

**EXHIBIT P**  
Project Video Script

**Office of Surface Mining Reclamation and Enforcement  
Four Corners Power Plant and Navajo Mine Energy Project Environmental Impact Statement  
Draft EIS Public Meetings, April/May 2014  
Video #1 Script – English**

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<b>Time Stamp</b>	<b>Script</b>
<b>00:00</b>	<b>Slide 1</b>
	Thank you for coming to the Public Meeting on the Draft Environmental Impact Statement for the Four Corners Power Plant and Navajo Mine Energy project.
<b>00:09</b>	<b>Slide 2</b>
	Our goal for your time here tonight is to provide information to facilitate your input on the analysis presented in the Draft Environmental Impact Statement. We'd like to begin by describing the NEPA process. We will then provide an overview of the proposed actions and discuss the major environmental issues that have been analyzed during the Environmental Impact Analysis Process. Then we will describe cooperating agencies that are part of this overall project.
<b>00:38</b>	<b>Slide 3</b>
	First let's look at the NEPA process.
<b>00:42</b>	<b>Slide 4</b>
	NEPA is an abbreviation for the National Environmental Policy Act.
00:48	NEPA requires that federal agencies consider the environmental impacts of their proposed actions, and that agencies take this information into account during their decision-making process. NEPA also requires that reasonable alternatives to the proposed actions be identified and analyzed. Only alternatives that meet the purpose and need of the Proposed Action need to be carried forward for detailed analysis in the Environmental Impact Statement. If significant environmental impacts are identified, then the federal agencies must develop mitigation measures that will help reduce these impacts.
01:28	NEPA is also designed to foster inter-governmental coordination and public outreach. The Draft Environmental Impact Statement is a significant milestone in the NEPA process.
01:40	The Draft Environmental Impact Statement is distributed to regulatory agencies and the public in order to gather comments on the environmental analysis. These comments are used in preparation of the Final Environmental Impact Statement, which will be used by federal agencies to make informed decisions about the Proposed Actions.
<b>02:00</b>	<b>Slide 5</b>
	There are two time periods during the NEPA process for you to share your comments or concerns, as shown on the yellow squares. The first time period was from July 18 through November 1, 2012, which was known as the scoping period. During this period, we held meetings similar to the meeting tonight to solicit public comments on the issues that were important to you. All comments that we received during that time period have been used to develop the analysis in the Draft Environmental Impact Statement.
02:32	The second opportunity for you to participate in the NEPA process is now, during the public comment period for the Draft Environmental Impact Statement. This period began on March 28 and lasts until May 27, 2014. During this period, we ask for your feedback on the degree to which the document addresses the environmental issues you raised during the scoping period, as well as any other specific comments on the analysis presented in the Draft Environmental Impact Statement.

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<b>Time Stamp</b>	<b>Script</b>
<b>03:03</b>	<b>Slide 6</b>
	Now let's talk about the Proposed Actions, which include four distinct but interrelated elements. First is the development of a new mining area at the Navajo Mine, which is known as the Pinabete Permit area, within Areas 4 North and 4 South, shown on the map. Second, the Navajo Mine will need to renew its existing Mine permit for the currently active area. The third and fourth components of the Proposed Actions are the continued operation of the Four Corners Power Plant and the continued operation of the associated electrical transmission lines.
<b>03:39</b>	<b>Slide 7</b>
	The Navajo Mine was established by a lease agreement between the Navajo Nation and the Utah Construction & Mining Company in July 1957 (which was later changed to BHP Navajo Coal Company).
03:53	The Navajo Mine and Four Corners Power Plant were both in operation by 1963. The mine provides coal solely to the Power Plant. The original lease for the Navajo Mine included 24,000 acres. Through a series of subsequent lease revisions and amendments, the lease area was increased to approximately 33,600 acres.
04:16	The lease agreement granted BHP Navajo Coal Company the right to mine within the lease area; however, mining cannot occur without approval of specific permits for each subarea of the lease.
<b>04:28</b>	<b>Slide 8</b>
	The Navajo Nation owns the surface and mineral rights of the entire lease area and the permit areas located within it. On April 29, 2013, the Navajo Nation Council formed the Navajo Transitional Energy Company, also known as NTEC.
04:47	NTEC acquired 100 percent of the equity of the Navajo Mine from BHP Navajo Coal Company in December 2013. BHP Billiton New Mexico Coal created a new subsidiary company, called BHP Billiton Mine Management Company, for the purpose of managing the operation of Navajo Mine for NTEC. Because this transaction occurred prior to any agency decision regarding the Proposed Actions, for the purposes of this Draft Environmental Impact Statement, these changes are treated as part of the baseline environmental setting.
<b>05:25</b>	<b>Slide 9</b>
	Reclamation of land disturbed by mining operations is required by the Surface Mining Control and Reclamation Act. To date, Navajo Mine has reclaimed more than 60 percent of the land that has been disturbed by mining.
<b>05:43</b>	<b>Slide 10</b>
	The proposed Pinabete Permit area is the portion of the mine that would supply the Four Corners Power Plant into the future. It covers approximately 5,600 acres that are all located within the existing Navajo Mine lease area. However, development of this area requires a new Surface Mining Control and Reclamation Act Permit, which would be issued by the Office of Surface Mining Reclamation and Enforcement. The Pinabete permit application was submitted to the Office of Surface Mining Reclamation and Enforcement in 2012.

