Facilities necessary for the Kayenta mining operations are located within the PWCC lease area but some are located outside the boundaries of the Kayenta Mine permit area. These facilities include administrative offices and infrastructure; maintenance shops; warehouses; bath houses; empty silos and cap magazines; coal-processing facilities; equipment storage areas; water diversions and culverts; sheds; utilities; fuel-storage and tank farms; environmental monitoring sites; wells; and surface conveyor systems. The mine facilities outside the Kayenta Mine permit area have been separately authorized by OSM as part of the Initial Regulatory Program and are authorized for use in Kayenta mining operations in accordance with SMCRA regulations. This Environmental Assessment includes effects from the use of all mine facilities, within and outside the permit area; to the extent such facilities are necessary to the mining operations that would be authorized by the proposed action.

Table C-1 illustrates the acres of surface disturbance that has occurred in the three coal resource areas subject to the renewal through July 2010. As of July 2010, 20,851 acres within the Kayenta Mine permit area have been disturbed by mining activities. In addition, annual groundwater use for domestic and mine-related purposes from the Navajo aquifer (N aquifer) would average 1,236 acre-feet per year (af/yr), which is 70 percent less than used prior to 2006. Coal-mining techniques and mine reclamation are described in more detail in Appendix A.

B. PURPOSE AND NEED FOR THE PROPOSED ACTION

OSM is the regulatory authority for mining operations on Indian lands in Arizona. Pursuant to the Indian Lands Program (30 CFR VII, Subchapter E), OSM must make a decision whether to approve or disapprove renewal of the subject permit application (AZ-0001D) based only on the criteria listed at 30 CFR 774.15(c)(1) (see Section A above). Federal authority to mine these reserves can only be granted in up to five-year increments, although the permit holder has a statutory right to successive renewals as long as certain regulatory criteria are met. PWCC seeks to exercise its right to renewal so that it may continue extracting coal in accordance with its long-term mining plan. PWCC has applied for the renewal of Permit AZ-0001D in order to continue ongoing mining operations in coal resource areas N-9, J-19, and J-21 through July 6, 2015. PWCC holds leases with the Navajo Nation and Hopi Tribe to mine up to 670 million tons of coal from reserves within the Kayenta Mine permit area; PWCC and its predecessors have been mining these reserves at an annual rate of approximately 8.2 million tons per year since 1973 in accordance with an approved long-term mining plan.

