United States Department of the Interior

OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050

May 1, 2015

Dear Sir or Madam:

SUBJECT: NOTICE OF AVAILABILITY OF THE FINAL ENVIRONMENTAL IMPACT STATEMENT (EIS) FOR THE FOUR CORNERS POWER PLANT AND NAVAJO MINE ENERGY PROJECT

Thank you for your interest in the Four Corners Power Plant and Navajo Mine Energy Project. The Office of Surface Mining Reclamation and Enforcement (OSMRE), Western Region, Denver, CO, in cooperation with the Bureau of Indian Affairs, Bureau of Land Management, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, National Park Service, Navajo Nation, and Hopi Tribe, has prepared a Final Environmental Impact Statement (EIS) to evaluate potential environmental impacts from continued operation of the Four Corners Power Plant through 2041, approval of rights-of-way renewals for associated transmission lines, approval of the Navajo Mine Permit renewal, and approval of a new mine permit area, referred to as the Pinabete Permit area, within the existing Navajo Mine Lease area.

In accordance with the National Environmental Policy Act of 1969, OSMRE and the cooperating agencies evaluated the environmental impacts associated with the following Proposed Action:

- **Power Plant Lease Amendment** - Arizona Public Service proposes to extend operation of the Four Corners Power Plant through 2041 and has entered into a lease amendment with the Navajo Nation.
- **Energy Transmission Lines** - Transmission lines directly connected to the power plant and owned by Arizona Public Service and Public Service Company of New Mexico require rights-of-way renewals to continue operation.
- **Navajo Mine Permit Renewal** - Navajo Transitional Energy Company (NTEC) proposes to continue operation of the Navajo Mine to fuel the power plant.

- **New Coal Mine Area** - NTEC also proposes to develop a new mine area, referred to as the Pinabete Permit area, within its existing Navajo Mine Lease to have sufficient coal to supply the power plant through 2041.

The purpose of the Proposed Action is to facilitate ongoing operation of the Four Corners Power Plant and Navajo Mine. The Proposed Action is needed to 1) provide long-term, reliable, uninterrupted electrical power to customers; 2) continue to provide coal to the Four Corners Power Plant; 3) continue operation of the transmission lines and related facilities that serve to transmit electrical energy from the Four Corners Power Plant; and 4) provide for tribal self-determination and promote tribal economic development.

Five alternatives were analyzed in the Final EIS. The preferred alternative is Alternative D: Alternate Ash Disposal Area Configuration. All components of the Proposed Action are included in this alternative, plus Arizona Public Service would construct a single, 350-acre "super cell" dry fly ash disposal area to eliminate the number of impoundment walls and roads through the disposal area.

The completion of the Final EIS follows several years of research, analysis and public involvement. OSMRE held nine public scoping meetings in August 2012 and nine public meetings in April/May 2014 to receive public comment on the Draft EIS. Public meetings took place in Arizona, Colorado and New Mexico. Public and agency comments received during the 92-day public review period for the Draft EIS were considered and responded to in the Final EIS.

Regulations provide for a 30-day wait period after the Final EIS is published before OSMRE may take final action. The Final EIS was published on May 1, 2015, and is available to the public on the project website: **http://www.wrcc.osmre.gov/FCPPEIS.shtm.** After the 30-day wait period, OSMRE will select an alternative and issue a Record of Decision. The Record of Decision is anticipated to be signed early June 2015.

For more information or to download the Final EIS, please visit the project website at **http://www.wrcc.osmre.gov/FCPPEIS.shtm** or call me at 303-293-5049.

Sincerely,

Mychal Yellowman
EIS Coordinator