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<b>Time Stamp</b>	<b>Script</b>
<b>06:18</b>	<b>Slide 11</b>
	Approximately 2.8 miles of Burnham Road would be relocated in order to accommodate the new mining development. The road currently runs through Areas 4 North and 4 South, but it is proposed to be shifted to the east slightly, beyond the mining boundary. This would help to ensure that traffic on the road is not impacted by mining operations.
<b>06:41</b>	<b>Slide 12</b>
	A new lease would extend the life of the Four Corners Power Plant for 25 more years – through 2041. There are five power generating units at the Four Corners Power Plant. The older units, 1, 2, and 3, were permanently shut down in December 2013. Under the Proposed Action, operations at the Four Corners Power Plant would continue using only the newer units, 4, and 5, and additional emission controls for reduction in nitrogen oxides would be installed by July 31, 2018. Also, as part of the project, new ash disposal areas would be constructed.
<b>07:21</b>	<b>Slide 13</b>
	Six transmission lines distribute electricity generated at the Four Corners Power Plant to the southwestern United States. Segments of four of these transmission lines require rights-of-way renewals or lease extensions within the next five years. Because the operation of the four transmission lines primarily depend on energy produced by the Power Plant, and the rights-of-way and lease renewal actions fall within the general timeframe of this NEPA process, these actions are considered connected and are also addressed within this Draft Environmental Impact Statement. No new transmission towers will be constructed, and there will be no changes to existing operation or maintenance activities associated with the transmission lines. The transmission lines considered in this Draft Environmental Impact Statement include:
08:13	<ul style="list-style-type: none"> <li>• Arizona Public Service's Four Corners Power Plant to Cholla 345-kilovolt transmission line</li> </ul>
08:19	<ul style="list-style-type: none"> <li>• Arizona Public Service's Four Corners Power Plant to Moenkopi 500-kilovolt transmission line</li> </ul>
08:27	<ul style="list-style-type: none"> <li>• Public Service New Mexico's Four Corners Power Plant to San Juan Generating Station 345-kilovolt transmission line</li> </ul>
08:35	<ul style="list-style-type: none"> <li>• Public Service New Mexico's Four Corners Power Plant to West Mesa 345-kilovolt transmission line</li> </ul>
<b>08:43</b>	<b>Slide 14</b>
	The Draft Environmental Impact Statement addresses the potential effects of the Proposed Action and alternatives with regard to a number of environmental issues, listed here. As you peruse the posters at the various stations here tonight, technical experts can explain how analyses for the various issues were conducted and what the specific findings for each issue are in the Draft Environmental Impact Statement. You may also review the Draft Environmental Impact Statement at your leisure to gain a more thorough understanding of the analyses in the document.

