



4310-05-P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

[S1D1S SS08011000 SX064A000 189S180110; S2D2S SS08011000 SX064A00 18XS501520]

Notice of Availability for the San Juan Mine Deep Lease Extension Mining Plan

Modification Draft Environmental Impact Statement

AGENCY: Office of Surface Mining Reclamation and Enforcement, Interior.

ACTION: Notice of availability.

SUMMARY: In accordance with the National Environmental Policy Act (NEPA) of 1969, as amended, the Office of Surface Mining Reclamation and Enforcement (OSMRE) has prepared a Draft Environmental Impact Statement (EIS) for the San Juan Coal Company's (SJCC) proposed Deep Lease Extension (DLE) at the existing San Juan Mine (Project) in San Juan County, New Mexico, and by this notice is announcing the opening of the comment period.

DATES: This Notice of Availability (NOA) initiates the public review period. To ensure consideration of your comments, OSMRE must receive your electronic or written comments by the close of the 45-day public comment period on **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

OSMRE will host public comment meetings where written and/or verbal comments may be submitted. These meetings will be open-house style with information stations around the meeting room that provide overviews of the Project, NEPA process, analysis of resources/issues in the Draft EIS, and how to submit a comment. Subject matter experts will be present to discuss the key issues and answer your questions. There will be oral and written comment stations at the meetings where you can submit comments.

The public comment meetings will be held at the following locations:

- On Monday, June 25th from 5:00 p.m. to 8:00 p.m. at the Indian Pueblo Cultural Center at 2401 12th St. NW, Albuquerque, New Mexico.
- On Tuesday, June 26th from 5:00 p.m. to 8:00 p.m. at the Farmington City Civic Center at 200 West Arrington St., Farmington, New Mexico.
- On Wednesday, June 27th from 5:00 p.m. to 8:00 p.m. at the Ute Community Center at 785 Sunset Blvd., Towaoc, Colorado.
- On Thursday, June 28th from 5:00 p.m. to 8:00 p.m. at the Shiprock High School approximately a half-mile west on US-64 from US-491 in Shiprock, New Mexico.
- On Friday, June 29th from 4:00 p.m. to 7:00 p.m. at the Durango Community Recreation Center at 2700 Main Avenue, Durango, Colorado.

At a minimum of 15 days prior to each event, the foregoing times, dates, and specific locations for these meetings will be announced through email notifications, local newspapers, radio announcements, and the OSMRE Western Region (WR) website

<https://www.wrcc.osmre.gov/sanJuanMine.shtm>.

OSMRE WR offers the following accommodations for the meetings:

1. Navajo and Ute interpreters will be present at meetings held on the Navajo and Southern Ute Reservations.
2. For reasonable accommodations regarding disabilities that may impact your ability to attend or comment, contact Gretchen Pinkham, OSMRE Project Manager, at 303-293-5088 or by email at osm-nepa-nm@osmre.gov, at least one week before the meeting.

ADDRESSES: Comments on the Draft EIS may be submitted in paper form or by e-mail. At the top of your letter or in the subject line of your e-mail message, please indicate that the comments are “San Juan Mine DLE EIS Comments.”

- E-mail - Comments should be sent to: osm-nepa-nm@osmre.gov.
- Mail/Courier - Written comments should be sent to:

Office of Surface Mining Reclamation and Enforcement
c/o Catalyst Environmental Solutions
P.O. Box 56539
Sherman Oaks, CA 91413

You can download the Draft EIS at the following OSMRE WR website:

<https://www.wrcc.osmre.gov/sanJuanMine.shtm>. Paper and electronic copies of the Draft EIS are available for review at the OSMRE Western Region Office, 1999 Broadway Street, Suite 3320, Denver, Colorado 80202. In addition, a paper and electronic copy of the Draft EIS is available for review at each of the following locations:

- Bureau of Land Management (BLM) Farmington Field Office – 6251 College Blvd., Suite A, Farmington, NM, 87402. Between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday (Closed Saturday and Sunday).
- Navajo Nation Library – Highway 264 Loop Road, Window Rock, AZ 86515. Between the hours of 8:00 a.m. and 5:00 p.m. Monday through Saturday (Closed Sunday).
- Albuquerque Main Library – 501 Copper Ave NW, Albuquerque, NM 87102. Between the hours of 10:00 a.m. and 6:00 p.m. Monday through Saturday (Closed Sunday).
- Cortez Public Library – 202 N. Park Street, Cortez, CO 81321. Between the hours of 9:00

a.m. and 7:00 p.m. Monday through Thursday; 9:00 a.m. and 4:00 p.m. Friday through Saturday (Closed Sunday).

