

FMC-EF2a

(2.04.02)

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



**RECIPIENT:** Ruby Mountain Inc. for El Paso County

**STATE:** TX

**PROJECT TITLE :** El Paso County Geothermal Project at Fort Bliss

<b>Funding Opportunity Announcement Number</b>	<b>Procurement Instrument Number</b>	<b>NEPA Control Number</b>	<b>CID Number</b>
	DE-EE0002827	GFO-0002827-003	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:**

- 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.
- B3.1** Onsite and offsite site characterization and environmental monitoring, including siting, construction (or modification), operation, and dismantlement or closing (abandonment) of characterization and monitoring devices and siting, construction, and associated operation of a small-scale laboratory building or renovation of a room in an existing building for sample analysis. Activities covered include, but are not limited to, site characterization and environmental monitoring under CERCLA and RCRA. Specific activities include, but are not limited to:

**Rational for determination:**

El Paso County (EPC) would evaluate the commercial viability of low temperature geothermal resources in the McGregor test area (or other less known sites) on the Fort Bliss Military Reservation (Fort Bliss) to determine if those resources have adequate temperatures, flow rates and volume to justify commercial development at any scale with an eye toward 20 MW as a target. If the resource is adequate EPC would determine where production facilities could be located for the production of power, as well as if, and how, such facilities could be used to power the McGregor Range installation and how such power could be returned to the grid for use by Fort Bliss.

This project was previously approved by GFO-10-277 on April 21, 2010. Subsequent to that approval, the recipient discovered there were existing slim-holes that were still open and available for testing. The existence of these wells negated the need for the proposed slim-holes in Phase 2 of the original project. Therefore, the project was revised from its original scope to include Phase 2-A, 2-B, and slight changes were made to Phase 3. This change in project scope necessitated another NEPA review and determination of the newly revised project and subsequently Phase 1 (all tasks) and Phase 2A (all tasks) were approved by GFO-0002827-002 on February 17, 2011.

Project work would be conducted on Bureau of Land Management (BLM) Withdrawn Lands. The NEPA Compliance Lead Agency for Resource Decisions dealing with Military Activity on Withdrawn Lands or Army Fee-Owned Lands is Fort Bliss. Since the goal of this project is the characterization and development of geothermal resources to produce power that would be used by the McGregor Range installation and Fort Bliss, the project is classified as Military Activity. Therefore, the NEPA Compliance Lead Agency for this project is Fort Bliss. Fort Bliss completed a Record of Environmental Consideration (REC) and issued a CX in September 2010 for Phase 1 and Phase 2-A activities. Another REC was completed and CX issued in June 2011 for Phase 2-B Tasks 1.0 and 2.0 activities. It was determined that these activities fell within the scope of impacts addressed programmatically in a previous Environmental Impact Statement (EIS), the Record of Decision (ROD) for which was signed September 20, 2001; supplemented by an EIS dated April 30, 2007. Another REC/NEPA determination will need to be completed by Fort Bliss prior to implementation of Phase 2-B (tasks 3.0 through 6.0) and Phase 3 activities. Additionally, these activities will require coordination with BLM and the State of New Mexico.

**Phase 2-B – Resource Confirmation Well Drilling & Heli-Lite Drill Rig Testing**

1.0 Site Access, Coordination & Training

2.0 Heli-Lite Drilling at Location Selected By Fort Bliss – thermal gradient holes have been targeted and a REC has been obtained from Ft. Bliss approving the Heli-Lite drilling operation. Additionally, a Notice of Intent (NOI) is required from BLM for the drilling but has yet to be obtained.

Since the location of the resource confirmation well has not been determined, Phase 2-B (tasks 3.0 through 6.0) and

Phase 3 (all tasks) cannot be analyzed at this time. A NEPA determination for these tasks in Phase 2-B and Phase 3 of the project would be too early to determine but would need to be made prior to EPC beginning activities for these tasks.

- 3.0 Resource Confirmation Well Drilling
- 4.0 Core Collection and Data Package
- 5.0 Core/Cuttings Sampling and Logging
- 6.0 Data Integration and Reporting of Results
- Phase 3 – Resource Testing and Assessment
  - 1.0 Well Testing
  - 2.0 Evaluation by an Expert
  - 3.0 Chemostratigraphic-Chronostratigraphic Assessment
  - 4.0 Final Project Assessment
  - 5.0 Phase 3 Reporting and Technology Transfer

Total Project Funding: \$5,000,000 (DOE)  
 Funds released prior to this NEPA determination: \$1,485,295 (DOE)  
 Funds released by this NEPA determination: \$364,295 (DOE)

Condition of Approval: Allowable – Phase 2-B (tasks 1.0 and 2.0); Prohibited – Phase 2-B (tasks 3.0 through 6.0) and Phase 3 (all tasks).

This project is comprised of information gathering, data analysis, and document preparation; and onsite site characterization activities; therefore the DOE has categorized this proposal into Categorical Exclusions A9 and B3.1.

**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:  
 Phase 2-B (tasks 3.0 through 6.0)  
 Phase 3 (all tasks)

This restriction does not preclude you from:

Phase 2-B (Task 1.0 and 2.0)

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:

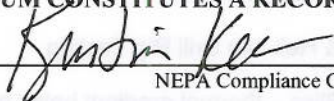
For Phase 2-B Task 2.0 (Heli-Lite Drilling at Location Selected By Fort Bliss), you must obtain (and submit to the DOE Project Officer) an approved NOI for this activity from BLM.

Note to Specialist :

EF2a prepared by Casey Strickland

**SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.**

NEPA Compliance Officer Signature:



NEPA Compliance Officer

Date:

6/30/2011

**FIELD OFFICE MANAGER DETERMINATION**

Field Office Manager review required