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<b>Time Stamp</b>	<b>Script</b>
<b>09:18</b>	<b>Slide 15</b>
	In addition to the NEPA review, several other federal agencies and the Navajo Nation and Hopi Tribe have permitting and resource management responsibilities and have cooperated closely with the Office of Surface Mining Reclamation and Enforcement in the development of the Draft Environmental Impact Statement. The details of these other actions are described in the posters in this room.
<b>09:44</b>	<b>Slide 16</b>
	There are three ways that you can provide comments during this public comment period. The first option is at tonight's meeting; there are stenographers present at this meeting who are available to record your oral comments directly. The public meetings being held on Navajo Nation or Hopi land will also have Navajo or Hopi interpreters. You can also write your comments on the comment forms while you are here at the meeting and leave them with the team member at the welcome table.
10:13	You can submit your comments by email, or by U.S. postal service. You can obtain contact information on the comment forms located at each station and the comment table. You can also download a complete copy of the Draft Environmental Impact Statement at the website listed here, or review a paper copy at a number of locations. A list of all addresses where a paper copy is available is located at the sign-in desk for this meeting.
10:43	We now invite you to look at the posters around the room and talk to staff at each station to get a better understanding of the proposed actions, associated environmental issues, and the analysis presented in the Draft Environmental Impact Statement. We encourage you to submit your comments on the Draft Environmental Impact Statement at your earliest convenience, but no later than May 27, 2014, so that we can ensure that your comments are addressed in the Final Environmental Impact Statement.
11:13	Thank you, and enjoy your evening.
<b>11:19</b>	<b>END</b>

## Script

### **Welcome (00:00 – 01:03)**

Thank you for attending the public meeting on the Draft Environmental Impact Statement for the Four Corners Power Plant and Navajo Mine Energy project. Our goal for this video is to provide information to facilitate your input on the analysis presented in the Draft Environmental Impact Statement, which is available for public review and comment from March 28, 2014, to May 27, 2014. We'd like to begin by describing the NEPA process, and the need for your involvement in this process. Public involvement is a key component to NEPA, and we will describe the results of our first outreach to the public, called public scoping, which you may have participated in back in the summer and fall of 2012. Then we will describe cooperating agencies that are part of this overall project. We will then provide an overview of the proposed actions and discuss the major environmental issues that have been analyzed during the environmental impact analysis process.

### **NEPA Process (01:03 – 02:21)**

First let's look at the NEPA process. NEPA is an abbreviation for the National Environmental Policy Act. NEPA requires that federal agencies consider the environmental impacts of their proposed actions, and that agencies take this information into account during their decision-making process. NEPA also requires that reasonable alternatives to the proposed actions be identified and analyzed. Only alternatives that meet the purpose and need of the proposed action and are technically feasible need to be carried forward for detailed analysis in the Environmental Impact Statement, which we'll refer to as "E-I-S" for short. If significant environmental impacts are identified, then the federal agencies must recommend measures that will reduce these impacts.

NEPA is also designed to foster inter-agency coordination and public outreach. The Draft EIS is a significant milestone in the NEPA process. The Draft EIS is distributed to regulatory agencies and the public in order to gather comments on the environmental analysis. These comments are used in preparation of the Final EIS, which will be used by federal agencies to make informed decisions about the Proposed Actions.

### **NEPA Flow Chart (02:21 – 02:40)**

There are two time periods during the NEPA process for you to share your comments or concerns, as shown in the yellow squares. The first time period was from July 18, 2012, through November 1, 2012, which was known as the scoping period.

### **Scoping Results Chart (02:40 – 03:10)**

During this period, we held meetings similar to the meeting tonight to solicit public comments on the issues that were important to you. Newspaper advertisements were placed in 13 local newspapers; public service announcements were sent to 31 local radio stations; and more than 500 comments were received from the public. All comments that we received during that time period have been used to develop the issues, the scope of analysis, and the alternatives considered in the Draft EIS.

### **NEPA Flow Chart (03:10 – 03:41)**

The second opportunity for you to participate in the NEPA process is now, during the public comment period for the Draft EIS. This period began on March 28, 2014, and lasts until May 27, 2014. During this period, we ask for your feedback on the degree to which the Draft EIS addresses the environmental issues you raised during the scoping period, as well as any other specific comments on the analysis presented in the Draft EIS.

### **About OSMRE (03:41 – 05:00)**

The Office of Surface Mining Reclamation and Enforcement is the lead federal agency in developing the EIS. The Office of Surface Mining Reclamation and Enforcement, which is also referred to as O-S-M, is a branch of the United States Department of the Interior and was created in 1977 when Congress enacted the Surface Mining Control and Reclamation Act. The Surface Mining Control and Reclamation Act is the primary federal law that regulates the environmental impacts of coal mining. OSM works with States and Tribes to ensure that citizens and the environment are protected during coal mining and that the land is restored when mining is finished. For this project, OSM is responsible for approving or denying the Navajo Transitional Energy Company's application for the Pinabete Permit area; approving or denying the Navajo Mine Permit renewal; and consulting with the various other federal agencies that have actions associated with the project. We'll describe these components in more detail later in this video.