- Durango Public Library – 1900 E. Third Ave, Durango, CO 81301. Between the hours of 8:00 a.m. and 8:00 p.m. Monday through Wednesday; 9:00 a.m. and 5:30 p.m. Thursday through Saturday (Closed Sunday).
- Farmington Public Library – 2101 Farmington Ave, Farmington, NM 87401. Between the hours of 9:00 a.m. and 9:00 p.m. Monday through Thursday; 9:00 a.m. and 5:00 p.m. Friday through Saturday; and, 1:00 p.m. and 5:00 p.m. on Sunday.

FOR FURTHER INFORMATION CONTACT: For further information about the Project and/or to have your name added to the mailing list, contact: Gretchen Pinkham, OSMRE Project Manager, at 303-293-5088 or by email at osm-nepa-nm@osmre.gov. Persons who use a telecommunications device for the deaf may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION:

- I. Background on the Project
- II. Background on the San Juan Generating Station
- III. Mining Plan Modification for the DLE
- IV. Alternatives
- V. Environmental Impact Analysis
- VI. Public Comment Procedures

I. Background on the Project

As established by the Mineral Leasing Act (MLA) of 1920, the Surface Mining Control and Reclamation Act (SMCRA) of 1977, as amended (30 U.S.C. §§ 1201-1328), and the Cooperative Agreement between the State of New Mexico and the Secretary of the U.S. Department of the Interior (DOI) in accordance with Section 523(c) of SMCRA (30 U.S.C. 1273(c)), SJCC's Permit Application Package (PAP) must be reviewed by OSMRE and a mining plan modification approved by the Assistant Secretary for Land and Minerals Management (ASLM) before SJCC may significantly disturb the environment in order to develop the DLE Federal Coal Lease Tract NM-99144. The NM Mining and Minerals Division (NM MMD) is the SMCRA regulatory authority principally responsible for reviewing and approving PAPs. Under the MLA, OSMRE is responsible for making a recommendation to the ASLM about whether the proposed mining plan modification should be approved, disapproved, or approved with conditions (30 CFR 476.13). The NM MMD approved the PAP for the DLE on October 22, 1999. The ASLM first approved the mining plan modification for DLE Federal Coal Lease Tract NM-99144 on January 17, 2008, after receiving a recommendation from OSMRE for approval that included a Finding of No Significant Impact signed by OSMRE in 2007 and the Bureau of Land Management's (BLM) 1998 decision record on an amendment to the 1988 Farmington Resource Management Plan to include Federal Coal Lease Tract NM-99144.

OSMRE's NEPA analysis supporting the 2008 mining plan modification was challenged in the U.S. District Court of New Mexico. *WildEarth Guardians v. U.S. Office of Surface Mining et al.*, Case 1:14-cv-00112-RJ-CG (D. NM) (amended petition filed March 14, 2014). On August 31, 2016, the Court granted OSMRE's Motion for voluntary remand, which remanded the matter to OSMRE to prepare an EIS within three years of the Court's order. The Draft EIS available today has been prepared in accordance with the voluntary remand.

The San Juan Mine has contractual obligations to deliver approximately 3 million tons of coal per year to the San Juan Generating Station (Generating Station) from 2008 through 2033. Mining activities within the DLE have been ongoing since OSMRE approval in 2008 and continue presently. Per the voluntary remand, mining operations within the DLE are allowed to proceed during the EIS process. However, the court-approved voluntary remand indicated that the Secretary's approval of the 2008 mining plan modification for the DLE would be vacated if the agency does not complete the required NEPA analysis in a timely manner. As a result, OSMRE has prepared this Draft EIS to re-evaluate its previous mining plan modification recommendation for this area. Among other information, this Draft EIS considers (1) the PAP submitted to OSMRE and NM MMD, and (2) new information available since the 2008 MPDD approval for potentially affected resources considered under direct, indirect, and cumulative analytical frameworks.

