

United States Government

Department of Energy  
Bonneville Power Administration

# memorandum

DATE: July 7, 2011

REPLY TO  
ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Melanie Jackson  
Transmission Account Executive – TSE-TPP-2

**Proposed Action:** Bonneville Power Administration (BPA) proposes to enter into a Balancing Authority Area Service Agreement (BAASA) with Cosmo Specialty Fibers, Inc. (CSF).

**Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):** B4.1 Establishment and implementation of contracts, marketing plans, policies, allocation plans, or acquisition of excess electric power that does not involve: (1) the integration of a new generation resource, (2) physical changes in the transmission system beyond the previously developed facility area, unless the changes are themselves categorically excluded, or (3) changes in the normal operating limits of generation resources.

**Location:** Cosmopolis, Washington

**Proposed by:** BPA and CSF

**Description of the Proposed Action:** CSF, an affiliate of The Gores Group, operates a cogeneration facility with a steam turbine topping cycle system (Project). Electric and mechanical power and process steam is produced sequentially by four high pressure boilers and two turbine generators at the former Weyerhaeuser Specialty Cellulose Mill (Mill) in Cosmopolis, Washington. All four high pressure boilers produce steam. The two steam driven turbine generators are powered primarily through the burning of biomass waste from logging and pulp byproduct waste created in the pulping process at the plant and by fuel oil. Process uses of the steam include various temperature controls, heating, drying and evaporation. CSF expects the Project to be considered a renewable resource under applicable state laws.

CSF's Project interconnects directly with Public Utility District No. 1 of Grays Harbor County, Washington 115 kilovolt (kV) and 69-kV transmission systems, which interconnects with BPA's 115-kV Cosmopolis Substation. The Project's generation offsets the load at the Mill. The Mill's load is generally expected to be greater than the Project's generation. If generation from the Project exceeds the load at the Mill, CSF must not utilize the FCRTS unless it has a transmission service agreement with BPA to transmit the Project's generation.

Execution of the BAASA which includes a reimbursable agreement and an associated operations and maintenance agreement, would enable the Project to operate within BPA's balancing authority area.

**Findings:** BPA has determined that the proposed action complies with Section 1021.410 and Appendix B of Subpart D of the Department of Energy's (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, April 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, December 6, 1996). The proposed action does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal. The proposal is not connected [40 C.F.R. 1508.25(a)(1)] to other actions with potentially significant impacts, is not related to other proposed actions with cumulatively significant impacts [40 C.F.R. 1508.25(a)(2)], and is not precluded by 40 C.F.R. 1506.1 or 10 C.F.R. 1021.211. Moreover, the proposed action would not (i) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, (ii) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities, (iii) disturb hazardous substances, pollutants, contaminants, or Comprehensive Environmental Response, Compensation and Liability Act-excluded petroleum and natural gas products that pre-exist in the environment such that there would be uncontrolled or unpermitted releases, or (iv) adversely affect environmentally sensitive resources. This proposed action meets the requirements for the Categorical Exclusions referenced above. We therefore determine that the proposed action may be categorically excluded from further NEPA review and documentation.

/s/ Susan F. Offerdal

Susan F. Offerdal

Environmental Protection Specialist

Concur:

/s/ Richard Yarde, for:

Katherine S. Pierce

NEPA Compliance Officer

DATE: July 8, 2011

Attachment:

Environmental Checklist for Categorical Exclusions

## Environmental Checklist for Categorical Exclusions

**Name of Proposed Project:**

Balancing Authority Area Service Agreement for the Cosmo Specialty Fibers, Inc. Project

**Budget Number:** Work Order 00004866, Task 03

**This project has been found to not adversely affect the following environmentally sensitive resources, laws, and regulations:**

Environmental Resources	No	No with conditions
1. Cultural Resources	X	proposed action would not entail any ground disturbing activities
2. T & E Species or their habitat(s)	X	
3. Floodplains or wetlands	X	
4. Areas of special designation	X	
5. Health & safety	X	
6. Prime agricultural lands	X	
7. Special sources of water	X	
8. Consistency with state and local laws and regulations	Yes	
9. Pollution control at Federal facilities	X	

Signed: /s/ Susan F. Offerdal

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