERATION ASSOCIATES**  
**STAR POINT WASTE FUEL**  
**2008 ANNUAL REPORT**

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## I. GENERAL PERMIT INFORMATION

**Permit Number:** C/007/042

**Mine Name:** Star Point Waste Fuel

**Permittee:** Sunnyside Cogeneration Associates

**Company Representative  
& Resident Agent:** Mr. Michael J. Blakey  
One Power Plant Road  
PO Box 159  
Sunnyside, UT 84539  
(435) 888-4476  
(435) 888-2538 fax

**Date of Initial Permanent Program Permit:** November 14, 2003

**Date of Most Recent Permit Renewal:** November 14, 2008  
Documents relating to this permit renewal are included in Appendix E.  
The reclamation bond for SCA's Star Point facility was renewed during 2007.

**Date of Expiration:** November 14, 2013

SCA acquired the Star Point waste fuel area from RAG America and completed its Mining and Reclamation permit in late 2003. This annual report covers the 2008 calendar year and outlines SCA's operations at the Star Point Waste Fuel Mine.



## II. IDENTIFICATION OF OTHER PERMITS

**MSHA ID Numbers:** Star Point Refuse Pile Mine ID No. 42-02334

MSHA granted approval for final abandonment of the Coarse Refuse Pile on January 28, 2004. As such, SCA's Star Point Waste Fuel Mine has no MSHA qualifying facilities or structures. The mine ID number remains active.

**Storm Water Permit Number:** UTR000604      Approved effective August 29, 2002  
Renewed effective Jan 1, 2007  
Expires December 31, 2011

Under the Utah Pollutant Discharge Elimination System, the Utah Department of Water Quality issued SCA a Multi-Sector General Permit for Storm Water Discharges associated with Industrial Activities from Coal Mines and Coal Mining-related Facilities.

**UPDES Discharge Permit Number:** UTG040025      Approved Sept 1, 2002  
Renewed May 1, 2008  
Expires April 30, 2013

The UDWQ has also issued SCA a general storm water discharge permit to regulate discharges from the three sediment ponds in the mining permit area (Ponds 005, 006 & 009). SCA submits monthly discharge monitoring reports to the DWQ. UDEQ DWQ renewed the General Coal Mining Permit No. UTG040000 in 2008. SCA's general permit was then renewed with reference to the state permit. The renewal letter for this permit is included in Appendix B.

### **Air Quality Permit:**

The operations on the Star Point Waste Coal Pile are of such a nature that the mining operation generates little to no emissions. The Utah State Department of Air Quality (DAQ) has determined that special air quality permitting is not required. DAQ issued a Small Source Exemption – De Minimis Emissions permit / letter for the Star Point Waste Fuel operation.



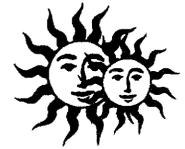
### III. CERTIFIED REPORTS

Each impoundment as well as the Refuse Pile and the proposed Disposal Area were inspected in accordance with the requirements of the Mining and Reclamation Permit. The quarterly and annual inspection / certification reports were submitted to the Division. These reports are also included in **Appendix A**.

No discharges occurred from any of the UPDES discharge points during the 2008.

Excavation of Refuse from the Refuse Pile occurred in general conformance with the operational criteria and performance standards established in the permit. In 2008, the operator excavated coal material by removing refuse directly from the top of the main refuse pile.

No material was placed in the Disposal Area during the year.



## **IV. REPORTING OF OTHER TECHNICAL DATA**

### **1. Climatological Data**

Not required in the approved permit.

### **2. Subsidence Monitoring Data**

No subsidence monitoring is required by the approved plan. No material damage or diminution within the Permit Area will be caused by subsidence because no underground coal resources are available within the permit area that would cause subsidence. No past or future underground coal mining operations have or are likely to occur within the SCA Permit Area.

### **3. Vegetation Monitoring Data**

Two areas within the permit area have received final reclamation treatment. These are located at the west end of the permit area and at the southeast side, both adjoining the permit boundary. These areas were reclaimed by RAG in accordance with their reclamation work on the Star Point Mine. Monitoring of these areas is being performed by RAG and information on the reclamation success can be found in their annual report documents.

### **4. Raptor Surveys**

Raptor studies were conducted by DWR in 2002. No additional periodic raptor studies are required by the approved permit.

### **5. Water Monitoring Data**

Water monitoring is not required in the approved plan. SCA's operations to remove the refuse pile are not located in or around surface or ground water sources. Storm runoff is controlled and treated in sediment ponds regulated through the Storm Water Permit and UPDES Discharge Permit discussed above. Extensive water monitoring in the general vicinity is performed by RAG.



## **6. Geological / Geophysical Data**

No periodic Geological / Geophysical monitoring is required in the approved plan. The data included as resource information in the plan has been determined adequate for the operations of SCA. In the event that the operations of SCA change dramatically such that additional geologic or geophysical data becomes necessary, additional analysis will be performed at that time.

## **7. Engineering Data**

### **a. Refuse Excavation**

During 2008, SCA excavated a total of 251,600 tons of coal materials at the Star Point facility. This material was all transported to SCA's Sunnyside facilities.

### **b. Disposal Area**

During 2008 no material was deposited in the disposal area.

Inspections of the refuse area and the disposal area are conducted on a quarterly basis. Reports from these site visits are submitted to the Division throughout the year and have been included in this report with the certified reports.

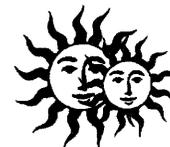
## **8. Soils Monitoring Data**

No periodic soil monitoring is required by the approved plan. The approved subsoil storage pile reserved for reclamation activities has previously undergone soils studies from which the data is included in Chapter 2 of the Permit.

In the event that SCA determines it necessary to utilize soils from other sources for reclamation, the proper analysis will be performed at that time.

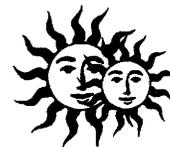
## **9. Other Data**

No additional periodic data is required in the approved plan.



## V. LEGAL, FINANCIAL, COMPLIANCE & RELATED INFORMATION

Sunnyside Cogeneration Associates is a joint venture between Sunnyside Holdings I, Inc. and Sunnyside II, L.P. **Appendix C** includes copies of the Certificates of Existence for Sunnyside Cogeneration Associates, Sunnyside Holdings I, Inc. and Sunnyside II, L.P. The Utah Department of Commerce, Division of Corporations and Commercial Code issues these certificates. They demonstrate that the entities are in good standing with the State of Utah.



## VI. MINE MAPS

The mine map included in **Appendix D** of this report provides a contour update and photographic update to the surface configuration of the refuse area being excavated. This refuse is then utilized as fuel for the Sunnyside Cogeneration Facility. The aerial survey used to generate contours of the site was performed in April 2007. An April 2009 photograph of the active mining area has been added to the map to show current conditions.

Mining activity proposed for the next five years is projected to occur in conformance with the mining plan shown on the PE Certified drawings approved in the Mining and Reclamation Permit.



