



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

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](#)

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Division of Water
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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

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>

Alaska Department of Environmental Conservation Division of Water Wastewater Discharge Authorization Program		
<i>Fairbanks Office</i> 610 University Ave. Fairbanks, AK 99709 (907) 451-2136	<i>Anchorage Office</i> 555 Cordova Street Anchorage, AK 99501 (907) 269-6285	<i>Juneau Office</i> Mail: P.O. Box 111800 In Person: 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 1st through December 31st 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 for modifying the permit has been established.