As the lead federal agency for the EIS, OSM is working with several other federal agencies, and each agency has a specific role in the environmental review process, but OSM is leading this process.

### **Cooperating Agencies Logos Slide (05:00 – 05:22)**

There are various permits, leases, and rights-of-way renewals granted by other federal agencies, as well as agreements with the Navajo Nation and Hopi Tribe, that allow the Four Corners Power Plant, Navajo Mine, and associated power transmission lines to operate. These other agencies will rely on the findings of the EIS for their own permit actions.

### **Cooperating Agencies Roles (05:22 – 05:57)**

These agencies also help in the development of the EIS and are referred to as "cooperating agencies." The cooperating agencies include the Bureau of Indian Affairs, Bureau of Land Management, U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, Navajo Nation, Hopi Tribe, and National Park Service. Each of these agencies has a role in the process of developing the EIS, and with the exception of the National Park Service, has permit or other actions over some component of the project.

### **About the Four Corners Power Plant (05:57 – 06:31)**

The first component of the Proposed Action is to extend the lease of the Four Corners Power Plant for 25 more years – through 2041. The Four Corners Power Plant is a large coal-fired power plant, providing power to the southwestern region of the country. The Four Corners Power Plant is co-owned by Arizona Public Service, which also operates the power plant, and Public Service Company of New Mexico, Salt River Project, El Paso Electric Company, and Tucson Electric Company. The power plant is located on Navajo tribal trust lands in the New Mexico portion of the Navajo Nation.

### **Four Corners Power Plant Photo Slide (06:31 – 07:06)**

There are ongoing changes to the operation of, and financial interest in the power plant. At the end of 2013, three of the five electrical generating units were decommissioned. These were the three oldest and most inefficient units. In 2014, Arizona Public Service will purchase Southern California Edison's and El Paso Electric Company's interests in the remaining two operational units, Units 4 and 5. And finally, Selective Catalytic Reduction technology will be installed on Units 4 and 5 by July 31, 2018.

### **About the Four Corners Power Plant (07:06 – 07:28)**

The closure of Units 1, 2 and 3, and pollution control upgrades on Units 4 and 5, will substantially reduce air emissions from the power plant and allow the Four Corners Power Plant to operate at air emission levels considered by the U.S. Environmental Protection Agency to meet the Best Available Retrofit Technologies in the United States.

### **About the Navajo Mine (07:28 – 09:48)**

The second component of the Proposed Action is renewing an existing permit and granting a new permit to mine coal from the Navajo Mine. The Navajo Mine and Four Corners Power Plant were both in operation by 1963. The mine provides coal solely to the power plant, and the power plant does not receive coal from any other source. The original lease for the Navajo Mine included 24,000 acres. Through a series of subsequent lease revisions and amendments, the lease area was increased to approximately 33,600 acres. The mine produces an average of 5.8 million tons of coal annually, which is transported primarily via a dedicated rail to the Four Corners Power Plant. The power plant and mine employ approximately 800 people, of which approximately 80 percent are Native American. In 2011, these facilities combined to pay approximately \$60 million in royalties, taxes and fees to the Navajo Nation. Following the shutdown of Units 1, 2 and 3, these royalties are expected to be reduced by approximately one third to \$40 million because of reduced demand for coal from the power plant.

Within the lease, coal is mined from specific permit areas. In the spring of 2012, a permit application was submitted to OSM to develop a new 5,569-acre mine area within the existing Navajo Mine Lease area called the Pinabete Permit area. Proposed mining would disturb up to 4,104 acres.

In December 2013, the Navajo Transitional Energy Company, which is a Navajo Nation entity, purchased the Navajo Mine from B-H-P Navajo Coal Company, and in February 2014, the Surface Mining Control and Reclamation Act permit, which allows coal mining of the area, was transferred from BHP Navajo Coal Company to Navajo Transitional Energy Company. This permit transfer was completed after all approval conditions were met, and OSM prepared an Environmental Assessment as required by NEPA. Navajo Transitional Energy Company has contracted with BHP to continue managing the mine through 2016.

