



**ALASKA POLLUTANT DISCHARGE ELIMINATION SYSTEM  
STATEMENT OF BASIS FOR MODIFICATION #1 – DRAFT**

Permit Number: AK0053741

**Usibelli Coal Mine, Inc.**

**DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

**Wastewater Discharge Authorization Program**

**555 Cordova Street**

**Anchorage, AK 99501**

Public Comment Period Start Date: April 17, 2020

Public Comment Period Expiration Date: May 18, 2020

[Alaska Online Public Notice System](#)

Technical Contact: Tim Pilon  
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Division of Water  
Wastewater Discharge Authorization Program  
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Proposed modification of an Alaska Pollutant Discharge Elimination System (APDES) permit, AK0073741 issued to

**USIBELLI COAL MINE, INC.**

For wastewater discharges from

Jumbo Dome Mine  
100 River Road  
Healy, Alaska

Alaska Department of Environmental Conservation (Department or DEC) proposes to modify APDES individual permit AK0053741 issued to Usibelli Coal Mine, Inc. The permit modification adheres to the regulations and procedures set forth in 18 AAC 15, 18 AAC 70, 18 AAC 72, and 18 AAC 83.

This statement of basis explains the nature of the proposed permit modification including:

- information on public comment, public hearing, and appeal procedures
- a listing of proposed permit changes
- technical material supporting the conditions in the modification
- regulatory basis justifying the modification

## **Public Comment**

Persons wishing to comment on, or request a public hearing for the draft permit for this facility, may do so in writing by the expiration date of the public comment period.

Commenters are requested to submit a concise statement on the permit condition(s) and the relevant facts upon which the comments are based. Commenters are encouraged to cite specific permit requirements or conditions in their submittals.

A request for a public hearing must state the nature of the issues to be raised, as well as the requester's name, address, and telephone number. The Department will hold a public hearing whenever the Department finds, on the basis of requests, a significant degree of public interest in a draft permit. The Department may also hold a public hearing if a hearing might clarify one or more issues involved in a permit decision or for other good reason, in the Department's discretion. A public hearing will be held at the closest practicable location to the site of the operation. If the Department holds a public hearing, the Director will appoint a designee to preside at the hearing. The public may also submit written testimony in lieu of or in addition to providing oral testimony at the hearing. A hearing will be tape recorded. If there is sufficient public interest in a hearing, the comment period will be extended to allow time to public notice the hearing. Details about the time and location of the hearing will be provided in a separate notice.

All comments and requests for public hearings must be in writing and should be submitted to the Department at the technical contact address, fax, or email identified above (see also the public comments section of the attached public notice). Mailed comments and requests must be postmarked on or before the expiration date of the public comment period.

After the close of the public comment period and after a public hearing, if applicable, the Department will review the comments received on the draft permit. The Department will respond to the comments received in a Response to Comments document that will be made available to the public. If no substantive comments are received, the tentative conditions in the draft permit will become the proposed final permit.

The proposed final permit will be made publicly available for a five-day applicant review. The applicant may waive this review period. After the close of the proposed final permit review period, the Department will make a final decision regarding permit issuance. A final permit will become effective 30 days after the Department's decision, in accordance with the state's appeals process at 18 AAC 15.185.

The Department will transmit the final permit, statement of basis (amended as appropriate), and the Response to Comments to anyone who provided comments during the public comment period or who requested to be notified of the Department's final decision.

## **Appeals Process**

The Department has both an informal review process and a formal administrative appeal process for final APDES permit decisions. An informal review request must be delivered within 20 days after receiving the Department's decision to the Director of the Division of Water at the following address:

Director, Division of Water  
Alaska Department of Environmental Conservation  
555 Cordova Street  
Anchorage, AK 99501

Interested persons can review 18 AAC 15.185 for the procedures and substantive requirements regarding a request for an informal Department review.

See <http://www.dec.state.ak.us/commish/InformalReviews.htm> for information regarding informal reviews of Department decisions.

