



**Department of Energy**  
Washington, DC 20585

**RECORD OF CATEGORICAL EXCLUSION (CX) DETERMINATION**

**OFFICE: Office of Electricity Delivery and Energy Reliability (OE)**

**STIMULUS PROPOSAL: State/Regional/Local Assistance for Interconnection  
Transmission Planning and Analysis**

**BACKGROUND:** The National Environmental Policy Act (NEPA) requires federal agencies to prepare Environmental Impact Statements (EISs) for every recommendation or report on proposals for legislation and other major federal actions significantly affecting the quality of the human environment.

The Department of Energy's (DOE's) regulations that implement NEPA require it to determine whether a proposal (in this case the proposal to fund third party research and analysis) requires that an EIS, an Environmental Assessment (EA), or a Categorical Exclusion (CX) be prepared. An EA is a concise public document that provides sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact. A CX refers to a category of actions that DOE has determined do not individually or cumulatively have a significant effect on the human environment. As such DOE need not prepare and EA or an EIS for categorically excluded actions.

All of DOE's CXs are listed at 10 CFR 1021, Appendices A and B to Subpart D. The use of CXs provides a way for DOE to streamline the NEPA review process and preserve its resources for environmentally significant proposals. The CXs are applicable to all DOE "actions" which by definition include projects funded by DOE but undertaken by a third party. DOE regulations define "action" to include "a project . . . as discussed at 40 CFR §1508.18, that is subject to DOE's control and responsibility." 10 CFR §1021.104(b). The CEQ regulations at 40 CFR §1508.18 define major federal action to include "projects and programs entirely or partly financed, assisted, conducted, regulated, or approved by federal agencies."

In order to conclude that a proposed action is categorically excluded, DOE is required by regulation to first determine that: 1) the action fits within a categorical exclusion, 2) there are no extraordinary circumstances related to the action that may affect its significance, and 3) the action is not connected to other actions with potentially significant impacts.

In this CX Determination, DOE describes the proposed action and explains why it is categorically excluded.

**PROPOSED ACTIONS:** As described further in the attached “Stimulus Proposals Description,” OE proposes to use \$80 million to fund a resource assessment and analysis of future demand and transmission requirements. The proposed project will: 1) accelerate the process of facilitating regional transmission analysis and planning by states and industry 2) Investigate and identify successful transmission and distribution integration models for renewable resources, and 3) Identify technological and economic uncertainties to aid transmission and distribution grid planner.

DOE expects that a group of non-profits, including regional governors associations, regional electricity reliability councils, the North American Electric Reliability Corp, regional planning entities and electrical interconnections will prepare the resource assessment and analysis of future demand and transmission requirements. DOE will initially provide funding for the proposed action through sole-source cooperative agreements that the National Energy Technology Laboratory (NETL) executes on behalf of DOE. DOE may subsequently solicit competitive bids from third parties to prepare, in consultation with DOE’s national laboratories, future studies that examine renewable integration and long-term electricity.

The proposed project will be part of OE’s ongoing activities to facilitate regional analysis and planning by states and industry themselves, which is essential to modernizing the country’s electricity grid and moving the grid to a low carbon future. The proposed project will dramatically accelerate these activities help to more quickly modernize the grid by greatly expanding funding levels.

**CX TO BE APPLIED:** The proposal fits within a class of actions that is listed in appendix A to subpart D of Part 1021- Categorical exclusions applicable to general agency actions, specifically:

**CX A9** applies to information gathering (including, but not limited to, literature surveys, inventories, audits), data analysis (including computer modeling), document preparation (such as conceptual design or feasibility studies, analytical energy supply and demand studies), and dissemination (including, but not limited to, document mailings, publication, and distribution; and classroom training and informational programs), but not including site characterization or environmental monitoring.

The proposed action will provide funding for research, planning and studies. It will not involve breaking ground, building or expanding structures, or otherwise engaging in activities that may significantly impact the environment. It merely increases funding for the type of research and analysis activities that OE already supports through grants; activities to which OE has historically applied CXs.

**CX A11** applies to technical advice and planning assistance to international, national, state, and local organizations.

The proposed action will provide funding to state and local organizations, among others, to plan for improving the transmission grid by, for example, integrating renewable sources of electricity. These are research and analysis activities that will not break ground, expand structures or in any other way potentially significantly impact the environment.

There are no extraordinary circumstances related to the proposed action that may affect its significance. It increases funding for the type of research and analysis that OE has routinely conducted and to which OE has historically applied CXs. The proposed action is not connected to other actions with potentially significant impacts. Any studies or conclusions that result from the proposed project are completely separate from actions, currently unforeseeable, that private parties, state governments, the federal government or anyone else may take to modify the transmission grid or otherwise make physical changes to electricity infrastructure.

**DETERMINATION:** Based on OE's review of the above information concerning the proposed action, as NEPA Compliance Officer (as authorized under DOE Order 451.1A), I have determined that the proposed action fits within the specified class of actions, other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

Signature:



Brian Mills  
NEPA Compliance Officer  
Office of Electricity Delivery  
and Energy Reliability

Date:

Nov. 06, 2009