### **Permit Transfer (09:48 – 10:40)**

The Navajo Nation owns the surface and mineral rights of the entire lease area and the permit areas located within it. On April 29, 2013, the Navajo Nation Council formed the Navajo Transitional Energy Company. This company acquired 100 percent of the equity of the Navajo Mine from BHP Navajo Coal Company in December 2013. BHP Billiton New Mexico Coal created a new subsidiary company called BHP Billiton Mine Management Company for the purpose of managing the operation of Navajo Mine for Navajo Transitional Energy Company. OSM's approval of the permit transfer included a NEPA analysis. This completed federal action is part of the baseline for the Draft EIS. The baseline will be discussed later in this video.

### **Summary of Coal Resource Area Reclamation (10:40 – 11:08)**

Reclamation of land disturbed by mining operations is required by the Surface Mining Control and Reclamation Act. To date, Navajo Mine has reclaimed more than 60 percent of the land that has been disturbed by mining. This reclamation activity has occurred primarily in Areas 1, 2 and 3. Area 4 North has only had minimal mining at this time, and Areas 4 South and 5 have not yet been mined.

### **Proposed Action (11:08 – 11:14)**

Now let's talk about the Proposed Action, which includes four distinct but interrelated elements.

### **Project Area Maps (11:14 – 12:09)**

First is the development of a new mining area at the Navajo Mine, which is known as the Pinabete Permit area, within areas 4 North and 4 South, shown on the map. Mining activities would be the same as those that have been used in the past, applied at this newly developed part of the mine.

As a result of the configuration of the Pinabete Permit area, approximately 2.8 miles of Burnham Road would be relocated in order to accommodate the new mining development. The road currently runs through Areas 4 North and 4 South, but it is proposed to be shifted to the east slightly, beyond the mining boundary. This would help to ensure that traffic on the road is not impacted by mining operations. Second, the Navajo Mine will need to renew its existing Mine permit for the currently active mining area (primarily Areas 1, 2 and 3).

### **Transmission Lines (12:09 – 14:16)**

The third component of the Proposed Action relates to the transmission lines that are primarily dependent on the Four Corners Power Plant for electricity, and which have rights-of-way renewals within the timeframe of this EIS. There are six transmission lines that distribute electricity generated at the Four Corners Power Plant to the southwestern United States. Segments of four of these transmission lines require rights-of-way renewals or lease extensions within the next five years. Because the operation of the four transmission lines primarily depend on energy produced by the power plant, and the rights-of-way and lease renewal actions fall within the general timeframe of this NEPA process, these actions are considered connected to the Proposed Action, and are also addressed within this Draft EIS. No new construction of any kind is planned, and there would be no changes to existing operation or maintenance activities associated with the transmission lines. The transmission lines considered in this Draft EIS include: Arizona Public Service's Four Corners Power Plant to Cholla 345-kilovolt transmission line; Arizona Public Service's Four Corners Power Plant to Moenkopi 500-kilovolt transmission line; Public Service New Mexico's Four Corners Power Plant to San Juan Generating Station 345-kilovolt transmission line; and Public Service New Mexico's Four Corners Power Plant to West Mesa 345-kilovolt transmission line. Arizona Public Service requested that the EIS consider the Moenkopi line all the way to the boundary of the Navajo Nation, as a connected action. Also, the Bureau of Land Management already approved a rights-of-way renewal for the segment of the Cholla line that runs from the boundary of the Navajo Nation to the substation; therefore, this small segment is not included.

These three elements--power plant lease renewal, mine permits, and transmission line rights-of-way renewals-- are formally referred to as the "Proposed Action."

### **Proposed Action and Alternatives (14:16 – 17:14)**

The environmental review process requires the evaluation of a reasonable range of alternatives to accomplishing the Proposed Action. Each alternative that is identified must meet selection criteria, such

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as being technically feasible and meeting the purpose and need for the action. All the identified alternatives are analyzed at a screening level. Those alternatives that do not meet the selection criteria as a result of the screening level analysis are accordingly not carried forth for detailed analysis in the EIS. There are five alternatives that have been carried forward for detailed analysis in the Draft EIS that was prepared for this project. Let's take a closer look at the five alternatives.