The DLE underground operations use longwall mining methods consisting of one longwall miner and two continuous miners (i.e. pieces of equipment). The mine employed approximately 282 people in 2017. The mining plan modification would not add any acres of federal surface lands or any acres of federal coal to the approved permit area but would authorize the recovery of approximately 53 million tons of coal from 4,464.87 acres of federal coal and would add approximately 10 to 15 years to the life of the operation until 2033. For reasons discussed in sections II and III below, annual production rates of the mine are projected to be approximately 3 million tons per year in order to meet the contractual obligations with the Generating Station.

The BLM, U.S. Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), and New Mexico MMD are Cooperating Agencies for this EIS. As the NEPA

analysis proceeds, OSMRE is also consulting with the New Mexico State Historic Preservation Officer in compliance with Section 106 of the National Historic Preservation Act (NHPA) of 1966, as amended (54 U.S.C. §§ 300101- 307108), as provided for in 36 CFR Part 800.2(d)(3) and providing for public involvement, as required. Consultations with Native American Tribes are being conducted in accordance with DOI policy.

As part of its consideration of impacts of the proposed Project on threatened and endangered species, OSMRE initiated formal consultation with the USFWS on May 8, 2018, pursuant to Section 7 of the Endangered Species Act (ESA) of 1973, as amended (16 U.S.C. §§ 1531 et seq.) and its implementing regulations. The consultation considers direct and indirect impacts from the proposed Project, including Project related coal combustion emissions generated by the generating station.

In addition to compliance with NEPA, NHPA Section 106, and ESA Section 7, all Federal actions will be in compliance with applicable requirements of the SMCRA; the CWA, 33 U.S.C. §§ 1251-1387; the Clean Air Act of 1970, as amended, 42 U.S.C. §§ 7401-7671q; the Native American Graves Protection and Repatriation Act of 1990, as amended, 25 U.S.C. §§ 3001-3013; and all applicable laws, regulation, and Executive Order on topics such as Environmental Justice, Sacred Sites, and Tribal Consultation.

II. Background on the San Juan Generating Station

The Generating Station, operated by the Public Service Company of New Mexico, is one of the largest coal-fired generating stations in the United States and provides power to customers in Arizona, New Mexico, and Utah. The generating station is located approximately 4 miles northeast of Waterflow, NM and 15 miles west of Farmington, NM. Pursuant to an agreement with the EPA, the Generating Station shut down two of the four energy generation units (Units 2

and 3) on December 19, 2017, decreasing the power output from approximately 1,800 megawatts to 910 megawatts (specifically, Units 2 and 3). The continued operation of Units 1 and 4 will require approximately 3 million tons of coal per year to produce the 910 megawatts.

III. Mining Plan Modification for the DLE

SJCC's mining plan modification would continue to develop the DLE, Federal Lease NM-99144, within the San Juan Mine. Due to the retirement of energy generating Units 2 and 3, the annual production rate of the DLE was reduced from the previous annual production rate of 6 million tons to an annual production rate of approximately 3 million tons beginning in 2017.

Federal lease NM-99144 encompasses 4,464.87 acres and includes:

Township 30, North, Range 14 West, New Mexico Prime Meridian

Section 17: All;

Section 18: All;

Section 19: All;

Section 20: All;

Section 29: All;

Section 30: All; and portions of

Section 31: (Lots 1, 2, 3, and 4).

Upon completion of the EIS process and issuance of the Record of Decision, OSMRE will submit a mine plan decision document to the ASLM to recommend approval, disapproval, or approval with conditions of the proposed mining plan modification for the continuation or cessation of the San Juan Mine to mine the DLE within federal coal lease NM-99144. The ASLM will decide whether the mining plan modification is approved, disapproved, or approved with conditions.

