

U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
(OSMRE)
FINDING OF NO NEW SIGNIFICANT IMPACT (FONNSI)
FOR
Greens Hollow Tract, Sufco Mine, Mining Plan Modification

Introduction

On October 13, 2005, the Bureau of Land Management's (BLM) Utah State Office received an application for a competitive Federal coal lease by application from Ark Land Company for lands referred to herein as the Greens Hollow Tract (Tract). Ark Land Company applied to the BLM to lease the coal reserves in the Tract for the purpose of lengthening the production life of the SUFCO Mine (the mine). The existing mine and the lease Tract are located in Convulsion Canyon in Sanpete and Sevier Counties, Utah. The Sufco underground coal mine has been in operation since 1941. After initiating the application process, the Ark Land Company later requested assignment of the LBA for the Tract to the Canyon Fuel Company, LLC. The assignment request was approved July 1, 2014 by the BLM.

The Greens Hollow Tract lies immediately adjacent to and generally northwest of the mine, and the coal in the Tract can be directly accessed through an extension of underground workings from the existing mine. There are two coal seams in the Tract, the Upper and Lower Hiawatha. The Greens Hollow Tract UTU-84102 is under National Forest lands managed by the Manti-La Sal and Fishlake National Forests. The coal resources are also federal resources and are managed by the BLM. As the surface management agency, the U.S. Forest Service must provide consent prior to BLM leasing the coal. Manti-La Sal and Fishlake National Forests, and the BLM Utah State Office, with OSMRE as a cooperating agency, completed a Final Supplemental Environmental Impact Statement (FSEIS) reviewing the impacts of the federal coal leasing action. OSMRE participated as a cooperating agency along with Utah Division of Oil, Gas and Mining. On October 5, 2015, the Forest Service issued a Record of Decision (ROD), consenting to BLM offering the Tract for competitive leasing with stipulations for the protection of non-mineral resources as described in Alternative 3 of the FSEIS. On August 12, 2016, the BLM issued a ROD, deciding to hold a Federal coal competitive lease sale for the Tract.¹ On January 4, 2017, the Greens Hollow Federal Coal Lease UTU-84102, comprising of approximately 6,175 acres and approximately 55.7 million tons of recoverable coal, was sold through a competitive bidding process to the highest bidder, which was Canyon Fuel Company. The BLM issued the lease March 14, 2017.

On April 17, 2017, Canyon Fuel Company, LLC submitted a Permit Application Package (PAP) with annual production of 5.5 to 6.3 million tons of coal per year and no additional surface facilities to the Utah DOGM. Based on new information provided in the PAP, the OSMRE prepared the accompanying Greens Hollow Tract Mining Plan Modification Supplemental Environmental Assessment (hereafter, the Supplemental EA), which details additional environmental effects of this Project. This Supplemental EA is tiered to the FSEIS. The Utah DOGM is reviewing Sufco Mine's permit amendment, and submitted

¹ For a detailed description of the full NEPA analysis conducted for the Greens Hollow tract, see Chapter 1 of the Final Supplemental Environmental Impact Statement for the Leasing and Underground Mining of the Greens Hollow Federal Coal Lease Tract UTU-84102 Sanpete and Sevier Counties, Utah (Feb. 2015).

the Canyon Fuel Company PAP for the mining plan modification to the OSMRE for review, in accordance with its responsibilities under the federal Surface Mining Control and Reclamation Act of 1977 (SMCRA).

The OSMRE is required to evaluate the PAP before Canyon Fuel Company may conduct underground mining and reclamation operations to develop the Greens Hollow Federal Coal Lease Tract UTU-84102. OSMRE is the agency responsible for making a recommendation to the ASLM to approve, disapprove, or approve with conditions the proposed mining plan modification. The ASLM will decide whether the mining plan modification is approved, disapproved, or approved with conditions.

In conducting the Supplemental EA, the OSMRE reviewed the environmental impacts of the Proposed Action (approving a mining plan modification from Greens Hollow Federal Coal Lease Tract UTU-84102) and the No Action (disapprove the mining plan modification).

If OSMRE determines that this Project would have significant effects following the analysis in the Environmental Assessment (EA), then an Environmental Impact Statement (EIS) would be prepared for the Project. If the potential effects are not determined to be “significant”, a “Finding of No New Significant Impact” (FONNSI) statement² would document the reason(s) why implementation of the selected alternative would not result in significant environmental effects. An EA provides evidence for determining whether to prepare an EIS or a FONNSI statement.

The OSMRE has prepared the Supplemental EA based on the previously completed FSEIS and PAP, and reached a FONNSI.