The Proposed Action and preferred alternative is Alternative A, which proposes the continued operation of the Four Corners Power Plant; the renewal of rights-of-way permits to operate and maintain four transmission lines; the renewal of the mining permit to operate the Navajo Mine; and proposes a 5,569-acre new mining area, called the Pinabete Permit area, in Areas 4 North and 4 South of the Navajo Mine Lease area, with proposed mining in approximately 4,104 acres.

Alternatives B and C also propose continued operation of the power plant, transmission lines, and Navajo Mine. However, under Alternative B, the proposed new mining area would be 5,412 acres in Areas 4 South and 5, with proposed mining in approximately 4,998 acres. Under Alternative C, the proposed new mining area would be 10,094 acres in Areas 4 North and 4 South, with proposed mining in approximately 6,492 acres. These mining alternatives were considered in the development of the proposed mining plan and provide a range of alternatives for developing these coal reserves.

Alternative D is the same as Alternative A, except that Arizona Public Service would construct a single, 350-acre "super cell" dry fly ash disposal area instead of separate disposal areas for the Four Corners Power Plant. Dry fly ash is formed from the burning of coal when producing electricity and must be properly disposed of. Construction of this super cell area would eliminate the number of impoundment walls and roads through the disposal area.

Alternative E is the No Action Alternative and is required under NEPA for evaluation purposes. Under Alternative E, operation of the Four Corners Power Plant and Navajo Mine would cease when the permits expire. Navajo Mine would be reclaimed, and the Four Corners Power Plant would be decommissioned.

### **EIS Baseline (17:14 – 18:25)**

In an EIS, a baseline is the existing environmental condition for a specified time period prior to the proposed project. The baseline is used for comparison purposes to assess what the potential environmental impacts may be if the proposed project alternatives were implemented. For this project, baseline conditions are different now, in 2014, than they were when preparation of this EIS began in 2012. As such, this timeline helps to explain what has happened during the course of the last few years that has affected what we consider to be "baseline," and what is considered the Proposed Action. The baseline used in this EIS includes the environmental conditions as they have been up to the end of 2013, which includes the shutdown of Units 1, 2 and 3. The baseline also includes changes that will occur as a result of completed federal actions that come into effect over the next few years, which includes the installation of pollution control upgrades on Units 4 and 5 of the power plant and the transition of ownership interests in the Four Corners Power Plant.

### **Environmental Resources (18:25 – 19:16)**

Each of the alternatives has been analyzed to determine what the potential impacts on the environment may be if the alternative were carried out. The Draft EIS analyzed 17 broad resource areas, which include air quality, climate change, earth resources, cultural resources, water resources and hydrology, vegetation, wildlife and habitats, special status species, land use and transportation, socioeconomics, environmental justice, Indian trust assets, visual resources, noise and vibration, hazardous and solid wastes, recreation, and health and safety. We will now present a summary of this analysis for several of the environmental resource areas that have been studied. The Draft EIS contains the full analysis.

### **Air Quality (19:16 – 20:32)**

First up is air quality. The U.S. Environmental Protection Agency has implemented requirements for stationary sources of pollution, such as power plants, to install and operate technology that would reduce the pollutants that impact visibility. This technology is referred to as Best Available Retrofit Technology, or BART. The closure of Units 1, 2 and 3 and the installation of Selective Catalytic Reduction devices on the remaining Units, 4 and 5, would reduce emissions substantially. Further, the environmental analysis presented in the Draft EIS found that air emissions from continued operation of the Four Corners Power Plant to 2041 would not exceed National Ambient Air Quality Standards. The Four Corners Power Plant emits greenhouse gases, and therefore, contributes incrementally to climate change; however, these emissions comprise less than half a percent of the United States greenhouse gas inventory and less than a tenth of a percent of the national electric power sector.

The potential effects to public health of power plant air emissions, dust emissions from the mine and power plant, and other sources will be discussed later in this video.

### **Water Quality (20:32 – 21:43)**

The environmental analysis compared water quality data for surface water and groundwater to regulatory standards. Water quality data was obtained from sources both upstream and downstream of the power plant and mine, and from groundwater monitoring wells installed to detect water from the mine or the fly ash disposal area on the power plant site. The environmental analysis determined that groundwater quality was within the range of background concentrations, which tend to be naturally high in dissolved solids and selenium. The use of best management practices for sediment control and stormwater management would protect surface water quality. Furthermore, mercury and selenium deposits into the San Juan River Watershed from power plant air emissions would be reduced, due to the closure of Units 1, 2 and 3 and future pollution control upgrades on Units 4 and 5. At the Navajo Mine, impacts to waters of the United States are being addressed through a Clean Water Act Section 404 Permit with the U.S. Army Corps of Engineers.

