



Norman H. Bangarter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

November 3, 1989

TO: Richard V. Smith, Permit Supervisor
FROM: Pamela Grubaugh-Littig, Reclamation Engineer *pgl*
RE: **Permit Defects, Utah Power and Light Company, Des-Bee-Dove Mine, ACT/015/017, Folder #2, Emery County, Utah**

Synopsis and Proposal

1. The as-built drawings for the Des-Bee-Dove Haul Road (Plate 5-1) do not have an engineer's stamp for certification. All 36 sheets need to be certified. A cover sheet for these drawings could be submitted for inclusion in the PAP that certifies all of the drawings.
2. The insurance certificate issued by Associated Electric and Gas Insurance Services Limited (Policy #XL-296-A-88 for the period from January 9, 1989 through December 24, 1989) does not include the Des-Bee-Dove Mine (copy attached). The appropriate Certificate of Insurance must be submitted.

Recommendation

1. The Des-Bee-Dove Haul Road "as-built" drawings must be certified, Plate 5-1.
2. The Certificate of Insurance for the Des-Bee-Dove Mine must be submitted.

djh
Attachment
cc: W. Malencik, DOGM, PFO
AT45/84

Marsh & McLennan, Incorporated
1100 Standard Insurance Center
Portland, Oregon 97201
503 226-9571

April 27, 1989

RECEIVED

MAY 8 - 1989

Mr. Jim Hislop
Utah Power & Light Co.
1407 W North Temple, Room 311
Salt Lake City, Utah 84140

MINING DIV. S.L.C.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
EVIDENCE OF LIABILITY INSURANCE

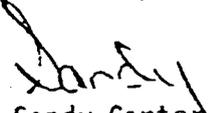
Dear Mr. Hislop:

Attached is the original and a copy of a AEGIS certificate of insurance issued as evidence of coverage being in force for UP&L. AEGIS requires that we use their preprinted forms for certificates. I have faxed a copy of the State of Utah form to AEGIS for permission to issue, in the event the State of Utah will not accept the AEGIS form.

I am also attaching a copy of a draft insurance summary for the property placement. We will update/revise when all policy information is received from the various carriers.

Please let us know if we can be of any further assistance.

Sincerely,



Sandy Carter
Assistant Account Executive

sc
enc

cc: Claron Ferguson
Jim Geltz

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED
Hamilton, Bermuda

CERTIFICATE OF INSURANCE
(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof makes the Certificate Holder an additional Insured under the policy of insurance identified below (the "Policy") or modifies the Policy in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED: PacifiCorp dba Utah Power & Light Co.
1407 W North Temple, Room 311
PRINCIPAL ADDRESS: Salt Lake City, Utah 84140
POLICY From: January 9, 1989
NUMBER: XL 296 A 88 PERIOD: To: December 24, 1989
RETROACTIVE DATE: January 1, 1986
DESCRIPTION OF COVERAGE: Claims-First-Made Excess Liability Policy
LIMIT OF LIABILITY: \$ 25,000,000-- per occurrence and in the aggregate, where applicable.
DESCRIPTION OF OPERATIONS: Permit # ACT/015/019

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 30 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: April 27, 1989

ISSUED TO: State of Utah
ADDRESS: Department of Natural Resources
Division of Oil, Gas, and Mining

("Certificate Holder")

AEGIS INSURANCE SERVICES, INC.

BY: Sandra J. Johnson
At Jersey City, New Jersey *Pgc 1-21-3*
Revised 6-6-89

DRAFT COPY - POLICIES HAVE NOT BEEN RECEIVED

ALL RISK PROPERTY INSURANCE, INCLUDING BOILER & MACHINERY
CODES: D-ARP(89), ARP(89), ARP-1(89), ARP-2(89), ARP-3(89)

<u>LAYERS</u>	<u>UNDERWRITERS/COMPANY</u>	<u>POLICY NO.</u>	<u>PARTICIPATION</u>
Primary Layer ARP(89)	Lloyds & British Co's	PP 078386	50.00%
	Insurance Company of North America	EUT F1 01 92 88-2	5.00%
	The Home Insurance Company	PCA F 181389	5.00%
	Hartford Steam Boiler	AR-4100306-02	<u>30.00%</u>
			100.00%
B&M	Lloyds & British Co's Hartford Steam Boiler	PP 078386	50.00%
		AR-4100306-02	<u>50.00%</u>
			100.00%
1st Excess Layer ARP-1(89)	Hartford Steam Boiler	AR-4100307-02	35.00%
	The Home Insurance Company	PCA-F 18 13 90	15.50%
	Insurance Company of North America	EUT F1 01 92 89-4	5.00%
	Commonwealth Insurance Co.	CWMP 3194	14.50%
	Reliance Insurance Company	T. B. D.	20.00%
	Uni Forsiking	T. B. D.	<u>10.00%</u>
			100.00%
Excess B&M	Hartford Steam Boiler	AR-4100307-02	100.00%
2nd Excess Layer ARP-2(89)	Insurance Company of North America Hartford Steam Boiler	EUT F1 01 92 90-0	50.00%
		AR-4100308-00	<u>50.00%</u>
			100.00%
3rd Excess Layer ARP-3(89)	Hartford Specialty Reliance Home Insurance Company	52 XLS SD 3025	75.00%
		T.B.D.	12.50%
		T.B.D.	<u>12.50%</u>
			100.00%
Deductible Buy Down D-ARP(89)	The Home Insurance Company London - Lexington Hartford Steam Boiler	PCA-F 18 13 88	25.00%
		T.B.D.	25.00%
		AR-4100306-02	<u>30.00%</u>
			80.00%

TERM AND EXPIRATION:
 April 1, 1989 to August 1, 1990
 August 1, 1990 to August 1, 1991
 August 1, 1991 to August 1, 1992

TERM PREMIUM:
 \$5,983,200 ARP Term Premium, including Boiler & Machinery
 \$ 833,750 ARP-1 Term Premium, including Boiler & Machinery
 \$ 133,400 ARP-2 Term Premium, Property only
 \$ 66,700 ARP-3 Term Premium, Property only
 \$ 308,960 D-ARP Deductible Buy Down Premium

AMOUNT OF INSURANCE:
 \$300,000,000 with the insurance arranged in layers with limits as indicated, Property
 \$100,000,000 with the insurance arranged in layers with limits as indicated, B&M

<u>Layers</u>	Excess of Deductibles (ARP(89))
\$ 25,000,000	Excess of Deductibles (ARP-1(89))
\$ 75,000,000 excess of \$ 25,000,000	Excess of Deductibles (ARP-2(89))
\$100,000,000 excess of \$100,000,000	Excess of Deductibles (ARP-3(89))
\$100,000,000 excess of \$200,000,000	

DEDUCTIBLE \$4,000,000 excess of \$1,000,000 as respects Underground Mining

LLOYDS

DEDUCTIBLES:
(Property)

\$1,000,000 any one occurrence
\$2,500,000 as respects Transmission & Distribution Lines
\$1,000,000 any one occurrence as respects Underground Mining

(B&M)

\$1.50 per KW Rating with \$500,000 minimum on T/G's
\$500,000 all other objects

FORM:

PP&L manuscript form including underground mining with extra expense and boiler & machinery