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December 9, 1998

To: File

Thru: Joe Helfrich, Permit Supervisor-Compliance

From: Peter Hess, Reclamation Specialist III PH

RE: Addendum to Link Canyon Substation, Canyon Fuel Company, SUFCO Mine, ACT/041/002-98-1, Folder #2, Sevier County, Utah

SUMMARY:

Due to encountering unusually high temperatures and carbon monoxide levels in the area of the SUFCO Mine where the portal breakout for the Link Canyon substation was to be developed, it has been necessary for the permittee to change the initial submittal to reflect not only a redesign of the power link, but also concerns which have been aired by the USFS, Manti-Lasal National Forest Division.

The redesign of the power link from in-mine to surface has withdrawn the portal breakout concept and replaced same with three 2500 foot boreholes. This will reduce the Link Canyon surface disturbance and still allow the permittee to meet the power requirements necessary to sustain mining. The permittee also intended to increase the area of the substation, but has now decided to go with the original substation size in order to take advantage of the already completed EA for this project.

TECHNICAL ANALYSIS:

OPERATION PLAN

COAL MINE PERMITTING: ADMINISTRATIVE PROCEDURES

Regulatory Reference: R645-300-121.150 and R645-301-521.133.1

Analysis:

Locating the electrical substation in Link Canyon to enhance the underground power requirements necessary for coal production will still take place within 100 feet of a public road.

All administrative requirements relative to mining activities within 100 feet of a public road as mandated by the R645 rules are still applicable and have been met, due to the fact that a smaller disturbance will be created by this latest revision.

Findings:

The U. S. Forest Service has accepted the environmental assessment which was completed for the Link Canyon substation project. Upon completion of their approval for recommendation for approval, or denial, it is recommended that the Division approve the engineering sections of this submittal regarding the operation and reclamation plan for the Link Canyon substation and power line.

Management of Mine Openings Regulatory Reference: R645-301-529
R645-301-513.500
30 CFR 75.1711-3

The revised, final version of the Link Canyon substation submittal no longer incorporates a portal breakout. There is no need to provide means of unauthorized access prevention with regard to public safety. The requirements of these regulations are no longer applicable.

TRANSPORTATION FACILITIES

Regulatory Reference: R645-301-527.100-250

Analysis:

There have not been any changes relative to the permitting requirements for roads in the R645 rules.

Findings:

As noted in the July 9, 1998 technical analysis, all requirements for the permitting of the Link Canyon substation access road had been previously met, and were recommended for approval. This has not changed.

RECLAMATION PLAN

Regulatory Reference: R645-301-540, 542.700 Final Abandonment of Mine Openings and Disposal Areas
R645-301-529.100 Permanent Closure of Exposed Underground Openings (Boreholes)

Analysis:

As noted above, no portal breakout will be made in Link Canyon due to the encountering of adverse in-mine conditions. This portion of the reclamation plan, as reviewed in the July 9, 1998 technical analysis is no longer applicable.

The power link will be provided through three 2500 foot sub-terrain boreholes, as shown on revised Plate 5-2D. The revised reclamation cost bond calculations commit $21,420 to the plugging (i.e., permanent closure) of same. If these figures agree with Mr. Wayne Western's determination as to adequacy, I would recommend that this portion of the Link Canyon substation reclamation plan be approved as well.

All other portions of the reclamation plan for the Link Canyon substation as they relate to the reclamation of the substation, the pad area, and its associated access road are adequate, as determined by the technical analysis dated July 9, 1998.

Findings:

The reclamation plan for the Link Canyon substation, with its original information and the updated revisions, meets the intent of the R645 rules with regard to reclamation plans. It should be approved.

The R645 rules have been adequately addressed. The reclamation plan for the Link Canyon substation should be approved in its entirety.

BONDING

Regulatory Reference: R645-301-820 Requirement to File a Bond

Analysis:

This latest revision to the Link Canyon substation submittal (received in the SLO-DOGM on 11/25/98) includes bond figures to plug the three 2500 foot boreholes from the underground entries to the surface at the substation location. The permittee indicates that the reclamation bond does not need to be revised at this time as the $39,890 required for the total reclamation of this site will be withdrawn from the $272,593 of the total bond contingency amount. Thus, the remaining dollar amount in contingency will be reduced to $232,703.

Findings:

The reclamation bond amount necessary to reclaim the Link Canyon substation and its associated access road is within the amount of contingency dollars remaining for the SUFCO Mine total reclamation bond amount; the total bond will not need to be revised. This is adequate to meet the requirement of the R645 rules.

CONCLUSIONS AND RECOMMENDATIONS

The latest revision to the Link Canyon substation submittal provides a reduction in the amount of disturbance associated with the project. Environmentally speaking, this should be an improvement, while the permittee will still be able to meet the power requirements necessary to meet production requirements.

Amendment ACT/041/002-98-1 should be approved in its entirety.

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