

Record of Categorical Exclusion for

Project Application # 1 – [REDACTED]

Chrysler Group LLC

Description of Proposed Action:

The Department of Energy's (DOE's) proposed action is to issue a loan to Chrysler Group LLC for the retooling and reequipping of the existing [REDACTED], as well as associated engineering integration necessary for the assembly of the [REDACTED]

The [REDACTED]

The retooling and reequipping would involve the installation of new production equipment such as assembly fixtures and tools, robots, conveyors and test equipment. No construction is planned for this facility. A Title V air permit renewal application has been submitted and is currently under review by the [REDACTED] Department of Natural Resources and Environment ([REDACTED]). The application includes a slight modification to the prior permit for changes to the On-Board Vapor Recovery system and a new Regenerative Thermal Oxidizer for the E-Coat incinerator. No other new permits or modifications would be required.

The project is expected to retain [REDACTED] jobs. As the project would draw construction and operation workers from the existing workforce, it would have minimal impacts on local housing, public services and community infrastructure.

The engineering integration would take place at the Chrysler Technology Center, located at 800 Chrysler Drive in Auburn Hills, Michigan. The engineering integration work that would be performed for the project is consistent with ongoing operations at the existing facility and does not require that the facility acquire additional environmentally-related permits.

The proposed loan would be made pursuant to Section 136 of the Energy Independence and Security Act of 2007, as amended, which provides for loans to eligible automobile manufacturers and component suppliers for projects that reequip, expand, and establish manufacturing facilities in the United States to produce light-duty vehicles and components that provide meaningful improvement in fuel economy, and for engineering integration costs associated with such projects.

Number and Title of Categorical Exclusion:

The proposed action as described in the above action description falls within the bounds of categorical exclusions B1.31 for retooling and retrofitting of the existing facilities and B5.1 for engineering integration work.

B1.31 as provided in 10 CFR § 1021, Appendix B to Subpart D, Relocation of machinery and equipment, such as analytical laboratory apparatus, electronic hardware, maintenance equipment, and health and safety equipment, including minor construction necessary for removal and installation, where uses of the relocated items will be similar to their former uses and consistent with the general missions of the receiving structure.

B 5.1 as provided in 10 CFR § 1021, Appendix B to Subpart D, Actions to conserve energy, demonstrate potential energy conservation, and promote energy-efficiency that do not increase the indoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, designers), organizations (such as utilities), and state and local governments. Covered actions include, but are not limited to: programmed lowering of thermostat settings, placement of timers on hot water heaters, installation of solar hot water systems, installation of efficient lighting, improvements in generator efficiency and appliance efficiency ratings, development of energy-efficient manufacturing or industrial practices, and small-scale conservation and renewable energy research and development and pilot projects. The actions could involve building renovations or new structures in commercial, residential, agricultural, or industrial sectors. These actions do not include rulemakings, standard-settings, or proposed DOE legislation.

Regulatory Requirements defined in 10 CFR § 1021.410 (b):

The proposed action as defined above fits within Appendix B of 10 CFR § 1021. To meet the requirements of Appendix B, a Comprehensive Environmental Report submitted on [REDACTED] by Chrysler (and previous applications submitted by Chrysler on [REDACTED]) was reviewed by the DOE Advanced Technology Vehicle Manufacturing Loan Program Office, as part of the evaluation of the loan application.

The DOE also submitted a series of follow-up questions aimed at obtaining further detail about various proposed projects. Chrysler responded to these questions on [REDACTED].

In addition, site visits to representative Chrysler facilities for the proposed projects were conducted at [REDACTED], and at the following facilities on [REDACTED]: Technology Center at Auburn Hills; [REDACTED]. The sites were selected as representative samples of

Chrysler facilities covered by the proposed loan. The visits were conducted in order to determine if any extraordinary circumstances exist that would preclude application of the above-mentioned categorical exclusions.

Information gathered as part of the document review and site visits produced the following conclusions:

X The proposed loan project does not threaten a violation of applicable statutory, regulatory or permit requirements for environmental, safety and health, including DOE and /or Executive Orders.

X The proposed loan project does not require siting, construction, or major expansion of waste storage, disposal, recovery, or treatment facilities.

X The proposed loan project does not disturb hazardous substance, pollutants, contaminants or CERCLA-excluding petroleum and natural gas products that pre-exist in the environment such that there would be uncontrolled or unpermitted releases.

X There are no extraordinary circumstances related to the proposed project that may affect its environmental significance.

X The proposed action is not a connected action as set forth in 40 CFR § 1508.25(a)(1)).

X The proposed action is not part of a DOE proposal for which an EIS is being prepared and therefore a CE is not precluded by 40 CFR § 1506.1 or 10 CFR § 1021.211.

The proposed loan project does not adversely affect any environmentally sensitive resources, including the following:

X Property of historic, archaeological, or architectural significance designated by Federal, state, or local governments or property eligible for listing on the National Register of Historic Places;

X Federal-listed threatened or endangered species or their habitat (including critical habitat), Federally-proposed or candidate species or their habitat, or state-listed endangered species or their habitat;

X Wetlands regulated under the Clean Water Act (33 U.S.C. 1344) and floodplains;

X Areas having a special designation such as Federally- and state-designated wilderness areas, national parks, national natural landmarks, wild and scenic rivers, state and Federal wildlife refuges, and marine sanctuaries;

X Prime agricultural lands;

X Special sources of water (such as sole source aquifers, wellhead protection areas, and other water sources that are vital in a region;

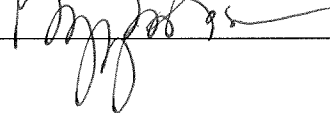
X Tundra, coral reefs, or rain forests.

Comment:

Corporate Validation:


Point of Contact: GREGORY M. ROSE Date: 10/8/2010

Title: DIRECTOR, ENVY AFFAIRS

Signature: 

Determination:

Based on my review of information conveyed to me and in my possession concerning the proposed action, as NEPA Compliance Officer (as prescribed by DOE Order 451.1B), I have determined that the proposed loan action fits within the specified categories of actions listed above, does not involve any extraordinary circumstances, and meets the other regulatory requirements set forth above. Consequently, the proposed loan action is hereby categorically excluded from further NEPA review.


Signature
Matthew McMillen
NEPA Compliance Officer
Loan Programs Office

10-12-10
Date