

**FINDING OF NO SIGNIFICANT IMPACT AND FLOODPLAIN STATEMENT
OF FINDINGS FOR THE PENNSYLVANIA STATE ENERGY PROGRAM'S
CONERGY NAVY YARD SOLAR PROJECT
PHILADELPHIA COUNTY, PENNSYLVANIA**

AGENCY: U.S. Department of Energy (DOE)

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: DOE approved the *Final Environmental Assessment for the Pennsylvania State Energy Program's Conergy Navy Yard Solar Project, Philadelphia County, Pennsylvania* (DOE/EA-1876). Based on the analyses in the environmental assessment (EA), DOE determined that its proposed action - allowing the Commonwealth of Pennsylvania to use some of its State Energy Program (SEP) funds to assist in the development of the Pennsylvania SEP's Conergy Navy Yard Solar Project (Solar Project) - would not result in any significant adverse impacts. DOE further determined that there could be beneficial impacts, as the Solar Project would demonstrate the low-carbon production of electricity on a highly visible and significant scale, create jobs, educate the public on the benefits of solar energy, encourage future renewable-energy investment in Pennsylvania and the region, reduce greenhouse gas emissions, and increase renewable-energy generation.

BACKGROUND: The Commonwealth of Pennsylvania selected this project for a \$1,279,000 grant from the Pennsylvania Department of Environmental Protection (PADEP) via the Pennsylvania Energy Development Authority. Of this, \$512,441 is proposed to come from a formula grant pursuant to DOE's SEP. The purpose of the SEP is to promote the conservation of energy and reduce dependence on imported oil by helping states develop comprehensive energy programs and by providing them with technical and financial assistance. States can use their SEP funds for a wide variety of activities related to energy efficiency and renewable energy, *see generally* 42 United States Code (U.S.C.) § 6321 *et seq.* and 10 Code of Federal Regulations (CFR) Part 420. In the *American Recovery and Reinvestment Act of 2009* (Public Law 111-5, 123 Statute 115; [Recovery Act]), Congress appropriated \$3.1 billion to DOE for the SEP, and Pennsylvania received approximately \$99 million pursuant to a statutory formula for distributing these funds. Under the Recovery Act, DOE's National Energy Technology Laboratory (NETL), on behalf of the Office of Energy Efficiency and Renewable Energy, provides Federal funds to states for the development of projects that further the objectives of the SEP. In Pennsylvania, the state agency that selects projects for funding is PADEP. DOE must comply with the *National Environmental Policy Act (NEPA) of 1969* (NEPA; 42 U.S.C. §§ 4321 *et seq.*), the Council on Environmental Quality's regulations (40 CFR Parts 1500-1508), DOE's NEPA implementing procedures (10 CFR Part 1021), and DOE's Compliance with Floodplain and Wetland Environmental Review Requirements (10 CFR Part 1022) in deciding whether to allow states to use SEP funds for selected projects. Conergy Projects, Inc. (Conergy) and PADEP prepared an EA to evaluate the potential environmental consequences of providing an SEP grant to this project.

PURPOSE AND NEED: DOE's purpose and need is to ensure that SEP funds are used for activities that meet Congress's statutory aims to improve energy efficiency, reduce dependence on imported oil, decrease energy consumption, and promote renewable energy. However, it is not DOE's role to dictate to Pennsylvania how to allocate its funds among these objectives or to prescribe the projects it should pursue. The purpose and need for DOE action is to ensure that states use their SEP funds for activities that further the objectives and meet the requirements of the SEP. The proposed project is also consistent with the objectives of the Recovery Act, which are to create jobs and improve the nation's infrastructure.

DESCRIPTION OF THE PROPOSED ACTION: DOE's proposed action is to allow Pennsylvania to use some of its SEP funds, as a grant, to assist in the financing of the Solar Project. The proposed project includes the installation and operation of a 1.251 megawatt photovoltaic array and required utility transmission lines. The Solar Project would be located on approximately 8.1 acres of land along the western margin of the Philadelphia Navy Yard. The subject property offers views of the surrounding roadways including Basin Bridge Road, S. 26th Street, the Girard Point Bridge, and Langley Avenue. The proposed project offers benefits to several parties. The Philadelphia Industrial Development Corporation would receive a nominal lease payment for hosting the Solar Project on its property from either Conergy or the financing company. Exelon would receive the electricity produced into the grid and receive the Renewable Energy Credits, thereby fulfilling its obligations for the alternative energy sources under the Pennsylvania Alternative Energy Portfolio Standards Act of 2004. The EA analyzed the construction and operation of the Solar Project.