Statement of Environmental Significance of the Proposed Action

Pursuant to 30 CFR Part 746, OSMRE is recommending selection and approval of the Proposed Action. The undersigned person has determined that approval of a federal mining plan modification authorizing the continuation of mining operations to recover the federal coal of approximately 55.7 tons of recoverable coal from the Greens Hollow Federal Coal Lease Tract UTU-84102 with no additional surface disturbance would not have a significant impact on the quality of the human environment under section 102(2)(C) of the NEPA, 42 USC 4332(2)(C); therefore, an EIS is not required.

Reasons

OSMRE has evaluated the information presented within this Supplemental EA and has determined that the Proposed Action would cause no new significant adverse environmental effects, that have not already been analyzed in the Greens Hollow FSEIS or that would not be mitigated in accordance with the eight standard permit conditions within the federal regulations at 30 CFR 944, the standard permit terms and specifications of the PAP, and the special stipulations attached to the Greens Hollow Lease.

The attached Supplemental EA discusses the potential environmental effects of the Proposed Action and provides sufficient evidence and analysis for this FONNSI.

Based upon OSMRE's review of the Supplemental EA and the supporting documents, OSMRE has determined, in accordance with 43 CFR 46.140, that the Proposed Action is not a major Federal action and will have no new significant effect on the quality of the human environment individually or

² A finding of no significant impact other than those already disclosed and analyzed in the EIS to which the EA is tiered may be called a “finding of no new significant impact” (43 CFR 46.140(c)).

cumulatively with other actions within the region, that has not already been analyzed in the Greens Hollow FSEIS.

The purpose of the action (to make a recommendation to the ASLM to approve, disapprove, or approve with conditions the proposed mining plan modification) is established by the Mineral Leasing Act of 1920 and the SMCRA, which requires the evaluation of Canyon Fuel Company's PAP before they may conduct underground mining and reclamation operations to develop the Greens Hollow Federal Coal Lease Tract UTU-84102 30 CFR Part 746: 30 United States Code (USC)/208(c). OSMRE is the agency responsible for making a recommendation to the ASLM to approve, disapprove, or approve with conditions, the proposed mining plan modification. The ASLM will decide whether the mining plan modification is approved, disapproved, or approved with conditions. If the ASLM approves this action, operations would continue at the Sufco Mine for up to 8.8 years. The need for the action is to allow Canyon Fuel Company, LLC the opportunity to exercise its valid rights granted under the Greens Hollow Federal Coal Lease Tract UTU-84102 to extract coal from their federal lease under the Mineral Leasing Act.

The Proposed Action would modify the mining plan to authorize mining a probable maximum of approximately 55.7 million tons of federal coal at a maximum rate of up to 6.3 million tons per year. No additional surface disturbance is planned. The Proposed Action would extend the mining at Sufco Mine for approximately 8.8 years.

Under the No Action Alternative, the mining decision document would not be prepared by OSMRE and therefore ASLM would not approve the mining plan modification. If DOGM approves the permit revision associated with the Proposed Action, without ASLM approval, DOGM's permit would revert to the previous permit. Under the previous permit, the Federal coal reserves in the Greens Hollow Federal Coal Lease Tract UTU-84102 would not be recovered and underground mining would continue until available coal reserves are mined out in 2020. Reclamation would last two years after closure and continue until Canyon Fuel Company's obligations for reclamation under SMCRA (and the State's equivalent statute) and the Federal lease terms were met.

The attached Supplemental EA considers a reasonable range of alternatives and in conjunction with the previously completed NEPA reviews, discloses the potential environmental effects. These reviews provide sufficient evidence and support for a FONNSI.

The Supplemental EA was prepared by a third-party consulting firm at the direction of OSMRE. During the development of the Supplemental EA, OSMRE independently reviewed the document to ensure compliance with 43 CFR Part 46, Subpart D and all Council of Environmental Quality regulations implementing NEPA (40 CFR 1500-1508), and other program requirements. This independent review included OSMRE's evaluation of all environmental issues analyzed in the Supplemental EA. OSMRE takes full responsibility for the accuracy, scope, and the content of this document.

The undersigned has determined that the public involvement requirements of NEPA have been met. OSMRE released the Supplemental EA and unsigned FONNSI for public review and comment for a 30-day period beginning on January 4, 2018.

This finding is based on determining the significance as defined by the context and intensity found in 40 CFR 1508.27 of effects from the Proposed Action.

- a) **Context.** This means that the significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality. Significance varies with the setting of the proposed action. For instance, in the

case of a site-specific action, significance would usually depend upon the effects in the locale rather than in the world as a whole. Both short- and long-term effects are relevant.

The Proposed Action continue mine operations at the Sufco mine through at least 2028 by:

- Securing a Federal mining plan modification approval authorizing mining of leased Federal coal; and,
- Continuing to mine (5.5 to 6.3 million tons of coal per year), process, and ship (via rail and truck) coal to customers in need of coal.

Under the No Action Alternative, mining would continue until 2020. The effects of both the Proposed Action and No Action have been analyzed at the local and regional scale.

