

PMC-EF2a

(20102)

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

**RECIPIENT:**Louisiana -- Louisiana Tank**STATE:** LA**PROJECT TITLE :** Recovery Act -- State Energy Program

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0000052	EE0000124	GFO-0000124-016	0

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:

B5.1 Actions to conserve energy, demonstrate potential energy conservation, and promote energy-efficiency that do not increase the indoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, designers), organizations (such as utilities), and state and local governments. Covered actions include, but are not limited to: programmed lowering of thermostat settings, placement of timers on hot water heaters, installation of solar hot water systems, installation of efficient lighting, improvements in generator efficiency and appliance efficiency ratings, development of energy-efficient manufacturing or industrial practices, and small-scale conservation and renewable energy research and development and pilot projects. The actions could involve building renovations or new structures in commercial, residential, agricultural, or industrial sectors. These actions do not include rulemakings, standard-settings, or proposed DOE legislation.

Rational for determination:

Louisiana's Department of Natural Resources would pass \$3.5M of their DOE State Energy Program formula grant funds to LA Tank.

LA Tank would use the SEP funding to purchase two pieces of equipment: a turbine generator and a turbine expander.

LA Tank has also received a competitive ARRA-funded geothermal award. That award would cover completion of engineering design for a geothermal power plant; power plant related capital purchases; and installation and reporting costs (economic performance and operating characteristics). This part of the project would be performed in two phases: Phase 1 for well testing, data analysis and assessment, and plant design; and Phase 2: Task 5.0 (Project Management and Reporting). (See NEPA Determination: GFO-10-256).

LA Tank was also selected for a competitive non-ARRA funded geothermal award, which would have covered the cost of drilling the production and injection wells. However, LA Tank withdrew their application for that award because the timeline associated with that award was not conducive to finishing the overall project within ARRA timelines. LA Tank will now use their own funds to drill test and production wells. (See Letter from LA Tank, dated 11/9/10).

A portion of the DOE SEP funds can be used to make a deposit on the two long-lead pieces of equipment; however, LA DNR will not release the entire \$3.5M until LA Tank successfully tests and drills the production and injection wells. (See email from LA DNR dated 11/9/10).

The purchase and installation of these two pieces of equipment at the future geothermal production site constitute an action to conserve energy; therefore, it is categorically excluded under B5.1, Actions to conserve energy.

NEPA PROVISION

DOE has made a conditional NEPA determination for this award, and funding for certain tasks under this award is contingent upon the final NEPA determination.

Insert the following language in the award:

You are restricted from taking any action using federal funds, which would have an adverse affect on the environment or limit the choice of reasonable alternatives prior to DOE/NNSA providing either a NEPA clearance or a final NEPA decision regarding the project.

Prohibited actions include:

Purchasing outright the two pieces of equipment prior to successful testing and drilling of the production and injection wells.

This restriction does not preclude you from:

Making a deposit, with DOE SEP funds, on two pieces of equipment.

If you move forward with activities that are not authorized for federal funding by the DOE Contracting Officer in advance of the final NEPA decision, you are doing so at risk of not receiving federal funding and such costs may not be recognized as allowable cost share.

Insert the following language in the award:

You are required to:

This NEPA determination does not alter or amend the prior NEPA determination (GFO-10-256), which prohibits LA Tank from: Phase 2, Task 3.0 "Plant Construction", Task 4 "Project Assessment", Task 6 "Technology Transfer and Commercialization"

Note to Specialist :

None Given.

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: Kristin Kerwin Date: 11/16/2010
NEPA Compliance Officer

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: _____ Date: _____
Field Office Manager