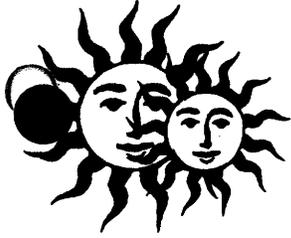
## **APPENDIX A CERTIFIED REPORTS**



**APPENDIX A  
CERTIFIED REPORTS**

**FIRST QUARTER INSPECTION**

**IMPOUNDMENTS, REFUSE PILE AND DISPOSAL  
AREA**



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

April 17, 2008

Daron Haddock  
Utah Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: First Quarter 2008 Inspection Report  
Star Point Refuse Pile C/007/042

Dear Daron:

Please find enclosed a copy of the First Quarter 2008 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

c.c. Steve Gross  
William Rossiter  
Paul Shepard  
Ramiro Garcia  
Rusty Netz  
Plant File

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 005

Report Date April 9, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 005  
Impoundment Number 005  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date March 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection First Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet  
Pond bottom elevation = 7387.3  
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9  
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393  
Existing Average Sediment Elevation = 7390 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9  
Emergency Spillway Elevation = 7401.3

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it but was not discharging. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 005**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.  
No other aspects were observed to affect stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty noty Date: 4/17/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

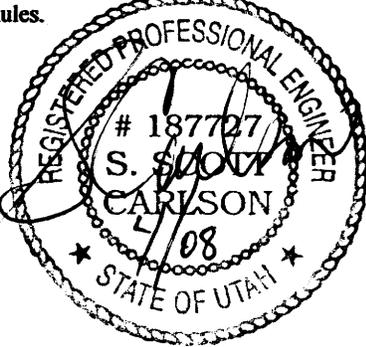
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 006

Report Date April 9, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 006  
Impoundment Number 006  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date March 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection First Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 2.6 Acre-feet  
Pond bottom elevation = 7132.7  
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7  
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8  
Existing Average Sediment Elevation = 7133 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7140.7  
Emergency Spillway Elevation = 7147.2

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had no water in it. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 006**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty nety Date: 4/17/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 009

Report Date April 9, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 009  
Impoundment Number 009  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date March 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection First Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet  
Pond bottom elevation = 7435.0  
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3  
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7  
Existing Average Sediment Elevation = 7436 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8  
Primary Spillway Elevation = 7445.5  
Emergency Spillway Elevation = 7446.5

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanup, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had no water in it. No samples were taken. Pond did not require decanting.  
Sediment levels were reasonably low.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 009**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Rety Date: 4/17/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

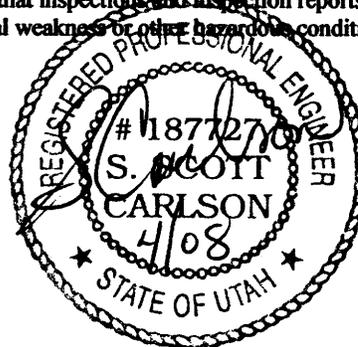
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Coarse Refuse Pile**

Report Date April 9, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Coarse Refuse Pile  
Pile Number N/A  
MSHA ID Number Abandoned by MSHA Jan 2004

Inspection Date March 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection First Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **NO**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

N/A

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Coarse Refuse Pile**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

Refuse material is actively being excavated and removed from the top of the pile

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

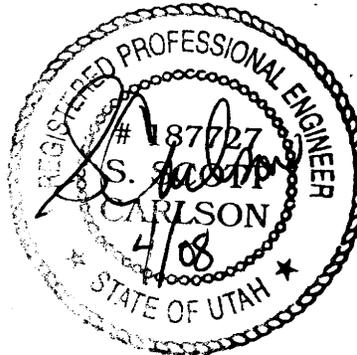
Signature: Rusty Notz Date: 4/17/08

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date



**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Disposal Area**

Report Date April 9, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Disposal Area  
Pile Number N/A  
MSHA ID Number N/A

Inspection Date March 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection First Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **No**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The site selected for the new disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the quarter.

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Disposal Area**

7. **Other comments.** Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The disposal area did not receive any materials during the quarter.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

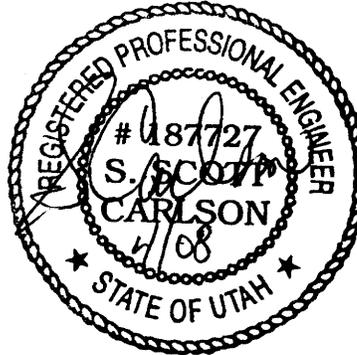
Signature: Rusty Rusty Date: 4/17/08

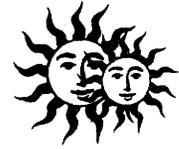
**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date

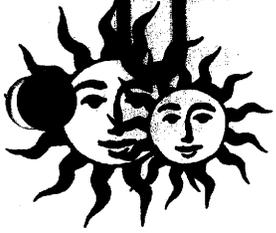




**APPENDIX A  
CERTIFIED REPORTS**

**SECOND QUARTER INSPECTION**

**IMPOUNDMENTS, REFUSE PILE AND DISPOSAL  
AREA**



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

July 25, 2008

Daron Haddock  
Utah Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

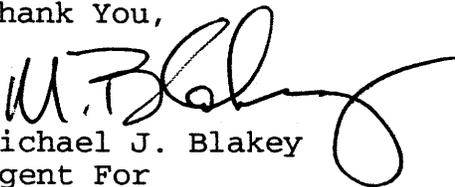
RE: Second Quarter 2008 Inspection Report  
Star Point Refuse Pile C/007/042

Dear Daron:

Please find enclosed a copy of the Second Quarter 2008 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

  
Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

c.c. Steve Gross  
William Rossiter  
Paul Shepard  
Maggie Estrada  
Rusty Netz  
Plant File

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 005

Report Date July 22, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 005  
Impoundment Number 005  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date June 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Second Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet  
Pond bottom elevation = 7387.3  
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9  
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393  
Existing Average Sediment Elevation = 7391 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9  
Emergency Spillway Elevation = 7401.3

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had some water in it but was not discharging. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 005**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.  
No other aspects were observed to affect stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty ref Date: 7/24/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

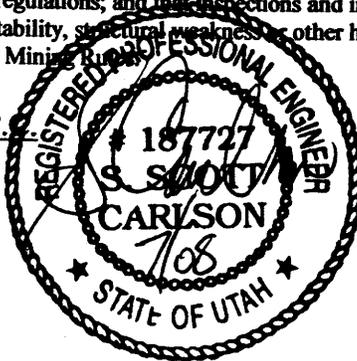
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness, or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Report Date July 22, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

Sediment Pond 006

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 006  
Impoundment Number 006  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date June 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Second Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 2.6 Acre-feet  
Pond bottom elevation = 7132.7  
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7  
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8  
Existing Average Sediment Elevation = 7134 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7140.7  
Emergency Spillway Elevation = 7147.2

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had no water in it. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Sediment Pond 006

### 3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

### QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Notz Date: 7/24/08

### CERTIFIED REPORT

#### IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

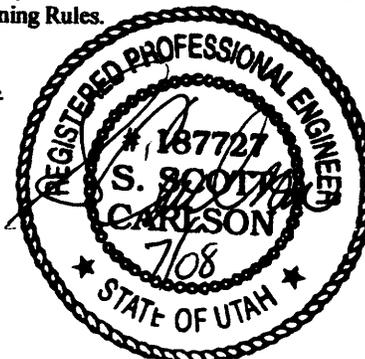
### COMMENTS/ OTHER INFORMATION

None

### CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 009

Report Date July 22, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 009  
Impoundment Number 009  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date June 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Second Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet  
Pond bottom elevation = 7435.0  
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3  
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7  
Existing Average Sediment Elevation = 7436.5 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8  
Primary Spillway Elevation = 7445.5  
Emergency Spillway Elevation = 7446.5