### **Public Health and Hazardous and Solid Waste (21:43 – 25:07)**

There are a number of health protective measures implemented at the Four Corners Power Plant and Navajo Mine to maintain the health and safety of workers as well as the public. Coal Combustion Residue, also known as “fly ash,” is formed from the burning of coal when producing electricity. Coal Combustion Residue is currently classified as non-hazardous. However, the U.S. Environmental Protection Agency is reconsidering this regulatory status. At the Four Corners Power Plant, Coal Combustion Residue from Units 4 and 5 is properly disposed of in lined ash impoundments and dry fly ash disposal areas. Inspection of the existing impoundments by the U.S. Environmental Protection Agency found they met standards for public safety. This EIS recommends that the new dry fly ash disposal areas be constructed to meet municipal landfill requirements, similar to requirements the U.S. Environmental Protection Agency is placing on these facilities in other parts of the United States.

At the Navajo Mine, the Coal Combustion Residue was used during reclamation activities until 2008. OSM’s analysis of Coal Combustion Residue storage placement in the mine did not detect adverse changes to groundwater quality.

Furthermore, to protect human health and the environment, Arizona Public Service operates extraction wells and two ditches to prevent seepage from the ash disposal area from entering nearby Chaco Wash. Discharges from seepage collection are regulated under the U.S. Environmental Protection Agency National Pollutant Discharge Elimination System permit.

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Pollution control upgrades on Units 4 and 5 of the Four Corners Power Plant will require the use of ammonia. Although ammonia is commonly used around the world, it can be hazardous. Three options for ammonia were evaluated in the Draft EIS: anhydrous ammonia, which is the gaseous form; liquid ammonia, which is the liquid form; and urea ammonia, which is the solid form. The evaluation concluded that using urea (the solid form) resulted in much less risk of accidental release during transportation and during use. OSM recommends the use of urea for operating the pollution control upgrades on Units 4 and 5.

The continued operation of the Four Corners Power Plant will not affect the attainment of primary National Ambient Air Quality Standards locally, and in the Four Corners region. These values are protective of public health, including sensitive receptors (for instance residents); therefore, impacts in the short- or long-term operation of the Four Corners Power Plant and Navajo Mine are estimated to be negligible.

In addition, the EIS presents the results of human health risk assessment that considered the effects of emissions from the Four Corners Power Plant, fugitive coal dust, and diesel particulate matter from operation of heavy equipment. In all the risk assessments, the conclusion was that operation of the Four Corners Power Plant over the next 25 years would have a minor impact on human health in the vicinity of the power plant. The risk was well within guidelines established by the U.S. Environmental Protection Agency for these sources.

### **Threatened, Endangered and Sensitive Species (25:07 – 26:32)**

OSM is evaluating potential impacts to sensitive species in coordination with U.S. Fish and Wildlife Service, Navajo Nation, Hopi Tribe and Bureau of Land Management. This includes Section 7 consultation under the Endangered Species Act and assessing impacts to species protected under the Bald and Golden Eagle Act and Migratory Bird Treaty Act. There are 32 sensitive species potentially present in the project area, but there are no significant impacts identified from project actions. However, the presence of some metals in the soils of the area may cause potential risk to these species. The future operation of the power plant will have a minor change to this condition. Sensitive species include those listed or candidates for listing under federal or state Endangered Species Acts, species identified as culturally important by the Navajo Nation or Hopi Tribe, or those included on the Bureau of Land Management's sensitive species list. The Navajo Nation, Hopi Tribe, Bureau of Land Management and U.S. Fish and Wildlife Service will issue their findings regarding the impacts on sensitive species under their responsibility. The monitoring of ongoing impacts from mine operations will be required under the Surface Mining Control and Reclamation Act.

### **Socioeconomics and Environmental Justice (26:32 – 28:08)**

The Draft EIS also includes analysis of how potential environmental impacts from the Proposed Action would affect socioeconomics. Socioeconomics is a broad discipline and includes topics such as employment, tribal revenues, household income, business output, property values and disadvantaged populations. No negative impacts to socioeconomics were identified in the Draft EIS.