ALTERNATIVES CONSIDERED: Under the No Action Alternative, DOE would not allow Pennsylvania to use its SEP funds for this project. For purposes of this EA, it is assumed that the project would not proceed without SEP funding. This assumption could be incorrect, but it allows for a comparison between the potential impacts of the project as proposed and the impacts of not proceeding with the project. Without the proposed project, Conergy's operations would continue as otherwise planned but without the proposed Solar Project. Additional power would not be supplied to the utility grid. The No Action Alternative would also deprive the Philadelphia area of a supplier of an efficient, alternative power to local businesses that would serve to reduce regional greenhouse gas emissions. Further, Pennsylvania's ability to use its SEP funds for energy efficiency and renewable energy activities would be impaired, as would its ability to create jobs and invest in the nation's infrastructure in furtherance of the goals of the Recovery Act.

ENVIRONMENTAL CONSEQUENCES: DOE evaluated the potential environmental consequences of the proposed project and the No Action Alternative, including the activities associated with the construction and operation of the Solar Project that would be funded by SEP funds.

DOE considered 15 environmental resource areas in the EA. However, not all areas were evaluated at the same level of detail. A "sliding scale" approach was used so that those

actions with greater potential effect are evaluated in greater detail than those that have little potential for impact. To this end, those resource areas with the higher potential for impacts and greater potential need for mitigation measures were given more emphasis. The areas DOE evaluated in more detail included wildlife, historic resources, and water resources. For those areas, DOE determined there would be minimal potential adverse environmental impacts, generally during the installation and construction phase. DOE determined that the proposed action is not a wetland action as defined in 10 CFR Part 1022, Compliance with Floodplain/Wetlands Environmental Review Requirements, and accordingly no wetland assessment was required.

With regard to wildlife, the Pennsylvania Game Commission specified that no activities may take place within 1,000 feet of the peregrine falcon nest from February 15 through July 31. For historic resource impacts, a Memorandum of Agreement has been executed by all parties concerning the recordation procedures for two historic structures on the project site.

The other environmental areas DOE evaluated for potential impacts were land use/visual resources, geology and soils, biological resources, cultural resources, socioeconomics and environmental justice, utilities, transportation, waste management, health and safety, and cumulative impacts. DOE determined that there would be no potential for adverse impacts for these resource areas, or that the impacts would be minimal, temporary, or both.

Under the No Action Alternative, the project would not proceed unless other funding were obtained. If the project did not proceed there would be no impacts on the resource areas evaluated in the EA; there would also be no beneficial impacts.

FLOODPLAIN STATEMENT OF FINDINGS: Portions of the project area are located in a floodplain. As such, the EA incorporated the requirements of a floodplain assessment, as prescribed by 10 CFR Part 1022, Compliance with Floodplain/Wetlands Environmental Review Requirements. Based on this floodplain assessment, DOE has determined that there is no practicable alternative to the proposed action available to DOE, other than the no action alternative. However, no modification to the proposed action is prescribed, as the proposed development would not increase flooding potential of nearby properties and would not result in increased flood elevations of the tidal floodplain. In addition, a State Water Obstruction and Encroachment Permit, E51-248, was issued by PADEP on August 4, 2011, to Conergy. This permit approves placing and maintaining approximately 2,500 cubic yards of clean fill in and along the 100-year flood plain of the Schuylkill and Delaware Rivers for construction of a Solar Photovoltaic facility. The issuance of this permit also constitutes approval of a Water Quality Certification under Section 401 of the Federal Water Pollution Control Act, 33 U.S.C. § 1341(a).

PUBLIC AVAILABILITY: DOE issued the draft EA on July 20, 2011, and advertised its release in the *Philadelphia Inquirer* on July 24 through July 26. In addition, DOE sent a copy of the EA to the Thomas F. Donatucci, Sr., Philadelphia Free Library Branch and

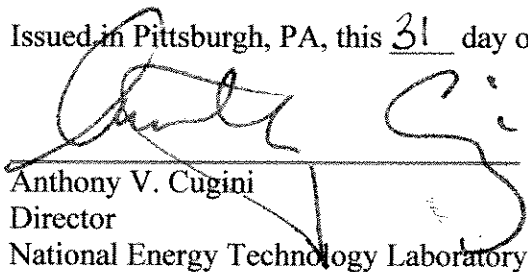
the Whitman Library Branch of the Philadelphia Free Library. The EA is also on file in the Government Publications Department of the Philadelphia Free Library. DOE established a 15-day public comment period that began July 27 and ended on August 10, 2011.

The draft EA was distributed to various federal, state, and local agencies, and other interested parties. No comments were received.

Copies of the Final EA and this FONSI will be sent to individuals and organization that provided input or participated in the consultation process. Copies are available at DOE's NETL web site at <http://www.netl.doe.gov/publications/others/nepa/ea.html>.

DETERMINATION: Based on the findings of this EA, and after careful consideration of all agency comments, DOE has determined that the use of SEP funds for the proposed Solar Project does not constitute a major federal action that would significantly affect the quality of the human environment within the context of NEPA. Therefore, preparation of an environmental impact statement is not required and DOE is issuing this FONSI.

Issued in Pittsburgh, PA, this 31 day of August, 2011.



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