



Department of Environmental Quality

To protect, conserve, and enhance the Quality of Wyoming's environment for the benefit of current and future generations



Matthew H. Mead, Governor

Todd Parfitt, Director

October 7, 2014

CERTIFIED 7012 1640 0000 8415 7457

Mr. Bryan Hansen
Peabody Powder River Services, LLC
Caller Box 3035
Gillette, WY 82717-3035

RE: Notice of Violation Docket Number 5475-14, North Antelope Rochelle Mine (Facility ID# 0-001073)

Dear Mr. Hansen:

Enclosed you will find a Notice of Violation, Docket Number 5475-14, issued under the provisions of W.S. 35-11-701(c).

On September 5, 2014, Department of Environmental Quality (DEQ) personnel performed an underground storage tank compliance inspection at the North Antelope Rochelle Mine. The inspection revealed that: the amperage meter had been reading zero amps on six different occasions between February 20, 2014, and July 31, 2014. An investigation as to why the meter was reading zero amps was not conducted. This is a violation of Wyoming Water Quality Rules and Regulations, Chapter 17, Sections 11(c).

If you would like to resolve this matter through a stipulated settlement without the need to go to District Court, the DEQ is willing to negotiate such a settlement. Please contact Oma Gilbreth at (307) 777-7097 within 30 days of receipt of this letter to arrange a date and time to negotiate a penalty amount.



Todd Parfitt
Director
Department of Environmental Quality



Luke Esch
Administrator
Solid and Hazardous Waste Division

TP/LE/KH
Enclosure: Notice of Violation



BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF)
VIOLATION ISSUED TO:)
)
Peabody Powder River Services, LLC) DOCKET NUMBER 5475-14
North Antelope Rochelle Mine)
Caller Box 3035)
Gillette, WY 82717-3035)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. Peabody Powder River Services, LLC, owns and operates the underground storage tanks (USTs) located at the North Antelope Rochelle Mine. The USTs are steel and are protected from corrosion by an impressed current cathodic protection (ICCP) system.
2. ICCP systems have a rectifier that provides power to the ICCP system. ICCP systems are required to continuously protect steel USTs from corrosion. In order to determine if an ICCP system is adequately protecting the USTs, owners and/or operators are required to inspect the rectifier and document the readings from the amperage meter, voltage meter, and hour meter every 60 days.
3. If an ICCP rectifier indicates large changes in the voltage or amperage readings or zero readings, the owner and/or operator must investigate the cause.
4. On September 5, 2014, DEQ personnel conducted an UST compliance inspection at the North Antelope Rochelle Mine. The inspection revealed that the amperage meter had been reading zero amps on six occasions from February 20, 2014, through July 31, 2014.
5. The DEQ has determined that the following violation of Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, has occurred:

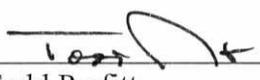
Counts 1-6: Failure to Investigate a Zero Reading on the ICCP Amperage Meter: [WWQRR, Chapter 17, Section 11(c)]. As the owner/operator of the USTs located at the North Antelope Rochelle Mine, Peabody Powder River Services, LLC, violated WWQRR, Chapter 17, Section 11(c), by failing to investigate a zero reading on the ICCP amperage meter on six different occasions.

6. Any person who violates any provision of the Environmental Quality Act, or any rule, standard, permit, license, or variance adopted thereunder, is liable for a penalty of ten thousand dollars (\$10,000.00) for each day of violation, which penalty may be recovered in a civil action brought by the Attorney General in the name of the people of Wyoming.
7. This Notice is being sent to you pursuant to W.S. 35-11-701(c)(i), which requires that in any case of the failure to correct or remedy an alleged violation, the director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

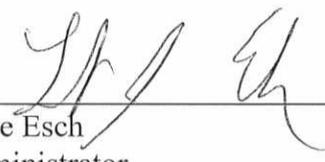
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NOTHING IN THIS NOTICE OF VIOLATION shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this Notice of Violation be interpreted as being a condition precedent to any other enforcement action.

SIGNED this 13th day of OCTOBER, 2014.



Todd Parfitt
Director
Department of Environmental Quality



Luke Esch
Administrator
Solid and Hazardous Waste Division

PLEASE DIRECT ALL INQUIRES TO: Oma Gilbreth, Storage Tank Program Compliance Supervisor at 122 West 25th Street, Fourth Floor, West Wing, Cheyenne, WY 82002, (307) 777-7097 or (307) 777-5973 FAX for technical matters.

TP/LE/KH