Introduction

The Navajo Generating Station (NGS) is a coal-fired power plant located on the Navajo Nation near Page, Arizona. The NGS provides electricity to the southwestern United States and to the Central Arizona Project (CAP), which moves Colorado River water to central and southern Arizona. The coal used to generate power at NGS is provided by the Kayenta Mine, which is located 80 miles southeast of the NGS on Navajo Nation and Hopi tribal lands near Kayenta, Arizona.

The NGS plant lease agreement with the Navajo Nation, other right-of-way grants, and Federal permits to operate the NGS begin to expire in December 2019. These agreements and permits need to be renewed to continue operation of the power plant. The Kayenta Mine permit and life of mine plan will also need to be revised to identify long-term mining operations.

The Salt River Project Agricultural Improvement and Power District, which operates the NGS, and Peabody Western Coal Company, which operates the Kayenta Mine, propose continuing operation of the power plant and mine for an additional 25 years, through December 2044, and are seeking approval of the lease agreement, right-of-way grants and permits. As part of the review process, Federal agencies must consider the environmental impacts from continued operation of the power plant and mine.

The Bureau of Reclamation (Reclamation) is the lead Federal agency in conducting the environmental review process that is mandated by the National Environmental Policy Act of 1969 (NEPA) and is in the initial stages of preparing an environmental analysis document called an Environmental Impact Statement (EIS). The EIS will present an analysis of the potential environmental impacts of operating the NGS and Kayenta Mine through 2044.

Development of the EIS involves several agencies, and the public is also encouraged to participate. This brochure provides an overview of the proposed Project and how the public can participate to ensure a thorough environmental analysis is conducted.
The EIS will include an analysis of the potential direct, indirect and cumulative impacts on environmental resources. Environmental resource areas identified thus far to be studied in the EIS are listed below. The public is encouraged to provide input on these or other resource areas for consideration in the Draft EIS.

- Air Quality
- Biological Resources, including Special Status Species
- Climate Change
- Cultural Resources
- Environmental Justice
- Hazardous and Solid Wastes
- Health and Safety
- Indian Trust Assets
- Land Use and Transportation
- Noise and Vibration
- Recreation
- Socioeconomics
- Visual Resources
- Water Resources/Hydrology

During the EIS process, Reclamation will conduct formal consultations with various agencies to address biological and cultural resources potentially affected by the proposed Project. These consultations will be conducted to meet requirements of Section 7 of the Endangered Species Act and Section 106 of the National Historic Preservation Act. Reclamation also will consult with the Navajo Nation, Hopi Tribe and other tribes potentially impacted by the proposed Project.
Proposed Action and Alternatives

The purpose of and need for the Proposed Action is to secure, after 2019, a cost-effective reliable source of power and energy that would be continuously available to operate the CAP pumps, and sold as surplus power.

Reclamation will evaluate the environmental impacts of the proposed Project, as well as impacts from alternatives to the proposed Project. Alternatives are other ways of accomplishing the purpose and need of the project. The purpose and need will serve as the basis for developing alternatives to the proposed Project. A No Action alternative, which describes the environmental impacts if no Federal action were taken on the power plant and mine, also will be evaluated.

Proposed Project

The proposed Project is made up of several elements as described below.

- Reclamation and BIA would approve Salt River Project's NGS lease amendment, which has already been approved by the Navajo Nation Council, to continue operation of the power plant through 2044. The BIA also would renew right-of-way grants for other NGS-related facilities and power transmission lines on the Navajo Reservation.

- The United States would continue participating in the NGS to obtain power needed to move Colorado River water to central and southern Arizona as part of the CAP. Reclamation, which manages the United States’ share, would also continue to sell surplus power on the open market to provide a source of revenue for the Development Fund.

- OSMRE would approve Peabody Western Coal Company's permit revision application for the Surface Mining Control and Reclamation Act permit and life of mine plan to continue operation of the Kayenta Mine through 2044. The proposed permit revision and life of mine plan includes consolidating shared facilities located on the adjacent and now closed Black Mesa Mine and relocating a portion of an existing road.

