

PMC-ND
(1.08.09.13)

U.S. DEPARTMENT OF ENERGY
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY
NEPA DETERMINATION

**RECIPIENT:**Commerce Authority, Arizona**STATE:** AZ**PROJECT TITLE :** Assisting the Tooling and Machining Industry to Become Energy Efficient

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
JIAC2012AM	DE-EE0006025	GFO-0006025-002	EE6025

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, analysis, and dissemination Information gathering (including, but not limited to, literature surveys, inventories, site visits, and audits), data analysis (including, but not limited to, computer modeling), document preparation (including, but not limited to, conceptual design, feasibility studies, and analytical energy supply and demand studies), and information dissemination (including, but not limited to, document publication and distribution, and classroom training and informational programs), but not including site characterization or environmental monitoring. (See also B3.1 of appendix B to this subpart.)

B5.1 Actions to conserve energy or water (a) Actions to conserve energy or water, demonstrate potential energy or water conservation, and promote energy efficiency that would not have the potential to cause significant changes in the indoor or outdoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, manufacturers, and designers), organizations (such as utilities), and governments (such as state, local, and tribal). Covered actions include, but are not limited to weatherization (such as insulation and replacing windows and doors); programmed lowering of thermostat settings; placement of timers on hot water heaters; installation or replacement of energy efficient lighting, low-flow plumbing fixtures (such as faucets, toilets, and showerheads), heating, ventilation, and air conditioning systems, and appliances; installation of drip-irrigation systems; improvements in generator efficiency and appliance efficiency ratings; efficiency improvements for vehicles and transportation (such as fleet changeout); power storage (such as flywheels and batteries, generally less than 10 megawatt equivalent); transportation management systems (such as traffic signal control systems, car navigation, speed cameras, and automatic plate number recognition); development of energy-efficient manufacturing, industrial, or building practices; and small-scale energy efficiency and conservation research and development and small-scale pilot projects. Covered actions include building renovations or new structures, provided that they occur in a previously disturbed or developed area. Covered actions could involve commercial, residential, agricultural, academic, institutional, or industrial sectors. Covered actions do not include rulemakings, standard-settings, or proposed DOE legislation, except for those actions listed in B5.1(b) of this appendix. (b) Covered actions include rulemakings that establish energy conservation standards for consumer products and industrial equipment, provided that the actions would not: (1) have the potential to cause a significant change in manufacturing infrastructure (such as construction of new manufacturing plants with considerable associated ground disturbance); (2) involve significant unresolved conflicts concerning alternative uses of available resources (such as rare or limited raw materials); (3) have the potential to result in a significant increase in the disposal of materials posing significant risks to human health and the environment (such as RCRA hazardous wastes); or (4) have the potential to cause a significant increase in energy consumption in a state or region.

Rationale for determination:

The U.S. Department of Energy (DOE) is proposing to provide federal funding to the Arizona Commerce Authority to conduct an Energy Reduction Challenge Grant competition to identify novel technologies that can be implemented on a pilot project basis to reduce energy consumption within the tooling and machining manufacturing process of regional aerospace and defense industry suppliers. The goal of the grant competition is to foster stronger relationships between Small to Medium-Sized Manufacturing Enterprises and encourage third-party solution providers to develop new tools and technologies to reduce energy consumption and relate those energy consumption improvements to bottom line savings for the region's aerospace and defense cluster. Arizona Commerce Authority would conduct an annual Energy Reduction Challenge Grant competition to identify novel six sigma and lean process improvement approaches and "bolt-on" retrofit/upgrade technologies that can be implemented on a pilot basis with an industry partner or partners. Funding would be used to make approximately 10 pilot project sub-awards over three Budget Periods.

A previous DOE NEPA determination (GFO-0006025-001; CX-A9; 12/10/2012) was made for information gathering, analysis and dissemination activities associated with the development and implementation of the grant competition. At

the time of this previous NEPA determination the eligible scopes of work for the pilot project sub-awards to be funded through the grant competition was not completely defined; therefore, the potential impacts to human health and/or environment from the potential project activities could not be adequately evaluated and the Tasks and activities associated with the funding and implementation of the pilot project sub-awards were conditioned and further NEPA review was required.

This NEPA determination applies to the Tasks and activities associated with the funding and implementation of the pilot project sub-awards, currently listed in the Statement of Project Objectives (SOPO) as:

- Task 5.0 Funding the Awards
- Task 6.0 Award Implementations and Performance Reviews
- Task 12.0 Funding the Awards
- Task 13.0 Award Implementations and Performance Reviews
- Task 19.0 Funding the Awards
- Task 20.0 Award Implementations and Performance Reviews

Pilot project sub-awards funded under the Energy Reduction Challenge Grant competition would focus upon creating and providing energy reduction methodologies, processes, tools, and technologies to the tooling and machining industry of aerospace and defense customers. All projects selected would comprise of one or more of the following types of activities: information gathering, analysis, and dissemination; computer modeling and simulation; development, implementation and demonstration of potential energy conservation and energy-efficient manufacturing or industrial practices, processes or techniques at manufacturing or industrial at existing facilities. All projects that are selected under the grant competition would be performed at existing facilities and any modifications to existing manufacturing or industrial practices or equipment (i.e. "bolt-on" retrofit/upgrade technologies) would not alter the intended use of the facility or equipment and would not involve ground breaking activities or structural modifications to a facility.

Any modifications to existing manufacturing or industrial practices or equipment that would alter the intended use of the facility or equipment or would involve ground breaking activities or structural modifications to a facility are prohibited and would require additional DOE NEPA review and approval prior to authorization of expenditure of project funds on these types of activities.

Based on review of the project information and the above analysis, DOE has determined that the funding and implementation of pilot project sub-awards under Arizona Commerce Authority's Energy Reduction Challenge Grant competition would not have a significant individual or cumulative impact to human health and/or environment. DOE has determined the proposed project is consistent with the actions contained in DOE categorical exclusions A9 "information gathering, analysis, and dissemination," and B5.1 "actions to conserve energy" and is categorically excluded from further NEPA review.

NEPA PROVISION

DOE has made a final NEPA determination for this award

Insert the following language in the award:

If you intend to make changes to the scope or objective of your project you are required to contact the Project Officer identified in Block 11 of the Notice of Financial Assistance Award before proceeding. You must receive notification of approval from the DOE Contracting Officer prior to commencing with work beyond that currently approved.

Insert the following language in the award:

You are required to:

For any selected pilot project sub-award whose activities would or have the potential to alter the intended use of a facility or equipment or would involve ground breaking activities or structural modifications to a facility, the recipient must submit individual project information to DOE for additional NEPA review and approval prior to authorization of expenditure of project funds on these types of activities.

Note to Specialist :

This NEPA determination requires a tailored NEPA provision.

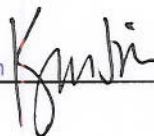
SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: _____

Electronically
Signed By:

Kristin Kerwin

NEPA Compliance Officer



Date: _____

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: _____