

PMC-EF2a

(2.04.02)

**U.S. DEPARTMENT OF ENERGY
EERE PROJECT MANAGEMENT CENTER
NEPA DETERMINATION**



RECIPIENT: State of Washington DE-EE0000139

STATE: WA

PROJECT TITLE : AltAir Fuels

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA0000052			EE139

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Order 451.1A), I have made the following determination:

CX, EA, EIS APPENDIX AND NUMBER:

Description:

- A9** Information gathering (including, but not limited to, literature surveys, inventories, audits), data analysis (including computer modeling), document preparation (such as conceptual design or feasibility studies, analytical energy supply and demand studies), and dissemination (including, but not limited to, document mailings, publication, and distribution; and classroom training and informational programs), but not including site characterization or environmental monitoring.

Rational for determination:

The Washington Department of Commerce will provide \$2,000,000 of Recovery Act funding to AltAir Fuels for preliminary design work and related studies to support the development of an advanced biofuels refinery in Anacortes, Washington. AltAir Fuels has plans to build and operate a \$175 million advanced biofuels refinery utilizing novel technology developed and guaranteed by Honeywell for the conversion of renewable-based oils into direct replacements for petroleum jet and diesel fuels. The intent is to integrate the plant into the existing Tesoro refinery in Anacortes, Washington.

DOE funding will be used to assess the feasibility of the project through studies and analyses addressing engineering design, planning and assessment, environmental review, and legal support. Some mandatory fees would also be covered with the funds. Funds will not be used to support any construction work or related ground disturbing activities. Specific tasks to be completed under the SEP funding include the following:

- Environmental studies, including preparation of NEPA applicable documents,
- An independent engineer's assessment of the project including siting and permitting, engineering and design, contractual requirements, environmental compliance, testing and commissioning and operations and maintenance,
- A feedstock study which will assess vegetable oil and animal fat commodities likely to be consumed as process feedstock including market size, logistics and cost to support project financial assumptions,
- Pretreatment process preliminary engineering,
- Renewable jet process preliminary engineering,
- Outside Battery Limits ("OSBL") preliminary engineering,
- Pretreatment process Schedule A engineering,
- Renewable jet process Schedule A engineering,
- Financial advisory services for structuring and placement of project debt provided by Seattle-Northwest Securities Corporation,
- Commissioning of preliminary debt rating of project credit to facilitate negotiation of a definitive Fuel Supply Agreement that will satisfy Federal loan guarantee program and commercial lending requirements,
- Oversight of all above activities during the grant period,
- Legal Support, and
- Other reporting requirements.

Based on the information provided by the State and recipient, the work outlined comprises document preparation, conceptual design work, information gathering, data analysis, and analytical studies which is consistent with activities identified in Categorical Exclusion A9.

NEPA PROVISION

DOE has made a final NEPA determination for this award

Insert the following language in the award:

Note to Specialist :

According to the project officer, funding for this effort is \$2,000,000. Unless there is a significant change in the scope of this effort, a change in funding will not affect my determination.

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: _____
NEPA Compliance Officer

Date: 6/23/10

FIELD OFFICE MANAGER DETERMINATION

Field Office Manager review required

NCO REQUESTS THE FIELD OFFICE MANAGER REVIEW FOR THE FOLLOWING REASON:

- Proposed action fits within a categorical exclusion but involves a high profile or controversial issue that warrants Field Office Manager's attention.
- Proposed action falls within an EA or EIS category and therefore requires Field Office Manager's review and determination.

BASED ON MY REVIEW I CONCUR WITH THE DETERMINATION OF THE NCO :

Field Office Manager's Signature: _____
Field Office Manager

Date: _____