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it. No samples were taken. Pond did not require decanting.  
Sediment levels were reasonably low.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 009**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty netz Date: 7/24/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

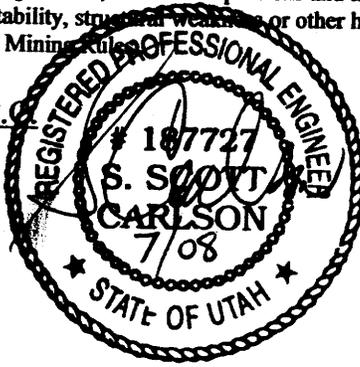
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.O.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Coarse Refuse Pile**

Report Date July 22, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Coarse Refuse Pile  
Pile Number N/A  
MSHA ID Number Abandoned by MSHA Jan 2004

Inspection Date June 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Second Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **NO**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

N/A

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Coarse Refuse Pile**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

Refuse material is actively being excavated and removed from the top of the pile

**QUALIFICATION STATEMENT:**

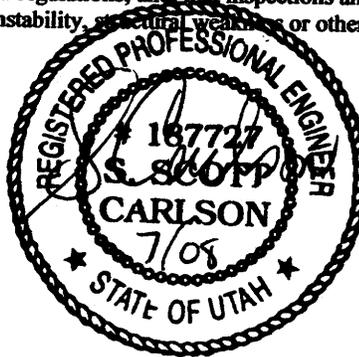
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty netz Date: 7/24/08

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Disposal Area**

Report Date July 22, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

File Name Disposal Area  
File Number N/A  
MSHA ID Number N/A

Inspection Date June 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Second Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **No**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The site selected for the new disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the quarter.

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Disposal Area**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The disposal area did not receive any materials during the quarter.

**QUALIFICATION STATEMENT:**

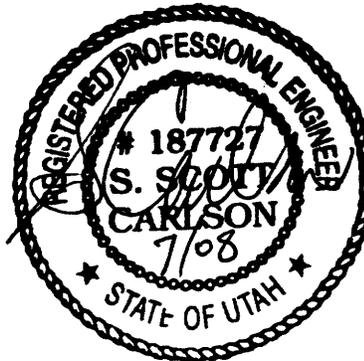
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nety Date: 7/24/08

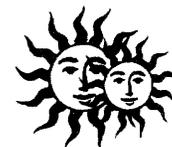
**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



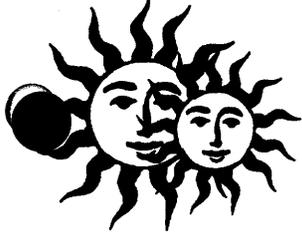
Affix Signature, Stamp and Date



**APPENDIX A  
CERTIFIED REPORTS**

**THIRD QUARTER INSPECTION**

**IMPOUNDMENTS, REFUSE PILE AND DISPOSAL  
AREA**



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

October 27, 2008

Daron Haddock  
Utah Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: Third Quarter 2008 Inspection Report  
Star Point Refuse Pile C/007/042

Dear Daron:

Please find enclosed a copy of the Third Quarter 2008 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

c.c. Steve Gross  
William Rossiter  
Paul Shepard  
Maggie Estrada  
Rusty Netz  
Plant File

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 005

Report Date October 20, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 005  
Impoundment Number 005  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date September 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Third Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet  
Pond bottom elevation = 7387.3  
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9  
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393  
Existing Average Sediment Elevation = 7391 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9  
Emergency Spillway Elevation = 7401.3

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had some water in it but was not discharging. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 005**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.  
No other aspects were observed to affect stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty nety Date: 10/27/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date



# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 006

Report Date October 20, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 006  
Impoundment Number 006  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date September 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Third Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 2.6 Acre-feet  
Pond bottom elevation = 7132.7  
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7  
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8  
Existing Average Sediment Elevation = 7134 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7140.7  
Emergency Spillway Elevation = 7147.2

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had no water in it. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 006**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty nety Date: 10/27/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

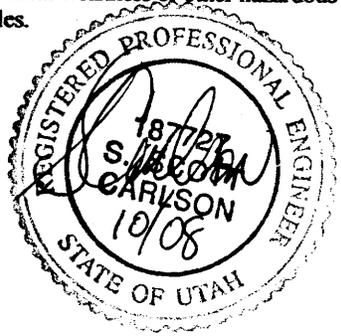
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 009

Report Date October 20, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 009  
Impoundment Number 009  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date September 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Third Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet  
Pond bottom elevation = 7435.0  
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3  
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7  
Existing Average Sediment Elevation = 7436.5 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8  
Primary Spillway Elevation = 7445.5  
Emergency Spillway Elevation = 7446.5

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had some water in it. No samples were taken. Pond did not require decanting.  
Sediment levels were reasonably low.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 009**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nety Date: 10/27/08

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

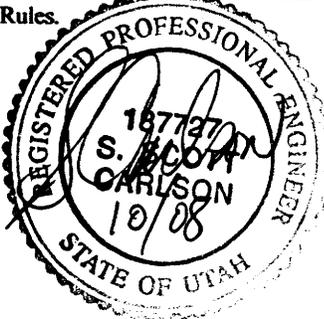
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

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By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Coarse Refuse Pile**

Report Date October 20, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Coarse Refuse Pile  
Pile Number N/A  
MSHA ID Number Abandoned by MSHA Jan 2004

Inspection Date September 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Third Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **NO**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

N/A

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Coarse Refuse Pile**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

Refuse material is actively being excavated and removed from the top of the pile

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

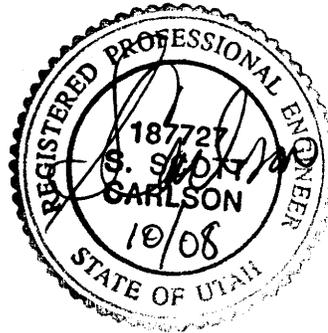
Signature: Rusty Rutz Date: 10/27/08

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date



**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Disposal Area**

Report Date October 20, 2008  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Disposal Area  
Pile Number N/A  
MSHA ID Number N/A

Inspection Date September 25, 2008  
Inspected by Rusty Netz  
Reason for Inspection Third Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **No**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The site selected for the new disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the quarter.

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Disposal Area**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The disposal area did not receive any materials during the quarter.