- Other Federal approvals needed to continue the operation of NGS after 2019 would be granted, including, but not limited to, Federal approvals relating to rights-of-way for power transmission lines, related facilities and water conveyance facilities, and a water service contract for Colorado River water used by the NGS.

Alternatives

Public input received during the NEPA scoping process will help determine reasonable alternatives to be considered in the EIS. Alternatives currently under consideration are described below.

Partial Federal Replacement Alternative:

- Includes the proposed Project
- Some portion of the United States’ share of power generated at NGS would be replaced with renewable energy or generation that reduces emissions from existing levels

Total Federal Replacement Alternative:

- The United States’ total share of power generated at NGS would be replaced with renewable energy or generation that reduces emissions from existing levels

No Action Alternative:

- BIA would not approve the NGS lease amendment or issue right-of-way grants
- OSMRE would not approve the Kayenta Mine permit revision application or life of mine plan
- Reclamation would not approve the NGS lease amendment and would not enter into a water service contract to provide water for use by the NGS

Under the No Action Alternative, the NGS would close after the lease expires in December 2019, which would also close the Kayenta Mine.
NEPA Process and Community Involvement

Community involvement is an important part of the NEPA process. The public participates in the NEPA process by helping to identify environmental issues and potential alternatives to the proposed Project during the scoping period and by evaluating the analysis of proposed actions and alternatives during the Draft EIS public review period. All public comments will be considered, and the Federal agencies involved will not proceed with the Proposed Action until the NEPA process is completed. The chart at right describes the steps of the NEPA process and identifies the opportunities for public involvement.

How to Submit Comments on the Scope of the EIS

In June 2014, Reclamation will be holding 10 scoping meetings to inform the public about the Proposed Action and receive comments on potential alternatives and other relevant issues to be considered in the EIS. Interested parties are encouraged to participate and comment in any of the following ways:

- Submit written or oral comments at one of the 10 scoping meetings
- Submit comments via email to NGSKMC-EIS@usbr.gov
- Submit comments via fax to 623-773-6486
- Send written comments via postal mail, hand delivery or courier to:
  Ms. Sandra Eto
  NGS-KMC Project Environmental Coordinator
  Bureau of Reclamation, Phoenix Area Office
  6150 W. Thunderbird Road
  Glendale, AZ 85306-4001

All comments must be postmarked or received by the end of the public comment period on July 7, 2014, for consideration in the EIS.

For More Information

Informational materials and project documents will be available on the project website at www.NGSKMC-EIS.net. Questions concerning these materials should be directed to Ms. Patricia Cox, Public Affairs Specialist, at 623-773-6214.

Acronym Finder

BIA: Bureau of Indian Affairs
CAP: Central Arizona Project
EIS: Environmental Impact Statement
EPA: U.S. Environmental Protection Agency
NEPA: National Environmental Policy Act
NGS: Navajo Generating Station
OSMRE: Office of Surface Mining Reclamation and Enforcement
Reclamation: Bureau of Reclamation

The scoping public comment period is from May 16, 2014, to July 7, 2014. The public’s participation in the EIS will help Reclamation make more informed decisions about the Proposed Action.

Scoping Period:
May 16, 2014, to July 7, 2014

Scoping Meetings:
Window Rock: June 10, 2014
Forest Lake, Navajo Nation: June 11, 2014*
Kayenta: June 12, 2014*
Shonto: June 13, 2014
Kykotsmovi: June 14, 2014*
LeChee: June 16, 2014
Page: June 17, 2014
Tuba City: June 18, 2014
Phoenix: June 19, 2014
Marana: June 20, 2014

*Coincident with the EIS scoping meetings at this location, OSMRE will be conducting informal conferences on Peabody Western Coal Company’s life of mine permit revision application for the Kayenta Mine (Federal Permit AZ20001E).