

FINDING OF NO SIGNIFICANT IMPACT
FOR THE
WILLOW CREEK WIND ENERGY FACILITY
BUTTE COUNTY, SOUTH DAKOTA
DOE/EA – 2016

AGENCY: U.S. Department of Energy, Western Area Power Administration

ACTION: Approval of Environmental Assessment and Issuance of Finding of No Significant Impact

SUMMARY: On 4 January 2014, Wind Quarry Operations, LLC (Wind Quarry) submitted an interconnection request to the Western Area Power Administration (WAPA) to connect its proposed Willow Creek Wind Energy Facility (Project), a 103-megawatt (MW) nameplate capacity wind energy facility to WAPA's Maurine to Rapid City 115-kilovolt (kV) transmission line in Butte County, South Dakota. Interconnection would be at a new switchyard to be constructed by WAPA and located within the Project Area.

WAPA's Upper Great Plains Region is a member of the Southwest Power Pool (SPP) and is subject to the SPP Open Access Transmission Tariff (Tariff), which is filed with the Federal Energy Regulatory Commission (FERC). The Tariff conforms to section 211 of the FERC Final Orders addressing non-discriminatory transmission system access. SPP's Tariff provides for new interconnections to WAPA's transmission system by all eligible entities, consistent with and subject to environmental review under the National Environmental Policy Act (NEPA) and other environmental regulations. Under its Tariff, WAPA must offer access to capacity on its transmission system when capacity is available, on a non-discriminatory basis. WAPA also needs to ensure that by offering such capacity, existing transmission system reliability and service is not degraded by new interconnections.

In accordance with applicable regulations, WAPA prepared an environmental assessment (EA) entitled Willow Creek Wind Energy Facility Draft Environmental Assessment (DOE/EA-2016). WAPA's purpose and need is to consider the interconnection request in accordance with the SPP Tariff. WAPA's proposed Federal action is to: 1) execute an interconnection agreement to connect the proposed Project to WAPA's Maurine to Rapid City 115kV transmission; 2) to construct and operate a new interconnection tap to which the Project would connect; and 3) upgrade existing transmission lines to support the interconnection, which may include replacement of up to 91 wood H-frame structures with taller, similar structures.

WAPA's Federal action does not include Wind Quarry's proposed Project, which would be constructed, owned, operated, and maintained by Wind Quarry and is subject to South Dakota's statewide utility siting authority approval. However, WAPA's EA analyzed and disclosed the potential environmental impacts of Wind Quarry's proposed Project including the potential location for the Project substation, access roads, and underground collection lines. The EA identified no significant impacts to environmental resources resulting from either WAPA's Federal action or Wind Quarry's proposed Project.

Based on the information contained in the EA, WAPA's Federal action would not result in significant environmental impacts. WAPA has determined that its action to execute an interconnection agreement

with Wind Quarry to connect the proposed Project to WAPA's Maurine to Rapid City 115kV transmission line does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA. Preparation of an environmental impact statement is not required, and WAPA is issuing this finding of no significant impact (FONSI). The final EA is approved concurrently with this FONSI.

FOR FURTHER INFORMATION, CONTACT: Additional information and copies of the EA and this FONSI are available to all interested parties and the public from the following contact:

Lou Hanebury, Environmental Protection Specialist
Western Area Power Administration
Upper Great Plains Customer Service Office
PO Box 35800
Billings, MT 59107-5800
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Phone: (406) 255-2812 or (800) 358-3415

A copy of the EA and FONSI are also available at the following website:
<http://www.wapa.gov/ugp/Environment/default.htm>

For further information on the DOE NEPA process, contact:

Ms. Carol M. Borgstrom
Director, Office of NEPA Policy and Compliance, GC-54
U.S. Department of Energy
1000 Independence Avenue, SW. Washington, DC 20585
Phone: (202) 586-4600 or (800) 472-2756

SUPPLEMENTARY INFORMATION: This FONSI was prepared in accordance with Council on Environmental Quality Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act, 40 CFR 1508.13, and the DOE NEPA Implementing Procedures, 10 CFR 1021.322. The FONSI briefly presents the reasons why WAPA's proposal to execute an interconnection agreement for the Project will not have a significant impact on the human environment within the meaning of NEPA. Execution of the interconnection agreement would allow Wind Quarry to interconnect their proposed Project to WAPA's transmission system. WAPA's EA evaluated the environmental effects of WAPA's proposed Federal action and also included an analysis and disclosure of the potential environmental impacts of Wind Quarry's proposed Project.

WIND QUARRY'S PROPOSED PROJECT DESCRIPTION: Wind Quarry Operations, LLC proposes to construct the Willow Creek Wind Energy Facility, a 103-MW nameplate capacity wind energy facility in Butte County, South Dakota. The Project Area consists of 22,324 acres of privately owned land approximately 10 miles northeast of Newell, South Dakota. The Project would include approximately 45 wind turbines, associated access roads, a new collector substation, an operations and maintenance facility, and associated transmission interconnection facilities. Wind Quarry further proposes to interconnect the Project to WAPA's Maurine to Rapid City 115kV transmission line, which passes through the Project Area. Interconnection would be at a new switchyard to be constructed by Western and located within the Project Area.