**QUALIFICATION STATEMENT:**

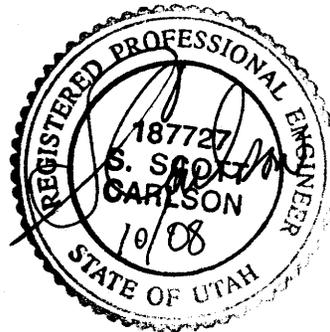
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty netz Date: 10/27/08

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



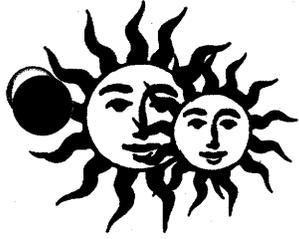
Affix Signature, Stamp and Date



**APPENDIX A  
CERTIFIED REPORTS**

**FOURTH QUARTER INSPECTION**

**IMPOUNDMENTS, REFUSE PILE AND DISPOSAL  
AREA**



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

January 27, 2009

Daron Haddock  
Utah Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: Fourth Quarter 2008 Inspection Report  
Star Point Refuse Pile C/007/042

Dear Daron:

Please find enclosed a copy of the Fourth Quarter 2008 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

c.c. Steve Gross  
Paul Shepard  
Maggie Estrada  
Rusty Netz  
Plant File

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 005

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 005  
Impoundment Number 005  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Fourth Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet  
Pond bottom elevation = 7387.3  
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9  
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393  
Existing Average Sediment Elevation = 7391 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9  
Emergency Spillway Elevation = 7401.3

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it but was not discharging. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 005**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.  
No other aspects were observed to affect stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/27/09

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 006

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 006  
Impoundment Number 006  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Fourth Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 2.6 Acre-feet  
Pond bottom elevation = 7132.7  
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7  
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8  
Existing Average Sediment Elevation = 7134 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7140.7  
Emergency Spillway Elevation = 7147.2

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had no water in it. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 006**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nely Date: 1/27/09

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

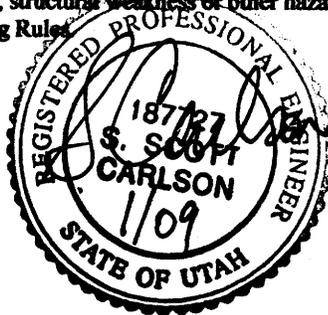
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 009

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 009  
Impoundment Number 009  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Fourth Quarter Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet  
Pond bottom elevation = 7435.0  
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3  
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7  
Existing Average Sediment Elevation = 7436.5 +/-

### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8  
Primary Spillway Elevation = 7445.5  
Emergency Spillway Elevation = 7446.5

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it. No samples were taken. Pond did not require decanting.  
Sediment levels were reasonably low.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 009**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed

Depth of impounded water was minimal

Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Aety Date: 1/27/09

**CERTIFIED REPORT**

**IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

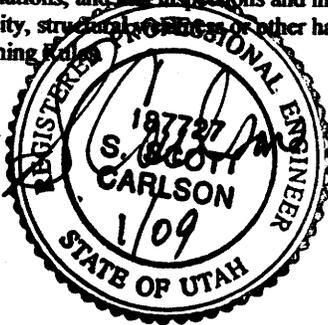
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Coarse Refuse Pile**

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Coarse Refuse Pile  
Pile Number N/A  
MSHA ID Number Abandoned by MSHA Jan 2004

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Fourth Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **NO**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

N/A

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Coarse Refuse Pile**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

Refuse material is actively being excavated and removed from the top of the pile

**QUALIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Rutz Date: 1/27/09

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Disposal Area**

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Disposal Area  
Pile Number N/A  
MSHA ID Number N/A

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Fourth Quarter Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **No**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The site selected for the new disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the quarter.

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Disposal Area**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The disposal area did not receive any materials during the quarter.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: \_\_\_\_\_

*Rusty Acty*

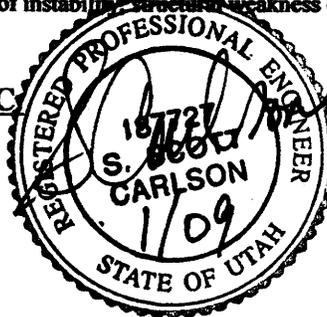
Date: \_\_\_\_\_

*1/27/09*

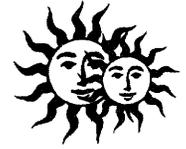
**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



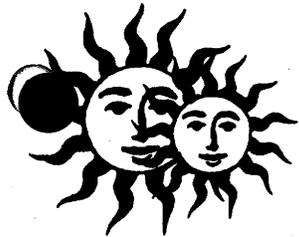
Affix Signature, Stamp and Date



**APPENDIX A  
CERTIFIED REPORTS**

**ANNUAL INSPECTION**

**IMPOUNDMENTS, REFUSE PILE AND DISPOSAL  
AREA**



## Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

January 27, 2009

Daron Haddock  
Division of Oil, Gas & Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116

RE: Annual 2008 Inspection Report  
Star Point Refuse Pile C/007/042

Dear Mr. Haddock:

Please find enclosed a copy of the Annual 2008 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Michael J. Blakey  
Agent For  
Sunnyside Cogeneration Associates

c.c. Steve Gross  
Paul Shepard  
Maggie Estrada  
Rusty Netz  
Plant File

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 005

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 005  
Impoundment Number 005  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Annual Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet  
Pond bottom elevation = 7387.3  
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9  
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393  
Existing Average Sediment Elevation = 7391 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9  
Emergency Spillway Elevation = 7401.3

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it but was not discharging. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Sediment Pond 005

### 3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.  
No other aspects were observed to affect stability or functionality.

### QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Rety Date: 1/27/09

### CERTIFIED REPORT

#### IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

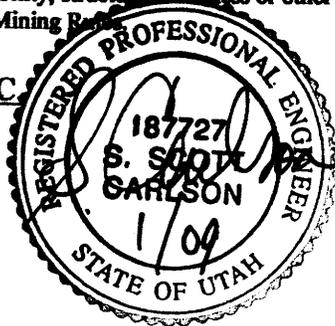
### COMMENTS/ OTHER INFORMATION

None

### CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Regulations.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**GENERAL INFORMATION**

**Sediment Pond 006**

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**IMPOUNDMENT IDENTIFICATION**

Impoundment Name Sediment Pond 006  
Impoundment Number 006  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

**IMPOUNDMENT INSPECTION**

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Annual Inspection 2008

**1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

None

**a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.**

Total Pond Volume = 2.6 Acre-feet  
Pond bottom elevation = 7132.7  
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7  
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8  
Existing Average Sediment Elevation = 7134 +/-

**b. Principle and emergency spillway elevations.**

Primary Dewatering Orifice = 7140.7  
Emergency Spillway Elevation = 7147.2

**2. Field Information**

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond had no water in it. No samples were taken  
Sediment levels were reasonably low. Pond did not require decanting.  
Embankment conditions were good. Vegetation on outslopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 006**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Oetz Date: 1/27/09

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

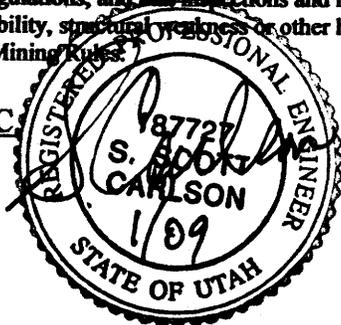
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

## GENERAL INFORMATION

Sediment Pond 009

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

## IMPOUNDMENT IDENTIFICATION

Impoundment Name Sediment Pond 009  
Impoundment Number 009  
UPDES Permit Number UTG040025  
MSHA ID Number N/A