IV. Alternatives

The analysis in the Draft EIS considers direct, indirect, and cumulative impacts of the Proposed Action and two Alternatives. Per 40 CFR 1501.7, the issues raised during the scoping period (March 22 – May 8, 2017) were used to inform the analyses and identify the alternatives considered in the Draft EIS. Alternatives for the Project that were analyzed in the Draft EIS include:

- (a) Alternative A - Proposed Action: As described above in Section I, second paragraph.

The Proposed Action Alternative would be as approved from the time of the original PAP and initial approval of the mining plan modification in 2008 until 2033.

- (b) Alternative B – Continuation of San Juan Mine Operations Following Generating Station Shut-Down in 2022: This alternative assumes that that the remaining units of the Generating Station shut down in 2022, but that mining continues at the DLE at the same rate (approximately 3 million tons annually) from 2023 through 2033. After 2023, this alternative assumes that the mine will send the coal to an unidentified coal-fired power plant. Without knowing the location of the end-use of the DLE coal, the Draft EIS bounds the potential effects of combusting DLE coal at an unidentified power plant by relying on the analysis of effects at the San Juan Generating Station. Under Alternative B, the mining techniques would be identical to those for the Proposed Action.

- (c) Alternative C - No Action Alternative: This alternative assumes that OSMRE would recommend that the ASLM disapprove the mining plan modification for the DLE at the San Juan Mine, the ASLM disapproves of the mining plan, and mining ceases on August 31, 2019. Implementation of the No Action Alternative would result in the

discontinuation of mining activities at San Juan Mine and cessation of burning coal from San Juan Mine at the Generating Station on August 31, 2019. Considering mining activities in the DLE have been ongoing since 2008 and will continue throughout the NEPA process, the baseline conditions for the No Action Alternative includes mining through August 2019.

A wide range of additional Alternatives were considered by OSMRE but not carried forward for detailed analysis in the Draft EIS. The following Alternatives were not analyzed in the Draft EIS because they either did not meet the purpose and need of the Project or were not considered technically feasible or economically feasible or cost-effective:

- Alternative D – Alternative Panel Alignment, Timing or Sequence
- Alternative E – Continue to Mine at a Rate of 6 Million Tons Per Year
- Alternative F – Modifications to Underground Mining Technique
- Alternative G – Relocation of Portal Sites
- Alternative H – Alternative Coal Combustion Residue Disposal Sites
- Alternative I – “Just” Transition Alternative

V. Environmental Impact Analysis

The Draft EIS analyzes the potential environmental impacts to 16 different resource categories, including:

- Air Quality
- Climate Change
- Geology and Soils
- Archaeology and Cultural Resources
- Water Resources and Hydrology

- Vegetation
- Wildlife and Habitats
- Special Status Species
- Land Use, Transportation, and Agriculture
- Recreation
- Social and Economic Values
- Environmental Justice
- Visual Resources
- Noise and Vibration impacts
- Hazardous and Solid Wastes
- Public Health and Safety

VI. Public Comment Procedures

In accordance with the Council on Environmental Quality’s regulations for implementing NEPA and the DOI’s NEPA regulations, OSMRE is soliciting public comments on the Draft EIS. The comment period is being held over 45 days from **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Written comments, including email comments, should be sent to OSMRE at the addresses given in the **ADDRESSES** section of this NOA. Comments should be specific and pertain only to the issues relating to the Project and Draft EIS. If you would like to be placed on the mailing list to receive future information, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**, above.

If you require reasonable accommodation to attend one of the meetings, please contact

the person listed under **FOR FURTHER INFORMATION CONTACT** at least one week before the meeting.

Availability of Comments

OSMRE will include all comments in the project's administrative record. These comments, including name of respondent, address, phone number, e-mail address, or other personal identifying information, will be available for public review during normal business hours. Comments submitted anonymously will be accepted and considered; however, those who submit anonymous comments may not have standing to appeal the subsequent decision.

Before including your address, phone number, e-mail address, or other personal identifying information in your comment, you should be aware that your entire comment – including your personal identifying information – will be publicly available. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

All submissions from organizations or businesses and from individuals identifying themselves as representatives or officials of organizations or businesses will be available for public review to the extent consistent with applicable law.

Dated: May 17, 2018.

David Berry,

Regional Director,

Western Region.

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