- b) **Intensity.** This refers to the severity of impact. Responsible officials must bear in mind that more than one agency may make decisions about partial aspects of a major action. The following should be considered in evaluating intensity.

The 10 Significance Criteria in the federal regulations at 40 CFR 1508.27 have been considered in evaluating the severity of impacts.

1. Impacts that may be both beneficial and adverse.

Beneficial and adverse impacts from the Proposed Action are described in the attached Supplemental EA. Particulate matter, criteria pollutants, and greenhouse gas emissions would be within the permitted limits and would not exceed the National Ambient Air Quality Standards; therefore, direct and indirect impacts would be minor and long-term (Supplemental EA Sections 3.3.1.1 - 3.3.1.5). For analysis purposes, the Hunter Power Plant was used as a representative consumer of coal from the Greens Hollow Tract. Actual consumers are not known and would be subject to coal market conditions therefore making a more specific analysis would be too speculative and not useful to the decision maker.

None of the newly analyzed environmental effects from the Proposed Action discussed in the EA are considered to be significant.

2. The degree to which the Proposed Action affects public health or safety.

Air quality effects from the Proposed Action that could affect health and safety. Air impacts are analyzed in Section 3.3 of the EA. Impacts on air quality would be minor and short term.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farm lands, wetlands, wild and scenic rivers, or ecologically critical areas.

There are no park lands, prime farmlands, wild and scenic rivers, or ecologically critical areas within the Project Area. The FSEIS analyzed potential impacts to wetlands in Section 4.5.2.3 and 4.5.3.2 which is incorporated by reference into the Supplemental EA. The FSEIS found that there were 80 wetlands that occur within the Greens Hollow tract boundary under Alternative 2 totaling approximately 11.7 acres, which could be subsided as a result of mining. There are no wilderness areas within or near the Project Area. Inventories of historic or cultural resources have been completed, which identified two potentially eligible historic sites in the Project Area. The 2015 Record of Decision determined there were little potential impacts from subsidence. On November 9, 2017, the Utah State Historical Preservation Office concurred with OSMRE's determination that there would be no adverse effects.

4. The degree to which the impacts on the quality of the human environment are likely to be highly controversial.

As a factor for determining within the meaning of 40 CFR 1508.27(b)(4)—whether or not to prepare a detailed environmental impact statement—“controversy” is not equated with “the existence of opposition to a use.” *Northwest Environmental Defense Center v. Bonneville Power Administration*, 117 F.3d 1520, 1536 (9th Cir. 1997). The term ‘highly controversial’ refers to instances in which “a substantial dispute exists as to the size, nature, or effect of the major federal action rather than the mere existence of opposition to a use” *Hells Canyon Preservation Council v. Jacoby*, 9 F.Supp.2d 1216, 1242 (D. Or. 1998).

Approvals of Federal mining plans and mining plan modifications have been made for the Sufco Mine since 1941. The lease stipulations and reclamation plan would reduce the effects on the environment.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.

There are no direct, indirect, or cumulative effects on the human environment under the Proposed Action that are highly uncertain or involve unique or unknown risks. OSMRE has experience implementing similar actions in similar areas.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principal about future consideration.

This decision is not precedent setting. The issues considered in the Supplemental EA were developed by the interdisciplinary team within the context of past, present, and reasonably foreseeable actions. Significant cumulative impacts are not anticipated.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership.

The interdisciplinary team evaluated the possible issues in context of past, present, and reasonably foreseeable actions, including the Sufco Mine operation and other mining operations, the transport of coal from the mine, the combustion of that coal, and ranching, recreation and other mines in the cumulative effects analysis area. The indirect emissions from coal combustion mined annually from the Sufco Mine were disclosed in the Supplemental EA (Section 3.3.1). There were no significant cumulative effects identified (Supplemental EA Section 3.4.1).

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places (NRHP) or may cause loss or destruction of significant scientific, cultural, or historical resources.


The Project Area was previously surveyed for cultural and historic resources. The 2015 BLM and USFS Record of Decision determined there was little potential impact from subsidence. On November 9, 2017, the Utah State Historic Preservation Office concurred with OSMRE’s determination that there would be no adverse effects.

9. The degree to which an action may adversely affect a threatened or endangered species or its habitat that has been determined to be critical under the Endangered Species Act of 1973.

There would be no impacts on listed species because habitat does not exist in the Project Area.

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation, or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements.

The Proposed Action would not violate any known Federal, state, local, or tribal law or requirement imposed for the protection of the environment. During the public and agency involvement for this Supplemental EA, state, local, and tribal interests would be given the opportunity to participate in the environmental analysis process as well as cooperating agencies, BLM, USFS, and Utah DOGM. The Proposed Action is consistent with applicable plans, policies, and programs.

 - acting for - 5/25/18

Marcelo Calle, Manager Date
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