## IMPOUNDMENT INSPECTION

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Annual Inspection 2008

### 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

#### a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet  
Pond bottom elevation = 7435.0  
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3  
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7  
Existing Average Sediment Elevation = 7436.5 +/-

#### b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8  
Primary Spillway Elevation = 7445.5  
Emergency Spillway Elevation = 7446.5

## 2. Field Information

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

Pond had some water in it. No samples were taken. Pond did not require decanting.  
Sediment levels were reasonably low.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

**Sediment Pond 009**

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

No recent changes in the geometry of the structure have been observed  
Depth of impounded water was minimal  
Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/27/09

**CERTIFIED REPORT  
IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- 1. Is impoundment designed and constructed in accordance with the approved plan? YES
- 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
- 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

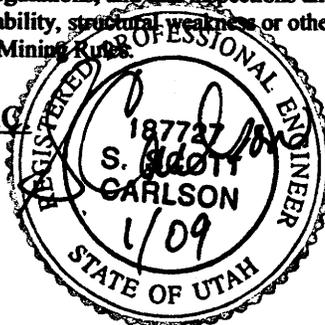
**COMMENTS/ OTHER INFORMATION**

None

**CERTIFICATION STATEMENT:**

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Coarse Refuse Pile**

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

File Name Coarse Refuse Pile  
File Number N/A  
MSHA ID Number Abandoned by MSHA Jan 2004

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Annual Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **NO**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

N/A

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Coarse Refuse Pile**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

Refuse material is actively being excavated and removed from the top of the pile

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/27/09

**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**GENERAL INFORMATION**

**Disposal Area**

Report Date January 20, 2009  
Permit Number C/007/042  
Mine Name Star Point Waste Fuel  
Company Name Sunnyside Cogeneration Associates

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

File Name Disposal Area  
File Number N/A  
MSHA ID Number N/A

Inspection Date December 15, 2008  
Inspected by Rusty Netz  
Reason for Inspection Annual Inspection 2008

Attachment to Report? (such as refuse sample analysis or photos) **No**

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The site selected for the new disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the Year.

5. Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

No aspects of the Fill structure were observed that could affect its stability or functionality

**INSPECTION AND CERTIFIED REPORT  
ON EXCESS SPOIL PILE OR REFUSE PILE**

**Disposal Area**

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The disposal area did not receive any materials during the Year.

**QUALIFICATION STATEMENT:**

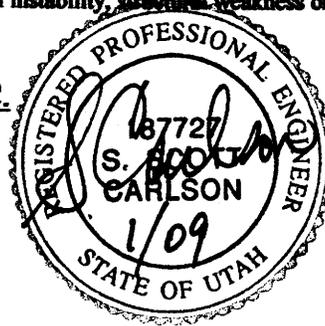
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Doty Date: 1/27/09

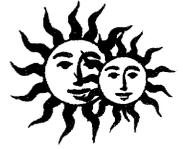
**CERTIFICATION STATEMENT**

I hereby certify that: I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH



Affix Signature, Stamp and Date



**APPENDIX B**

**GENERAL UPDES PERMIT RENEWAL**



State of Utah

Department of  
Environmental Quality

Richard W. Spratt  
Executive Director

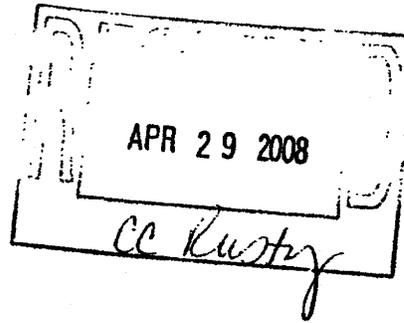
DIVISION OF WATER QUALITY  
Walter L. Baker, P.E.  
Director

JON M. HUNTSMAN, JR.  
Governor

GARY HERBERT  
Lieutenant Governor

April 23, 2008

**CERTIFIED MAIL**  
**(Return Receipt requested)**



Mr. Michael Blakey, Plant Manager  
Sunnyside Cogeneration Associates  
P.O. Box 10  
East Carbon, Utah 84520

Subject: UPDES General Permit Coverage No. UTG040025 for the  
Sunnyside Cogeneration Associates – Star Point Refuse Pile.

Dear Mr. Blakey:

Enclosed is a signed copy of the Utah Pollutant Discharge Elimination System (UPDES) General Permit No. UTG040000 for the above referenced facility. Coverage under this general permit for your facility is referred to as application number UTG040025. The conditions and requirements of the permit are effective as of May 1, 2008.

Copies of EPA form 3320-1, Discharge Monitoring Reports (DMR) forms, for reporting and self-monitoring requirements as specified in the permit, are available upon request. As a reminder, DMR forms are due in our office by the 28<sup>th</sup> of each month following each monthly monitoring period.

A fee schedule was included in the Utah Department of Environmental Quality Budget appropriation request at the direction of the Legislature and in accordance with *Utah Code annotated 19-1-201*. The fee schedule, as approved by the legislature, includes a prescribed fee for specific Industrial Categories.

The prescribed fee for this general permit, UPDES General Permit for Coal Mines, is \$1,800.00 for a full five-year period from May 1, 2008 to April 30, 2013. Therefore, please remit \$1,800.00 within 30 days from receipt of this letter to:

Department of Environmental Quality  
Division of Water Quality  
Attn: Nicole Carrell  
P.O. Box 144870  
Salt Lake City, UT 84114-4870

A separate invoice is included herein. Please be sure to include the invoice

STATE OF UTAH  
DIVISION OF WATER QUALITY  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
SALT LAKE CITY, UTAH

AUTHORIZATION TO DISCHARGE UNDER THE  
UTAH POLLUTANT DISCHARGE ELIMINATION SYSTEM  
(UPDES)

GENERAL PERMIT FOR COAL MINING

In compliance with provisions of the *Utah Water Quality Act, Title 19, Chapter 5, Utah Code Annotated ("UCA") 1953, as amended (the "Act")*,

**Sunnyside Cogeneration Associates – Star Point Refuse Pile**

as identified in the application No. **UTG040025** is authorized to discharge from outfalls 005, 006, and 009 to receiving waters named:

**Serviceberry Creek (Tributary to The Colorado River)**

in accordance with discharge point(s), effluent limitations, monitoring requirements and other conditions as set forth herein.

This permit shall become effective on May 1, 2008.

This permit and the authorization to discharge shall expire at midnight, April 30, 2013.

Signed this 23<sup>rd</sup> day of April, 2008



Walter L. Baker, P.E.  
Executive Secretary  
Utah Water Quality Board

Page 2

number with you remittance.

Also, as the State agency charged with the administration of issuing UPDES permits, we are continuously looking for ways to improve our quality of service to you. In an effort to improve the State UPDES permitting process, we are asking for your input. Since our customer permittee base is limited, your input is important to us. Please take a few moments to complete the enclosed questionnaire and return it in the postage paid, self-addressed return envelope. The results will be used to improve our quality and responsiveness to our customers and give us feed back on customer satisfaction. We will address any issues you identify on an on going basis.

If you have any questions with regards to this matter, please contact Jeff Studenka of this office at (801) 538-6779 or by e-mail at [jstudenka@utah.gov](mailto:jstudenka@utah.gov).

