

FINDING OF NO SIGNIFICANT IMPACT
DEPARTMENT OF ENERGY LOAN TO NEXT AUTOWORKS LOUISIANA, LLC
(FORMERLY V-VEHICLE COMPANY) FOR AN ADVANCED TECHNOLOGY
GASOLINE VEHICLE MANUFACTURING PROJECT IN MONROE, LOUISIANA

AGENCY: U.S. Department of Energy, Loan Programs Office

ACTION: Finding of No Significant Impact

SUMMARY: The U.S. Department of Energy (DOE) has conducted an environmental assessment (EA) that analyzed the potential environmental impacts associated with the production of an advanced technology gasoline-powered four-door hatchback vehicle named the V Car. The Next Autoworks Louisiana, LLC (Next Autoworks Louisiana) project would include the expansion and reequipping of a Monroe, Louisiana, manufacturing plant and engineering integration of the V Car. When the plant is operational, Next Autoworks Louisiana proposes to manufacture plastic and vehicle body components and conduct final assembly of the V Car, utilizing components shipped to the facility by rail and truck. At full production, Next Autoworks Louisiana proposes to produce 150,000 V Cars annually.

DOE, through its Loan Programs Office (LPO), proposes to provide a Federal loan¹ pursuant to Section 136 of the Energy Independence and Security Act of 2007 (P.L. 110-140). Section 136 authorized the Advanced Technology Vehicles Manufacturing Incentive Loan Program to facilitate the development of energy-efficient vehicles. The purpose of DOE's action is to encourage the production of U.S. advanced technology vehicles that provide meaningful improvements in fuel economy performance.

As a result of fuel economy improvement, the V Car meets the definition of an advanced technology vehicle. The EA analysis indicates that compared to the average new passenger car produced in Model Year 2011, the fuel savings realized would result in an annual reduction of 162,600 metric tons per year of carbon dioxide equivalent (CO₂e) emissions. Assuming a typical service life of 7 years, minimal fleet attrition, and continued production and operation of V Cars, a total reduction of 4.1 million metric tons of CO₂e emissions is estimated. Savings would continue to grow as the vehicle fleet expands.

In accordance with applicable regulations and policies, DOE sent a notification letter regarding the Department's determination to prepare an EA to the Louisiana Department of Environmental Quality and Ouachita Parish, Louisiana, on January 8, 2010. The letter described the proposed action and stated that a draft EA would be sent to the State for review. On October 27, 2010, DOE sent the Draft EA to the Louisiana Department of Environmental Quality and Ouachita Parish inviting their comments on the draft. The Draft EA was also posted on the Loan

¹ The amount requested for the loan is not being disclosed at this time because it is business sensitive. Moreover, should DOE approve a loan, the amount may differ from the original request.

Programs Office website. DOE received no comments except for one letter from the Louisiana Department of Environmental Quality, which raised no objections to the proposed action, but supplied a central point of contact for future communications during project construction, and a general list of permits for informational purposes.

On February 24, 2010, DOE also invited the Alabama-Coushatta American Indian Tribe to engage in government-to-government consultation concerning the proposed loan to Next Autoworks Louisiana. The Historic Preservation Officer of the Tribe responded on March 10, 2010, stating that the proposed location was beyond their scope of interest and that no impacts to religious, cultural, or historical assets of their Tribe would occur in conjunction with the proposed project.

All discussion and analysis related to the potential impacts of construction and operation of the proposed Next Autoworks Louisiana project are contained in the Final EA (DOE/EA-1732), which is incorporated herein by reference. DOE examined potential impacts on the following resources and found none to be significant: floodplains; wetlands; water resources and water quality; threatened or endangered species and critical habitats; prime or unique farmlands; geology and soils; visual, recreational, and aesthetic resources; property of historic, archaeological, or architectural significance; Native American concerns; environmental justice; public health and safety; air quality; global climate change; waste management; transportation; socioeconomic conditions; noise; and terrorism-related impacts.

Among the resources analyzed, the DOE action is within a FEMA-designated 100-year floodplain. Per the provisions of Executive Order 11988, Floodplain Management, and DOE's implementing regulations found at 10 CFR 1022, DOE conducted a floodplain assessment and incorporated the analysis into the EA. A notice of floodplain action was published in the Monroe, Louisiana, *The News-Star* on January 17, 2010. On January 21, 2010, FEMA issued a conditional letter of Map Revision indicating that the action would not be located in a Special Flood Hazard Area due to Next Autoworks Louisiana's plans to construct a sump area for flood storage to compensate for floodplain capacity reduced by construction fill. The floodplain statement of findings is attached to this Finding of No Significant Impact, and its availability will be announced in *The News-Star*.

After a project review by the Army Corps of Engineers (Corps), the Corps issued a permit with mitigation provisions requiring Next Autoworks Louisiana to offset wetland impacts associated with the proposed project by restoring 46 acres of degraded wetlands at a mitigation project in Madison Parish, Louisiana. The permit also requires that Next Autoworks Louisiana preserve the remaining wetlands at the project site through the use of a mitigation covenant.

DETERMINATION: On the basis of the Final EA, DOE has determined that providing a Federal loan to Next Autoworks Louisiana to support engineering integration of the V Car and construction and startup of the proposed manufacturing facility in Monroe, Louisiana, will not have a significant effect on the human environment. The preparation of an environmental impact statement is therefore not required, and DOE is issuing this Finding of No Significant Impact.

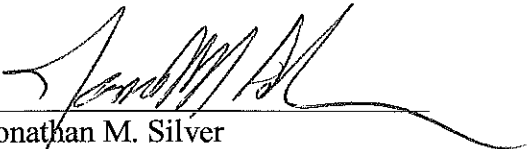
A copy of the Final EA is available at the DOE Loan Programs Office website at http://www.lgprogram.energy.gov/NEPA_EA.html or from

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Additional information on the DOE NEPA process is available from:

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Jonathan M. Silver
Executive Director
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