

Record of Categorical Exclusion for

Calisolar 16,000 Metric Ton Upgraded Metallurgical-grade Silicon Manufacturing Facility

Calisolar, Inc.

Description of Proposed Action:

The Department of Energy's (DOE's) proposed action is to issue a loan guarantee to Calisolar, Inc., to retrofit an existing facility at 2525 West Fourth Street in Ontario, Ohio, that would be used to produce 16,000 metric tons (MT) of upgraded metallurgical-grade silicon (UMG-Si) annually. The silicon produced at the facility would be used to provide solar cells in solar panels. The existing facility's site is currently developed and contains buildings, access roads, parking areas, and ornamental vegetation. The site is in a commercially and industrially developed area, occupies approximately 270 acres, and includes approximately 2,880,000 square feet of manufacturing space that was formerly used to produce auto body stampings for General Motors (GM). The property ownership was recently transferred from Motors Liquidation Company (MLC, formerly known as the GM Corporation) to Racer Trust. The former GM facility was in operation for over 50 years before ceasing production in February 2010.

Calisolar is proposing to install and operate a silicon purification process at the former GM industrial manufacturing facility. Because of its former use, the facility has substantial infrastructure including transportation, water, waste water, electrical transmission and distribution, etc. With the exception of a possible substation upgrade, none of these items need significant new construction or expansion. Other notable infrastructure assets include 17 rail loading spots on two tracks, 16 truck loading dock locations, and truck and rail receiving area with overhead crane service. Calisolar would use the existing railroad spurs that connect to each end of the manufacturing buildings to bring in materials and to ship out product and byproducts.

Because this is a retrofit of an existing facility, the primary construction activity will be the installation of process equipment and process support systems within the manufacturing buildings on the site. The manufacturing buildings are surrounded by asphalt and concrete aprons. A small area on the existing asphalt or concrete apron adjacent to the buildings may be excavated to pour new concrete pads to support material storage tanks. Existing natural gas pipelines would be upgraded through replacement with larger diameter pipes. The natural gas pipelines that would be replaced are all located on or under the existing asphalt/concrete apron surrounding the buildings, or under existing local roads adjacent to the facility. No undisturbed land will be cleared or excavated as part of the project.

The new Calisolar facility is expected to generate hazardous waste from its manufacturing processes. But the facility is not expected to be a major source of criteria air pollutants. (With the recently promulgated PSD and Title V permitting requirements for greenhouse gases and the estimated full build-out emissions of carbon dioxide only from the facility, it is possible that the Calisolar project may be subject to new PSD and Title V operating permit requirements.) The primary air emission sources associated with the new Calisolar facility would be natural gas fired reverb furnaces, acid lines for silicon flake washing and silicon flake screening (sifting) processes.

The anticipated maximum onsite population of workers is expected to be 1181 inclusive of direct and indirect manufacturing personnel.

The proposed loan guarantee would be made pursuant to Title XVII of the Energy Policy Act of 2005 which authorized DOE to make loan guarantees for projects that “avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases; and employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued.” The two principal goals of the Title XVII loan guarantee program are to encourage commercial use in the United States of new or significantly improved energy-related technologies and to achieve substantial environmental benefits.

Number and Title of Categorical Exclusion:

The actions that would be taken pursuant to the loan guarantee for the Calisolar 16,000 MT UMG-Si manufacturing facility are consistent with and are covered by categorical exclusion B1.31 for the retooling and reequipping of the former GM stamping facility in Ontario, OH. The full text of the categorical exclusion is as follows:

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.

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

The proposed loan guarantee and related actions described above were subjected to an environmental due diligence review by DOE Loan Programs Office (LPO) staff to ensure they are consistent with the specific category of actions (categorical exclusion) contained in Appendix B of 10 CFR Part 1021 and the conditions for applying categorical exclusions specified in Section 410 of Part 1021. To ensure that the requirements of Appendix B were met, the Environmental Report in the original Calisolar loan guarantee application submitted 10-5-2010 was reviewed as well as supplemental environmental information submitted in 2011. In addition to the environmental documentation reviewed

and numerous conference calls with Calisolar staff and their environmental contractors to fully understand the scope of the activities being proposed, a site visit by LPO contractors to the former GM stamping facility in Ontario, OH, was conducted on April 5, 2011. The results of the environmental due diligence review produced the following findings:

- The proposed loan guarantee project does not threaten a violation of applicable statutory, regulatory or permit requirements for environmental, safety and health, including DOE and /or Executive Orders;
- The proposed loan guarantee project does not require siting, construction, or major expansion of waste storage, disposal, recovery, or treatment facilities;
- The proposed action is not a connected action as set forth in 40 CFR § 1508.25(a)(2)); and
- 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 environmental due diligence review also determined that the proposed project associated with the loan guarantee does not adversely affect any environmentally sensitive resources, including the following:

- 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;
- Federally-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;
- Wetlands regulated under the Clean Water Act (33 U.S.C. 1344) and floodplains; or
- Special sources of water (such as sole source aquifers, wellhead protection areas, and other water sources) that are vital in a region.

The Comment section below is provided for any necessary clarifications concerning the findings listed above. Signature by Calisolar's designated representative in the Corporate Validation section is an indication of Calisolar's concurrence with the findings and determinations presented above.

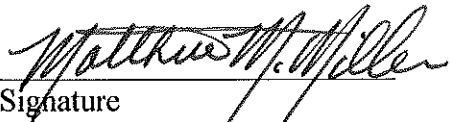
Comment: _____

Corporate Validation:

Name and Title (Print): D. J. Williams, V.P. General Counsel Date: 5/20/11
Signature: [Handwritten 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 guarantee and associated actions involve no extraordinary circumstances (10 CFR 1021.410(b)) and fit within the specified category of actions in Appendix B of 10 CFR 1021 described above, and are hereby categorically excluded from further review under the National Environmental Policy Act (42 USC 4321, as amended).


Signature
Matthew C. McMillen
NEPA Compliance Officer
Loan Programs Office

5-23-11
Date