Sincerely,



Mike Herkimer, Manager  
UPDES IES Section

MH:JS:st

Enclosure

cc: 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\GP-Coal Mines\SunnysideCogen\2008 permit fee covltr.doc



## **APPENDIX C**

# **DEPARTMENT OF COMMERCE CERTIFICATES OF EXISTENCE**



**Utah Department of Commerce  
Division of Corporations & Commercial Code**

160 East 300 South, 2nd Floor, PO Box 146705  
Salt Lake City, UT 84114-6705  
Service Center: (801) 530-4849  
Toll Free: (877) 526-3994 Utah Residents  
Fax: (801) 530-6438  
Web Site: <http://www.commerce.utah.gov>

04/29/2009  
4911242-015004292009-3202250

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## CERTIFICATE OF EXISTENCE

**Registration Number:** 4911242-0150  
**Business Name:** SUNNYSIDE COGENERATION ASSOCIATES  
**Registered Date:** April 24, 2001  
**Entity Type:** DBA  
**Current Status:** Good Standing

The Division of Corporations and Commercial Code of the State of Utah, custodian of the records of business registrations, certifies that the business entity on this certificate is authorized to transact business and was duly registered under the laws of the State of Utah. The Division also certifies that this entity has paid all fees and penalties owed to this state; its most recent annual report has been filed by the Division (unless Delinquent); and, that Articles of Dissolution have not been filed.



*Kathy Berg*

Kathy Berg  
Director  
Division of Corporations and Commercial Code



**Utah Department of Commerce**  
**Division of Corporations & Commercial Code**  
160 East 300 South, 2nd Floor, PO Box 146705  
Salt Lake City, UT 84114-6705  
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Fax: (801) 530-6438  
Web Site: <http://www.commerce.utah.gov>

04/29/2009  
2113550-018104292009-3444290

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## CERTIFICATE OF EXISTENCE

**Registration Number:** 2113550-0181  
**Business Name:** SUNNYSIDE II, L.P.  
**Registered Date:** December 30, 1994  
**Entity Type:** Limited Partnership - Foreign  
**Current Status:** Good Standing

The Division of Corporations and Commercial Code of the State of Utah, custodian of the records of business registrations, certifies that the business entity on this certificate is authorized to transact business and was duly registered under the laws of the State of Utah. The Division also certifies that this entity has paid all fees and penalties owed to this state; its most recent annual report has been filed by the Division (unless Delinquent); and, that Articles of Dissolution have not been filed.



*Kathy Berg*

Kathy Berg  
Director  
Division of Corporations and Commercial Code



**Utah Department of Commerce**  
**Division of Corporations & Commercial Code**  
160 East 300 South, 2nd Floor, PO Box 146705  
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Fax: (801) 530-6438  
Web Site: <http://www.commerce.utah.gov>

04/29/2009  
1215877-014304292009-16975

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## CERTIFICATE OF EXISTENCE

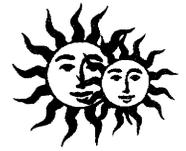
**Registration Number:** 1215877-0143  
**Business Name:** SUNNYSIDE HOLDINGS I, INC.  
**Registered Date:** December 30, 1994  
**Entity Type:** Corporation - Foreign - Profit  
**Current Status:** Good Standing

The Division of Corporations and Commercial Code of the State of Utah, custodian of the records of business registrations, certifies that the business entity on this certificate is authorized to transact business and was duly registered under the laws of the State of Utah. The Division also certifies that this entity has paid all fees and penalties owed to this state; its most recent annual report has been filed by the Division (unless Delinquent); and, that Articles of Dissolution have not been filed.



*Kathy Berg*

Kathy Berg  
Director  
Division of Corporations and Commercial Code



## **APPENDIX D**

### **MINE MAP**



**APPENDIX E**

**DOGM PERMIT RENEWAL**



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

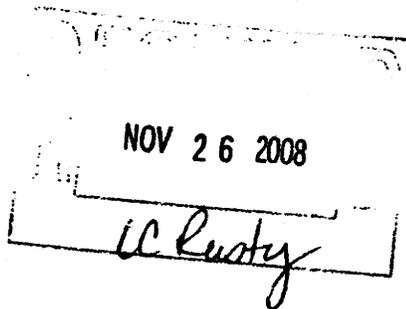
# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director



November 12, 2008

Michael Blakey, Plant Manager  
Sunnyside Cogeneration Associates  
P.O. Box 159  
Sunnyside, Utah 84539

Subject: Five-Year Permit Renewal, Sunnyside Cogeneration Associates, Star Point Refuse Mine, C/007/0042, Outgoing File

Dear Mr. Blakey:

The Division of Oil, Gas and Mining has reviewed your application for permit renewal and has made a decision to approve this application. Enclosed is the renewed permanent program mining permit for the Star Point Refuse Mine and a copy of the State's Decision Document.

Two (2) copies of the permit are included. Please have both copies signed by the responsible official for the Star Point Refuse Mine and return one to the Division. Please call Daron Haddock at (801) 538-5325 if you have any questions.

Sincerely,

John R. Baza  
Director

sqs  
Enclosures  
cc: J. Fulton, OSM  
Price Field Office  
O:\007042.swf\Final\Permit\November 12 letter.doc



## **ADMINISTRATIVE OVERVIEW**

Sunnyside Cogeneration Associates  
Star Point Waste Fuel Mine  
C/007/0042  
Carbon County, Utah

November 12, 2008

### **PROPOSAL**

Sunnyside Cogeneration Associates has applied for a renewal of the permit to mine the refuse remaining after the closure of the Star Point Mine. SCA will continue to utilize the coal refuse material as a fuel source in its fluidized-bed combustion boiler at the power cogeneration plant at Sunnyside, Utah.

### **BACKGROUND**

The Division received the original permit application for the Star Point Waste Fuel Mine on April 1, 2002. The permitting process was completed and a new permit for mining the waste pile was issued on November 14, 2003.

Construction of the refuse pile began in 1970 with wet processing of Run of Mine (R.O.M.) coal from the Wattis, Third and Hiawatha seams from the Star Point Mine operations. Material was continually added to the pile until mine closure in 1997. The quality of the refuse from the mine site changed over time as improvements were made to the processing of the R.O.M. coal. The most deeply buried refuse has greater btu/lb and is more fine than the material above (Exhibit 624.210a, Reserve Assessment of Star Point Coal Refuse Site).

Sunnyside Cogeneration Associates continues to mine waste materials from the refuse pile and haul it to their cogeneration facility at Sunnyside where it is burned as a fuel source for electrical generation.

Two reclamation scenarios are proposed for the disturbed area:

- (1) the Final Reclamation Scenario will be followed if the refuse pile is completely re-mined.
- (2) the Bonding Scenario Reclamation describes reclamation of the site if only a portion of the refuse is utilized for fuel.

The Applicant has estimated a bonding cost of \$1,254,000.

## **ANALYSIS**

All of the information submitted by Sunnyside Cogeneration Associates has been found adequate to issue a renewed permit for the Star Point Waste Fuel Mine. SCA made application for renewal on June 6, 2008, which is well in advance of the 120 day requirement. The Division made a determination on July 9, 2008 that the application was administratively complete.

This permitting action was published in the Price Sun Advocate on July 29 and 31 and August 5 and 7, 2008. No comments were received.

