

U.S. DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY
FINDING OF NO SIGNIFICANT IMPACT
PRESIDENTIAL PERMIT PP-420 NOGALES INTERCONNECTION PROJECT
DOE ENVIRONMENTAL ASSESSMENT EA-2042

SUMMARY: Nogales Interconnection, L.L.C. (Nogales Transmission or the Applicant) applied to the United States (U.S.) Department of Energy (DOE) for a Presidential permit to construct, operate, maintain, and connect an approximately 5-mile-long, 138-kilovolt (kV) and 230-kV alternating current (AC) electric transmission system that would cross the U.S.-Mexico border between Nogales, Santa Cruz County, Arizona and Sonora, Mexico. The U.S. portion of the proposed transmission line, approximately 5 miles, would be capable of transmitting up to 300 megawatts (MW) of power.

SUPPLEMENTARY INFORMATION: The proposed Nogales Interconnection Project (the Project) would be constructed on 150-foot-wide right-of-way (ROW) and would consist of the following components: a new, approximately 3-mile-long, overhead 138-kV AC transmission line between the existing UNS Electric, Inc. Valencia Substation and a new Gateway Substation; a new, approximately 11-acre Gateway Substation, with capacity for direct current (DC) interconnection of up to 300 megawatts (MW) constructed on land currently owned by Tucson Electric Power; a new, approximately 2-mile-long, overhead 230-kV AC transmission line extending south from the new Gateway Substation to the proposed international border crossing; and associated access roads.

The Gateway Substation would be located on the Gateway site, which was previously cleared and graded by Tucson Electric Power in 2003 and is currently used for storage. Other than grading, no additional site preparation is anticipated. Minor modifications within the existing footprint of the Valencia Substation would also be made. A portion of the proposed ROW for the new line from the new Gateway Substation to the proposed U.S.-Mexico border crossing would be adjacent to the Coronado National Forest and would not be located directly on U.S. Forest Service land.

DOE determined that the appropriate level of National Environmental Policy Act (NEPA) review for this project was an environmental assessment (EA). The Nogales Interconnection Project EA was prepared by DOE pursuant to NEPA and its implementing regulations. The International Boundary and Water Commission, U.S. Section; U.S. Forest Service; and Staff of the Arizona Corporation Commission (for the Draft EA only) were cooperating agencies in preparing the EA. Although not a cooperating agency, coordination also took place with U.S. Customs and Border Protection. DOE and the Tohono O'odham Nation engaged in government-to-government consultation.

The proposed DOE action in the EA is to issue a Presidential permit to the Applicant, which would authorize Nogales Transmission to construct, connect, operate, and maintain a new electric transmission line at the U.S.-Mexico border in Nogales, Arizona.

DOE prepared the EA to evaluate the potential environmental impacts in the U.S. of the proposed action and the range of reasonable alternatives, including the No Action alternative. Under the No Action alternative, the Presidential permit would not be granted, and the proposed transmission line would not cross the U.S.-Mexico border.

DOE invited interested Members of Congress, state and local governments, other federal agencies, American Indian tribal governments, and members of the public to provide comments on the Draft EA, which were accepted from July 5 through August 3, 2017. The Draft EA was available to the general public at the Nogales-Rochlin Public Library in Nogales, Arizona and on the Project website at www.nogalesinterconnectionea.com. All comments were considered during preparation of the Final EA.

The Final EA was distributed to DOE's mailing list on January 10, 2018, including all individuals and parties that submitted substantive comments on the Draft EA (see Appendix E of the Final EA). DOE received no comments on the Final EA, which is available on the Project website at www.nogalesinterconnectionea.com.

All discussion and analysis related to the potential environmental impacts of construction, operation, and maintenance of the proposed Project are contained in the Final EA (DOE/EA-2042), herein incorporated by reference. In the Final EA, DOE evaluated in detail 14 resource areas for potential impacts associated with the proposed Project. Furthermore, each resource area includes a discussion of Applicant proposed measures, which include design features and plans, to minimize potential impacts (see Section 2.4.5 and each resource area in Chapter 4 of the Final EA).

In addition, DOE prepared a Floodplain Statement of Findings in accordance with DOE's regulations, entitled "Compliance with Floodplain and Wetland Environmental Review Requirements" (10 CFR part 1022). The floodplain assessment was conducted during development and preparation of the EA (see Sections 3.5.1.3 and 4.5.2.2 of the Final EA). DOE has determined that the proposed Project would not affect infiltration, and thus would not exacerbate flood conditions, alter flood patterns, or increase flood risk. Construction of the proposed Project would not have significant permanent effects on the FEMA-mapped floodplains. Erosion and sedimentation controls would be implemented during proposed construction, and disturbed areas would be restored to pre-existing contours to minimize effects on floodplains. Overall, the current design for the proposed Project minimizes floodplain impacts to the extent practicable.

DETERMINATION: On the basis of the EA, DOE has determined that the issuance of a Presidential permit to the Applicant to construct, connect, operate, and maintain a new electric transmission line at the U.S.-Mexico border in Nogales, Arizona would not have a significant effect on the human environment. The preparation of an environmental impact statement, therefore, is not required, and DOE is issuing this Finding of No Significant Impact (FONSI).

The EA and FONSI will be available on the Nogales Interconnection Project website at www.nogalesinterconnectionea.com.

Signed in Washington, DC on September 26, 2018.

A handwritten signature in black ink, appearing to read "Catherine Jereza". The signature is fluid and cursive, with a long horizontal stroke at the end.

Catherine Jereza
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