The interconnection of the proposed Project to Western's transmission system is a Federal action under NEPA. This EA tiers off of the analysis conducted in the Upper Great Plains (UGP) Wind Energy Final

Programmatic Environmental Impact Statement (PEIS), a document prepared jointly by WAPA and the U.S. Fish and Wildlife Service (FWS). The PEIS assesses environmental impacts associated with wind energy development and identifies best management practices (BMPs) to avoid and minimize those impacts. As stated in the Executive Summary of the PEIS, as long as wind energy project developers are willing to implement the applicable evaluation process, BMPs, and conservation measures identified in the PEIS, the NEPA evaluation for that wind energy project may tier off the analyses in the PEIS. Applicable material from the PEIS is incorporated by reference in this EA in accordance with 40 Code of Federal Regulations (CFR) §§ 1502.20 and 1508.28. The analysis in this EA is Project-specific and focuses on site-specific issues that are not already addressed in sufficient detail in the PEIS. This EA is intended to be read in conjunction with the PEIS, and the EA and PEIS together comprise the NEPA clearance for this Federal action. Wind Quarry has committed to implementing the applicable BMPs and conservation measures from the PEIS to allow for tiering.

Department of Energy NEPA Implementing Procedures (10 CFR 1021) Subpart D, Appendix B lists classes of actions that normally require EISs. As stated in D7(1), the interconnection of, or acquisition of power from, new generation resources greater than 50 average annual MW normally would require the preparation of an EIS. Prior to publication of WAPA's PEIS, it was WAPA's practice to limit wind interconnection projects on its system that had annual average outputs of greater than 50 MW to 50 MW of annual production unless an EIS was completed for the proposed project. WAPA's PEIS is an EIS completed for wind projects in the UGP region and those projects that tier from the PEIS and successfully complete a tiered EA are not limited to 50 MW of annual production. This Willow Creek Wind Energy Facility project is such a project and is, therefore, not limited to 50 average annual MW.

ALTERNATIVES: DOE's NEPA regulations require that an EA include the proposed action and the no action alternative (10 CFR 1022.321(c)). Under the no action alternative, WAPA would not execute an interconnection agreement or construct a new switchyard or related transmission capacity improvements. Although a decision not to execute an interconnection agreement would not necessarily stop construction of Wind Quarry's proposed Project, WAPA's no action alternative assumes that Wind Quarry's proposed Project would not be constructed.

PUBLIC INVOLVEMENT: The EA contains specific information on notifications to tribes, landowners, members of the public, and various local, State, and Federal agencies. A public scoping meeting was held in Newell, South Dakota, on July 8, 2015, to discuss the proposed Project, to help determine important issues, and obtain local information relevant to the proposed Project. Summary of the meeting and copies of correspondence received are included as appendices to the EA. All correspondence is available for review at WAPA's Upper Great Plains Regional Office.

COMMENTS RECEIVED ON THE PRE-APPROVAL EA: The Draft Final EA was distributed to interested agencies, tribes, groups, and individuals on August 2, 2016. The public comment period ended on September 9, 2016.

The USDA Natural Resources Conservation Service commented the Project does not contain any areas of prime or important farmlands. The NRCS noted that the Project as outlined will have no effect on prime or important farmland.

There are also some conservation lands enrolled in the Conservation Reserve Program (CRP) by the Farm Service Agency (FSA). The CRP pays farmers a yearly rental payment in exchange for removing environmentally sensitive land from agricultural production. The program limits surface disturbance from wind farms to 5 acres per CRP contract. Wind Quarry would coordinate with landowners and the FSA for turbines constructed on CRP lands to avoid Project conflicts with FSA policies or management plans for CRP contracts.

ENVIRONMENTAL IMPACTS OF WAPA'S ACTION: The execution of an interconnection agreement with Wind Quarry to connect the proposed Project to WAPA's Maurine to Rapid City 115kV


transmission line, construction of a new substation and tap, and the replacement of up to 91 H-frame wood structures with taller, similar structures will have no significant impacts to environmental resources.

ENVIRONMENTAL IMPACTS OF WIND QUARRY'S PROPOSED PROJECT: The EA evaluated the potential for Wind Quarry's proposed Project to impact environmental resources found in the Project area. Wind Quarry has incorporated WAPA's Standard Construction Practices and Best Management Practices into the description of its proposed Project. Wind Quarry has committed to BMP's and conservation measures in the Programmatic Biological Assessment for the Upper Great Plains Region Wind Energy Program to avoid and minimize impacts. The final analysis demonstrated reduced significant impacts to a level of insignificance. Some reasons for the lack of significant environmental impact include the avoidance of sensitive resources during siting of the wind facility, the minor amount of disturbance at structure locations, and Wind Quarry's efforts to work cooperatively with affected landowners. All project components were microsited to avoid wetlands resulting in no permanent or temporary wetland impacts.

DETERMINATION: Based on the information contained in the EA, WAPA's Federal Action would not result in significant environmental impacts. WAPA has determined that its action to execute an interconnection agreement to connect the proposed Project to WAPA's Maurine to Rapid City 115kV transmission line, to construct and operate a new interconnection switchyard, and to implement additional transmission capacity upgrades does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA.

Therefore, considering the Project's avoidance and minimization measures and best management practices as described in the EA that are to be implemented over the course of the proposed Project, preparation of an environmental impact statement is not required and WAPA is issuing this FONSI.

Issued at Billings, Montana on November 10, 2016



Robert J. Harris

Senior Vice President and Upper Great Plains Regional Manager