An OSM-AVS recommendation was verified on November 12, 2008 with no violations found for Sunnyside Cogeneration Associates and Star Point Waste Fuel application.

Adequate liability insurance was posted by Sunnyside Cogeneration Association and treasury securities were posted in the amount of \$1,254,000. The Reclamation Agreement was signed and submitted on November 14, 2003 and remains in effect.

## **RECOMMENDATION**

It is recommended that approval for the renewal of the permit for Sunnyside Cogeneration Associates for the Star Point Waste Fuel Mine be approved.

## **PERMITTING CHRONOLOGY**

**Sunnyside Cogeneration Associates  
Star Point Waste Fuel Mine  
C/007/0042  
Carbon County, Utah**

**November 12, 2008**

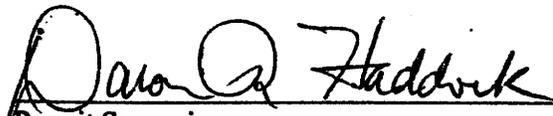
- June 6, 2008** Sunnyside Cogeneration Associates (SCA) submits a renewal application for the Star Point Waste Fuel Mine.
- July 9, 2008** The Division makes a Determination of Completeness.
- July 29 & 31,  
August 5 & 7,  
2008** Notice of permit renewal application was published in the Sun Advocate for four consecutive weeks.
- July 14, 2008** Division notifies agencies of the Determination of Administrative Completeness for the Permit Renewal
- September 8, 2008** Thirty-day comment period ends. No comments received.
- November 12, 2008** AVS Check made. No outstanding violations
- November 12, 2008** Renewed Permit issued effective November 14, 2008.

**PERMIT RENEWAL FINDINGS**

Sunnyside Cogeneration Associates  
Star Point Waste Fuel Mine  
C/007/0042  
Carbon County, Utah

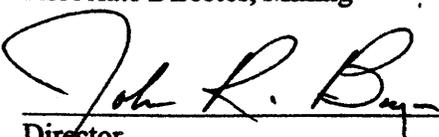
November 12, 2008

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being satisfactorily met (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The permittee has provided evidence of having liability insurance in the amount required (Federal Insurance Company- policy #3581-69-76)(R645-303-233.140).
6. The permittee has posted a reclamation performance bond in the form of collateral (treasury securities held in escrow at Wells Fargo Bank) in the required amount of \$1,254,000. A Reclamation Agreement was signed and submitted on November 14, 2003 and remains in effect. This instrument will remain in full effect for the additional permit period. No additional surface disturbances are approved with this renewal (R645-303-233.150).
7. The permittee has submitted all updated information as required by the Division at this time. (R645-233.160).

  
\_\_\_\_\_  
Permit Supervisor

  
\_\_\_\_\_  
Permit Supervisor

  
\_\_\_\_\_  
Associate Director, Mining

  
\_\_\_\_\_  
Director

FEDERAL

PERMIT  
C/007/0042

November 14, 2008

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple  
Salt Lake City, Utah 84114-5801  
(801) 538-5340

This permit, C/007/0042, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

**Sunnyside Cogeneration Associates**  
P.O. Box 159  
Sunnyside, Utah 84539  
(435) 888-4476

for the Star Point Waste Fuel Mine. A Collateral Bond is filed with the Division in the amount of \$1,254,000 in the form of treasury securities and is held in escrow at Wells Fargo Bank. A reclamation agreement is also filed which makes the bond payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSM) in the event of forfeiture. The Division must receive a copy of this permit signed and dated by the permittee.

- Sec. 1 STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.
- Sec. 2 PERMIT AREA** - The permittee is authorized to conduct coal mining and reclamation operations on the following described lands within the permit area at the Star Point Waste Fuel Mine, situated in the state of Utah, Carbon County, and located in:

**Township 15 South, Range 8 East**

***BLM LEASE LANDS***

Township 15 South, Range 8 East, Section 15, Salt Lake Base and Meridian

N NW NW NE-5 ACRES

NE NE NW-10 ACRES

SW NW NW NE-2.5 ACRES

NW NE NW-10 ACRES

N NW SW NE NW-1.25 ACRES

N NE NW NW-5 ACRES

N NE SW NE NW-1.25 ACRES

SE NE NW NW-2.5 ACRES

N NW SE NE NW-1.25 ACRES  
N NE SE NE NW-1.25 ACRES

**Total BLM Parcel Contains: 40 Acres**

***BOUNDARY DESCRIPTION PARCEL 1: (FEE SIMPLE PROPERTY)***

A parcel of land lying South of County Road 290 and situate in the South Half of the South Half of Section 10, Township 15 South, Range 8 East, Salt Lake Base and Meridian, Carbon County, Utah. Comprising 107.59 acres more or less out of those certain parcels of land owned in fee simple by Cyprus Plateau Mining Corporation, a Delaware Corporation, evidenced by that certain Quit Claim Deed recorded as Entry Number 61467, in Book 393, at Pages 487 - 504 of the Carbon County Records. Basis of Bearing for subject parcel being North 89°30'09" East 5246.46 feet (measured) along the South line of the South Half of said Section 10. Subject parcel being more particularly described as follows:

Beginning at the 2 (two) inch iron pipe monumentalizing the Southwest corner of said Section 10; Thence North 89°30'09" East 5246.46 feet (North 89°51' East 79.48 chains, 5245.68 feet, per the Bureau of Land Management Dependent Resurvey of a portion of the Third Standard Parallel, executed by Daniel T. Mates under the supervision of Glen B. Hatch, July 12 through September 3, 1976, under Special Instructions dated May 28, 1976, for Group Number 566, Utah) coincident with the South line of said Section 10 to the 3 (three) inch Brass cap monument monumentalizing the Southeast Corner thereof; Thence North 01°39'09" East (North 02°01' East per said Dependent Resurvey) 1056.17 feet, coincident with the East line of the Southeast Quarter of said Section 10 to a point on the Southerly Right of Way line of County Road 290; Thence the following 29 (Twenty Nine) courses coincident with said Southerly Right of Way, (1) South 88°11'31" West 464.63 feet to a point of curvature; (2) Southwesterly 178.81 feet along the arc of a 817.00 foot radius curve to the left (center bears South 01°48'29" East) through a central angle of 12°32'22" to a point of tangency; (3) South 75°39'09" West 501.71 feet to a point of curvature; (4) Westerly 679.31 feet along the arc of a 1533.00 foot radius curve to the right (center bears North 14°20'51" West) through a central angle of 25°23'21" to a point of tangency; (5) North 78°57'30" West 165.44 feet; (6) North 78°17'39" West 270.53 feet; (7) North 76°06'11" West 123.06 feet to a point of curvature; (8) Westerly 355.47 feet along the arc of a 1292.00 foot radius curve to the left (center bears South 13°53'49" West) through a central angle of 15°45'49" to a point of tangency; (9) South 88°08'00" West 304.15 feet to a point of curvature; (10) Southwesterly 192.13 feet along the arc of a 1392.00 foot radius curve to the left (center bears South 01°52'00" East) through a central angle of 07°54'30" to a point of tangency; (11) South 80°13'30" West 94.84 feet to a