Executive Order 12898 specifies the requirements to analyze the effects of Federal Actions on Minority and Low-Income Populations, also known as Environmental Justice analysis. OSM evaluated disproportional impacts to tribal, low-income and minority populations in the vicinity of the project. The analysis did not identify any negative impacts that would significantly or disproportionately affect a tribal minority or low-income population.

The economic contributions of the Four Corners Power Plant and Navajo Mine were calculated in an economic impact analysis prepared by Arizona State University. The closure of Units 1, 2 and 3 of the Four Corners Power Plant reduces the demand for coal. As a result, levels of economic activity at the power plant and mine are expected to decrease. However, purchase of the mine by Navajo Transitional

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Energy Company would increase revenue and economic benefits to the Navajo Nation. The Proposed Action does not affect this economic activity.

**Cultural Resources (28:08 – 28:35)**

Section 106 of the National Historic Preservation Act requires federal agencies to consider the impacts to historic properties listed on or eligible for listing on the National Register of Historic Places. Potential impacts were analyzed in three groups: archaeological resources, historic resources, and properties of religious and cultural significance, including Traditional Cultural Properties.

**Traditional Cultural Properties (28:35 – 29:01)**

Traditional Cultural Properties, or T-C-Ps, are locations with significance to the beliefs, customs and/or practices of a living community, and are defined by their importance in maintaining a community's cultural identity. TCPs include places that are associated with religious, spiritual, ceremonial, medicinal, or subsistence practices, customs, or beliefs.

**Cultural Resources (29:01 – 30:25)**

The determination of potential effects to cultural resources is ongoing throughout the Section 106 process, and the Draft EIS includes a discussion of the types of effects that may occur. The Section 106 process concludes with the end of the EIS process.

As part of the National Historic Preservation Act Section 106 consultation for the project, two Programmatic Agreements are being developed that define ways to avoid potential impacts to historic properties. The Programmatic Agreements are being developed by OSM as the lead agency, and reflect input from the Navajo Nation, Hopi Tribe, Arizona and New Mexico State Historic Preservation Offices, owners of the Four Corners Power Plant and Navajo Mine, and a group of consulting parties. One Programmatic Agreement addresses historic properties located within the Navajo Mine Lease area and the other Programmatic Agreement addresses historic properties located near the Four Corners Power Plant and transmission lines. When it is not possible to avoid the historic properties identified, actions to reduce the potential impacts are being identified and included in the appropriate Programmatic Agreement. The Programmatic Agreements also specify the steps to be followed for unanticipated discoveries of material or places that may be culturally significant.

**Commenting Information (30:25 – 33:00)**

In closing, community involvement is an important part of the environmental review process required under NEPA, and will help OSM and cooperating agencies make more informed decisions about the Proposed Action. During the NEPA scoping period, which was held in summer 2012 prior to beginning work on the Draft EIS, the public participated by helping to identify environmental issues and potential alternatives that should be studied. Now, the Draft EIS, which presents the environmental analysis, is available for public review, and OSM is requesting your comments on the environmental analysis. The Draft EIS is available for public comment from March 28, 2014, through May 27, 2014. The Draft EIS can be downloaded from the project website listed on the screen or viewed at one of the 29 information repositories located in the Four Corners region.

To further encourage the public to participate in the environmental review process, OSM will be holding nine open house style public meetings between April 30, 2014, and May 9, 2014, to receive comments on the environmental analysis contained in the Draft EIS. During each open house meeting, informational poster stations staffed by project team representatives will be available to provide the public with an opportunity to learn more about the NEPA process, the Proposed Action, alternatives, and environmental

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analysis. These meetings will be conducted in the same format as the scoping meetings held in summer 2012, and court reporters and interpreters will be available to record and transcribe your comments.

The public is encouraged to attend one of the open house meetings and comment on the Draft EIS in any of the following ways:

- Submit written or oral comments at the open house public meetings being held April 30, 2014, through May 9, 2014; or
- Send written comments via email, postal mail, hand delivery or courier to the address shown on the screen.

All comments must be postmarked by the end of the comment period on May 27, 2014, for consideration in the Final EIS.

For more information, please visit the project website [on screen: [Four Corners Power Plant EIS Project Website](#)] or call Mr. Marcelo Calle, the OSM EIS Coordinator, at 303-293-5035. Thank you for participating.

**End**