



GARY R. HERBERT
Governor

SPENCER J. COX
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

August 5, 2016

Gerald Hascall, Plant Manager
Sunnyside Cogeneration Associates
One Power Plant Road
P. O. Box 159
Sunnyside, Utah 84539

Subject: Midterm Review Completion Response, Sunnyside Cogeneration Associates,
Star Point Refuse, C/007/0042, Task ID #5204

Dear Mr. Hascall:

The Division has reviewed your application. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Please resubmit the entire application by no later than September 3, 2016.

If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs

O:\007042.SWF\WG5204 MIDTERM RESPONSE\Deficiencies.doc



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 MICHAEL R. STYLER
Executive Director
 Division of Oil, Gas and Mining
 JOHN R. BAZA
Division Director

Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070042
TaskID: 5204
Mine Name: STAR POINT REFUSE
Title: MIDTERM COMPLETION RESPONSE

Reclamation Plan

Bonding Determination of Amount

Deficiencies Details:

R645-301-830.140, R645-301-121.200: The Permittee shall amend conflicting information on Plate 731.720a, Table 742c, and the bond table to clearly show what channels are rip rapped or lined. The Line drainage reclamation details in the bond shall call out the channels as labeled on Plate 731.720a and table 742c.

cparker

Bonding Determination of Amount

Deficiencies Details:

The midterm review of the MRP does not meet the minimum requirements of R645.

R645-301-830.140 The Permittee must provide updated information for estimated bonding costs with supporting calculations for the estimates. This includes updated unit costs (to be used to update bond calculation spreadsheets) and updated escalation factors. Updates should be provided using the 2016 data from R.S. Means Heavy Construction Cost data manual and the Caterpillar Handbook or other appropriate resources. The bond summary and corresponding bond calculation sheet in the MRP need to be updated and appropriately escalated to 2021 dollars using Division's approved 0.7% and 5 year escalation.

- 1) The demo sheet is missing the line item cost of lined ditches that currently exist at the site. The Permittee needs to add an additional sheet showing line item reclamation cost of all ditches, including in the table information such as length, cross section, lined/unlined, lining material, and calculations for demolition and reclamation.
- 2) The Bids were given for the year 2015. To use the escalation factor for 5 years the bids need to be for 2016 or the permittee will need to change all other documentation to match 2015 so 6 years of escalation can be used.

bwisser