point of curvature; (12) Southwesterly 193.22 feet along the arc of a 3033.00 foot radius curve to the right (center bears North 09°46'30" West) through a central angle of 03°39'00" to a point of tangency; (13) South 83°52'31" West 108.13 feet; (14) South 82°23'26" West 279.54 feet; (15) South 79°12'12" West 134.59 feet to a point of curvature; (16) Southwesterly 150.64 feet along the arc of a 292.00 foot radius curve to the left (center bears South 10°47'48" East) through a central angle of 29°33'28" to a point of tangency; (17) South 49°38'44" West 79.52 feet to a point of curvature; (18) Southwesterly 150.83 feet along the arc of a 283.00 foot radius curve to the right (center bears North 40°21'16" West) through a central angle of 30°32'13" to a point of tangency; (19) South 80°10'58" West 142.77 feet to a point of curvature; (20) Southwesterly 38.58 feet along the arc of a 217.00 foot radius curve to the left (center bears South 09°49'02" East) through a central angle of 10°11'14" to a point of tangency; (21) South 69°59'44" West 163.00 feet to a point of curvature; (22) Southwesterly 74.80 feet along the arc of a 167.00 foot radius curve to the left (center bears South 20°00'16" East) through a central angle of 25°39'50" to a point of tangency; (23) South 44°19'54" West 140.82 feet to a point of curvature; (24) Westerly 93.90 feet along the arc of a 183.00 foot radius curve to the right (center bears North 45°40'06" West) through a central angle of 29°23'57" to a point of tangency; (25) South 73°43'51" West 89.03 feet to a point of curvature; (26) Westerly 116.91 feet along the arc of a 308.00 foot radius curve to the right (center bears North 16°16'09" West) through a central angle of 21°44'56" to a point of curvature; (27) North 84°31'13" West 55.78 feet to a point of curvature; (28) Southwesterly 98.50 feet along the arc of a 242.00 foot radius curve to the left (center bears South 05°28'47" West) through a central angle of 23°19'19" to a point of tangency; (29) South 72°09'28" West 29.16 feet to a point on the West line of the Southwest Quarter of said Section 10; Thence South 00°22'24" East (South 00°02' East per said Dependent Resurvey) 417.33 feet coincident with said West line to the point of beginning.

Less and excepting therefrom the following described parcel:  
Recorded September 10, 2002 as Entry Number 93650, Book 510, Page 446

A parcel of land situated in the South Half of the South Half of Section 10, Township 15 South, Range 8 East, Salt Lake Base and Meridian, Carbon County, Utah, lying South of County Road 290. Comprising 0.54 acres ± out of that certain parcel of land transferred to Sunnyside Cogeneration Associates by that certain Warranty Deed recorded as Entry Number 089890, in Book 495, at Pages 409 thru 430 of the Carbon County Records. Basis of Bearing for subject parcel being North 89°30'09" East 5246.46 feet (measured) along the South line of the South Half of said Section 10. Subject parcel being more particularly described as follows:

Beginning at a point on the South Right-of-way line of County Road 290 said point being located North 89°30'09" East 412.22 feet coincident with the South line of said Section 10 and North 00°29'51" West 475.03 feet from said 2 inch iron pipe monumentalizing the Southwest corner of said Section 10; Thence North 80°59'41" East, 282.69 feet; Thence North 11°43'28" West, 150.00 feet to a point on said Right-of-way line thence coincident with the said right-of-way the following 4 courses (1) South 69°59'44" West, 39.86 feet to a point of curvature; (2) Southwesterly 74.80 feet along the arc of a 167.00 foot radius curve to the left (center bears South 20°00'16" East) through a central angle of 25°39'50" to a point of tangency; (3) South 44°19'54" West, 140.82 feet to a point of curvature; (4) Southwesterly 62.66 feet along the arc of a 183.00 foot radius curve to the right (center bears North 45°40'06" West) through a central angle of 19°37'10" to the point of beginning.

**Parcel 1 (less the Carbon County parcel): 107.04 Acres**

***PIONEER ACCESS ROAD EASEMENT (AS SURVEYED)***

Attached to and made a part of that certain Surface Use Agreement dated effective the 30th day of August, 2002, by and between Plateau Mining Corporation and Sunnyside Cogeneration Associates, a Utah Joint Venture (General Partnership), among Sunnyside Holdings I, Inc. and Sunnyside II, L.P., covering the following described centerline of an existing fifty foot (50') wide strip of land for the construction of a pioneer road, being twenty-five feet (25') on either side of the centerline thereof, located in Section 10, Township 15 South, Range 8 East, SLB&M, with a bearing of North 89°30'09" East between the Southwest section corner and the Southeast corner of Section 10 used as a Basis of Bearing:

Beginning at a point 1865.99 feet North and 2794.15 feet East from the Southwest corner of Section 10, Township 15 South, Range 8 East, SLB&M. Thence North 84°41'22" West 140.54 feet; Thence North 39°27'22" West 78.04 feet; Thence North 16°45'22" West 55.78 feet

**Parcel contains: 0.31 Acres**

***PIONEER ACCESS ROAD EASEMENT***

Recorded September 16, 2002 as Entry #093784 Book 511 Page 96  
Attached to and made a part of that certain Surface Use Agreement dated effective the 30th day of August, 2002, by and between Plateau Mining Corporation and Sunnyside Cogeneration Associates, a Utah Joint Venture (General Partnership), among Sunnyside Holdings I, Inc. and Sunnyside II, L.P., covering the following described centerline of an existing fifty foot (50') wide strip of land for the construction of a pioneer road, being twenty-five feet (25') on either side of the centerline thereof, located in Section 10, Township 15 South, Range 8 East, SLB&M, with a bearing of North

89°31'31" East between the Southwest section corner and the Southeast corner of Section 10 used as a Basis of Bearing:

Beginning at a point 1865.99 feet North and 2794.15 feet East from the Southwest corner of Section 10, Township 15 South, Range 8 East, SLB&M. Thence North 84°40'00" West 140.54 feet; Thence North 39°26'00" West 78.04 feet; Thence North 16°44'00" West 55.78 feet  
**Parcel contains: 0.31 Acres more or less**

This legal description is for the permit area of the Star Point Waste Fuel Mine. The permittee is authorized to conduct coal mining and reclamation operations on the foregoing described property subject to the conditions of the leases and all other applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit becomes effective on November 14, 2008 and expires on November 14, 2013.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13 {e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
  - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct coal mining and reclamation operations only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.

- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
  - (b) immediate implementation of measures necessary to comply; and
  - (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.
- Sec. 9 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:
- (a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
  - (b) utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 10 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 11 RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 12 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 13 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 14 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 15 CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee

shall implement the mitigation measures required by Division within the time frame specified by Division.

**Sec. 16 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge filter backwash or pollutants in the course of treatment or control of waters or emission to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

**Sec. 17 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.

**Sec. 18 SPECIAL CONDITIONS** - There are special conditions associated with this permitting actions as described in Attachment A.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

**THE STATE OF UTAH**

By: John R. By  
Date: 11/20/08

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

\_\_\_\_\_  
**Authorized Representative of  
the Permittee**

Date: \_\_\_\_\_

**ATTACHMENT A**  
**Special Conditions**

- 1) Sunnyside Cogeneration Associates must submit water quality data for the Star Point Waste Fuel Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.

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