An adjudicatory hearing request must be delivered to the Commissioner of the Department within 30 days of the permit decision or a decision issued under the informal review process. An adjudicatory hearing will be conducted by an administrative law judge in the Office of Administrative Hearings within the Department of Administration. A written request for an adjudicatory hearing shall be delivered to the Commissioner at the following address:

Commissioner  
Alaska Department of Environmental Conservation  
**Mail:** P.O Box 11180  
Juneau AK, 99811-1800  
**In Person:** 555 Cordova Street  
Anchorage, AK 99501

Interested persons can review 18 AAC 15.200 for the procedures and substantive requirements regarding a request for an adjudicatory hearing. See <http://www.dec.state.ak.us/commish/ReviewGuidance.htm> for information regarding appeals of Department decisions.

### Documents are Available

The permit, statement of basis, application, and related documents can be obtained by visiting or contacting DEC between 8:00 a.m. and 4:30 p.m. Monday through Friday at the addresses below. The permit, statement of basis, and other information are located on the Department's Wastewater Discharge Authorization Program website: <http://www.dec.state.ak.us/water/wwdp/index.htm>

<b>Alaska Department of Environmental Conservation Division of Water Wastewater Discharge Authorization Program</b>		
<b><i>Fairbanks Office</i></b> 610 University Ave. Fairbanks, AK 99709 (907) 451-2136	<b><i>Anchorage Office</i></b> 555 Cordova Street Anchorage, AK 99501 (907) 269-6285	<b><i>Juneau Office</i></b> <b>Mail:</b> P.O. Box 111800 <b>In Person:</b> 410 Willoughby Ave., Suite 303 Juneau, AK 99801 (907) 465-5180

## 1.0 PERMITTEE

This statement of basis provides information on the draft Alaska Pollutant Discharge Elimination System (APDES) permit for the following entity:

Name of Facility:	Jumbo Dome Mine
APDES Permit Number:	AK0053741
Facility Location:	12 miles northeast of Healy, Denali Borough, Alaska
Mailing Address:	100 River Road, Healy, AK 99743
Facility Contact:	Mr. Fred Wallis

## 2.0 BACKGROUND

On March 8, 2017, Usibelli Coal Mine, Inc. (Usibelli) was issued APDES Permit AK0053741, which became effective on May 1, 2017. After receiving its APDES Permit, Usibelli commenced construction and mining activities at Jumbo Dome Mine. To date, Usibelli has yet to discharge wastewater under AK0053741. While looking ahead to the 2020 discharge season, Usibelli reviewed AK0053741 and found that the “Total Flow” limits matched information provided in Application Form 2D, SECTION 4, Section A for the average monthly limit, 0.0484 million gallons per day (mgd), and Form 2D, SECTION 4, Section C for the maximum daily limit, 0.05 mgd from each of three outfalls. However, Form 2D, SECTION 4, Section C also provided a maximum total flow volume equal to 140 million gallons per year during 184 days of discharge from each of the three outfalls. The maximum daily flow rate provided and listed as a permit limit contained a mathematical error when converted from annual flow to daily flow. The result is the maximum daily flow limit is 15 times too small when compared to the yearly rate.

## 3.0 MODIFICATION

The erroneous maximum daily and average daily flow limits were removed during the modification. Those flow limits were replaced with the accurate information provided in Form 2D, SECTION 4, Section C for annual flows. Specifically, the modified permit no longer contains daily flow limits, which have been removed. The daily flow limits have been replaced by annual flow limits listed in Form 2D, SECTION 4, Section 3 by adding the following condition to the permit.

**Permit Part 1.2.7** *The maximum cumulative volume discharged from outfalls JD2, JD3, and JD4 shall not exceed 420 million gallons from January 1<sup>st</sup> through December 31<sup>st</sup> every year. The permittee shall report the cumulative volume discharged from outfalls JD2, JD3, and JD4 for that year to DEC on the discharge monitoring report (DMR) for each month. For example, if the permittee discharges 1 million gallons from outfalls JD2, JD3, and JD4 in January and 2 million gallons in February, the February DMR shall state a cumulative flow discharged from outfalls JD2, JD3, and JD4 of 3 million gallons (1 million + 2 million = 3 million). In addition, the permittee shall report the total volume discharged each month.*

## 4.0 REGULATORY BASIS

In a letter dated February 17, 2020, the permittee, Usibelli, provided new information by highlighting the mathematical error in the permit application that was carried over to the permit, AK0053741. Under 18 AAC 83.135(b)(2), it states that when a permittee requests a permit modification, which is based on new information that would have justified different permit conditions in the original permit, cause of modifying the permit has been established.