



REGION 6

DALLAS, TX 75270

FINDING OF NO SIGNIFICANT IMPACT (FONSI)

July 23, 2025

To all interested government agencies, public groups, and individuals:

In accordance with Executive Order (E.O.) 14154 [2025-03014 (90 FR 10610)], and the U.S. Environmental Protection Agency's (EPA) procedures for implementing the NEPA (40 CFR Part 6), EPA has completed an environmental review of the following proposed action:

Issuance of the El Segundo Mine National Pollutant Discharge Elimination System (NPDES) Permit Number NM0030996

EPA is re-issuing the NPDES Permit NM0030996 for five (5) years, during which time the permit will provide coverage for temporary impoundments used to treat surface and ground water drainage areas disturbed during mining activities. The impoundments have been designed and constructed to provide treatment of disturbed area runoff before discharging to receiving waters in order to meet applicable state and federal water quality laws, regulations, and effluent limitations under both New Mexico and federal rules.

Project Description

Peabody Natural Resources Company (PNRC) proposes to use sediment impoundments to treat alkaline mine drainage from areas affected by surface coal mining activities. During active mining, sediment impoundments provide for adequate treatment of alkaline mine drainage in order to achieve the required effluent limits at 40 CFR 434 Subpart D. Once vegetation becomes reestablished and other best management practices are implemented, recently promulgated effluent limitations at 40 CFR 434 Subpart H will allow removing the sediment impoundments if postmining sediment yields are demonstrated to be comparable to pre-mining conditions.

The applicant considered several alternative runoff control plans involving sediment ponds and diversions before selecting the plan ultimately approved by the Mining and Minerals Division of the New Mexico Energy, Minerals and Natural Resources Department that resulted in the NPDES application submitted to EPA. Criteria considered by the applicant in the selection process included the amount of overall land disturbance, runoff treatment effectiveness, environmental impacts, logistics, cost, and feasibility.

Project Location

The El Segundo surface coal mine is located approximately 35 miles north of the town of Milan, New Mexico along State Route 509, McKinley County (T16N R10W, T17N R10W, T16N R9W, and T17N R9W). The permit area encompasses approximately 15,000 acres of State, Federal, and private surface and mineral ownership. Coal produced from the El Segundo Mine is transported via railroad to existing regional coal fired power plants to maintain current power production at each plant.

Findings

The environmental review process, which is documented by the enclosed Environmental Assessment (EA), indicates that no potential significant adverse environmental impacts are anticipated from the proposed action. The EA, which analyzed the potential environmental impacts of issuing the NPDES permit, considered the potential environmental impacts from the sediment impoundments treating alkaline mine drainage from areas affected by surface coal mining activities.

Based on the environmental impact analysis in the EA and nature of the current mining operation, EPA has determined that no significant environmental impacts are anticipated from the re-issuance of the NPDES permit and the proposed action does not constitute a major Federal action significantly affecting the quality of the human environment, making the preparation of an Environmental Impact Statement (EIS) unnecessary. Therefore, EPA is issuing this preliminary FONSI to document this determination.

Comments regarding this decision may be submitted for consideration at R6NPDES@epa.gov, or by mail to NPDES Permitting and Wetland Section (6WD-PE), U.S. EPA Region 6, at 1201 Elm Street, Suite 500, Dallas, Texas 75270. After evaluating any comments received the EPA will make a final decision. The preliminary finding will become final after the 30-day comment period expires if no new significant information is provided to alter the finding.

Sincerely,

acting for Troy C. Hill, P.E.
Director
Water Division