

Categorical Exclusion Determination

Bonneville Power Administration

Department of Energy



Proposed Action: South-of-Allston Flow Congestion Relief Pilot Program: Demand Response Agreement with the City of McMinnville

Project Manager: Debra Malin, Customer Account Executive – PTL-5

Location: Yamhill County, Oregon

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): B4.4 – Power marketing services and activities

Description of the Proposed Action: As part of a two-year pilot program, BPA proposes to purchase load reductions from the City of McMinnville for temporary summer-peak congestion relief along BPA's South-of-Allston (SOA) transmission path. During the pilot program, BPA plans to pair these load reductions with third-party thermal generation decreases north of the SOA path to reduce congestion.

BPA would provide notice for the City of McMinnville to provide load reductions for a maximum of 40 hours during July, August, and September peak-load periods during a two-year term that ends on September 30, 2018. The City of McMinnville, through its Water and Light Commission, would deliver those reductions from an industrial load located at the McMinnville Cascade Steel facility. Under the agreement, the overall load at that facility would not increase and all generating projects are expected to remain within normal operating limits.

Findings: In accordance with Section 1021.410(b) of the Department of Energy's (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011), BPA has determined that the proposed action:

- (1) fits within a class of actions listed in Appendix B of 10 CFR 1021, Subpart D (see attached Environmental Checklist);
- (2) does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal; and
- (3) has not been segmented to meet the definition of a categorical exclusion.

Based on these determinations, BPA finds that the proposed action is categorically excluded from further NEPA review.

/s/ Jeffrey J. Maslow

Jeffrey J. Maslow

Environmental Protection Specialist

Concur:

/s/ Sarah T. Biegel
Sarah T. Biegel
NEPA Compliance Officer

Date: December 20, 2016

Attachment(s): Environmental Checklist

Categorical Exclusion Environmental Checklist

This checklist documents environmental considerations for the proposed project and explains why the project would not have the potential to cause significant impacts on environmentally sensitive resources and would meet other integral elements of the applied categorical exclusion.

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Project Site Description

The Cascade Steel facility is located on Highway 99W northwest of McMinnville near the North Yamhill River.

Evaluation of Potential Impacts to Environmental Resources

| Environmental Resource Impacts | No Potential for Significance | No Potential for Significance, with Conditions |
|---|-------------------------------------|--|
| 1. Historic and Cultural Resources | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <u>Explanation:</u> Because the undertaking does not involve a type of activity with the potential to cause effects on historic properties, there would be no effect on historic and cultural resources. | | |
| 2. Geology and Soils | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <u>Explanation:</u> Because the load reductions from an existing facility would not involve an activity with the potential to affect geology and soils, there would be no effect on geology and soils. | | |
| 3. Plants (including federal/state special-status species) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <u>Explanation:</u> Because the load reductions from an existing facility would not involve an activity with the potential to affect plants, there would be no effect on plants. | | |
| 4. Wildlife (including federal/state special-status species and habitats) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <u>Explanation:</u> Because the load reductions from an existing facility would not involve an activity with the potential to affect wildlife, there would be no effect on wildlife. | | |

5. **Water Bodies, Floodplains, and Fish**
(including federal/state special-status species and ESUs)



Explanation:

Because the load reductions from an existing facility would not involve an activity with the potential to affect water-dependent resources, there would be no effect on waterbodies, floodplains, and fish.

6. **Wetlands**



Explanation:

Because the load reductions from an existing facility would not involve an activity with the potential to affect water-dependent resources, there would be no effect on wetlands.

7. **Groundwater and Aquifers**



Explanation:

Because the load reductions from an existing facility would not involve an activity with the potential to affect water-dependent resources, there would be no effect on groundwater and aquifers.

8. **Land Use and Specially Designated Areas**



Explanation:

Because the load reductions from an existing facility would not involve an activity with the potential to affect land use and specially designated areas, there would be no effect on land use and specially designated areas.

9. **Visual Quality**



Explanation:

Because the load reduction from an existing facility would not involve an activity with the potential to affect visual quality, there would be no effect on visual quality.

10. **Air Quality**



Explanation:

Because the load reductions would not involve increasing air emissions at the facility, there would be no change in the effect on air quality from the load reductions.

11. **Noise**



Explanation:

Because the load reductions from an existing facility would not increase noise levels from the facility, there would be no change in effect on noise levels.

12. **Human Health and Safety**



Explanation:

Because the load reductions from an existing facility would not involve an activity with the potential to affect human health and safety, there would be no effect on human health and safety.

Evaluation of Other Integral Elements

The proposed project would also meet conditions that are integral elements of the categorical exclusion. The project would not:

- Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders.

Explanation, if necessary:

- Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators) that are not otherwise categorically excluded.

Explanation, if necessary:

- Disturb hazardous substances, pollutants, contaminants, or CERCLA excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases.

Explanation, if necessary:

- Involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those of the Department of Agriculture, the Environmental Protection Agency, and the National Institutes of Health.

Explanation, if necessary:

Landowner Notification, Involvement, or Coordination

No landowner notification, involvement, or coordination will be conducted because the pilot project would occur at an existing facility that will operate within normal operating limits.

Based on the foregoing, this proposed project does not have the potential to cause significant impacts on any environmentally sensitive resources.

Signed: /s/ Jeffrey J. Maslow
Jeffrey J. Maslow

Date: December 20, 2016