

FINDING OF NO SIGNIFICANT IMPACT
TENNESSEE VALLEY AUTHORITY
CIMARRON WIND ENERGY PROJECT
Power Purchase Agreement
Gray County, Kansas

To increase its renewable energy generating capacity as prescribed by its 2011 Integrated Resource Plan, TVA proposes to commit to a 20-year power purchase agreement (PPA) for the purchase of up to 165 MW of renewable energy from the Cimarron Wind Energy Project in Gray County, Kansas. The windfarm would be owned and operated by CPV Cimarron Renewable Energy Co. (CPV). In accordance with the requirements of the National Environmental Policy Act (NEPA), TVA has issued a final environmental assessment (EA) of the potential environmental impacts of the proposed action, including the construction, operation, and maintenance of the Cimarron Project. The final EA is incorporated by reference.

Alternatives

TVA considered two alternatives, the No Action and the Proposed Action Alternative. Under the No Action Alternative, TVA would not enter into a final PPA with CPV. On a longer term basis, the Project may or may not be built at some future time to provide power to other utilities. For some period of time, existing conditions and resource trends likely would not change as a result of construction and operation of the Project.

Under the Proposed Action Alternative, TVA would purchase power from CPV through a PPA. CPV would consequently construct and operate up to 72 2.3-MW or 2.5-MW wind turbine generators on privately-owned land that is approximately 5 miles north of Cimarron, Kansas. CPV has obtained easements with private landowners on approximately 13,883 acres of land to construct and operate the Project. The Cimarron windfarm would have a total generating capacity of approximately 165 MW.

Impacts Assessment

The Action Alternative, would have no or negligible impact to recreation resources, public services, and environmental justice. With the application of the identified general design features, preventative measures or best management practices (BMPs), commitments, mitigation and conservation measures minor or temporary impacts from the proposal would be anticipated for geology, topography, and soils (including prime farmland); water resources (including wetlands); biological resources (including migratory and other bird species); land use; recreational resources; noise; other wildlife and fisheries; air quality; noise; air quality and climate change; socioeconomics; transportation; and public safety.

The Project avoids flood-prone areas and water bodies to the extent practicable. It is unlikely that the Project would impact floodplain resources and any potential impact would be minor. Therefore, the Project is consistent with the requirements of Executive Order (EO) 11988 (Floodplain Management).

Construction of the Project would permanently affect only 0.3 wetland acres of non-USACE jurisdictional wetlands would be permanently impacted. By avoiding to the extent practicable

and minimizing impacts on wetlands through design and by use of protective measures during construction, the Project would have only minor effects and is consistent with EO 11990 (Protection of Wetlands).

Based on internal scoping and experience with similar projects, consultation with state and federal agencies, and review of comments received the potentially substantive environmental issues with the Project include effects on cultural resources and endangered species.

TVA consulted with the U.S. Fish and Wildlife Service (USFWS) under Section 7 of the Endangered Species Act on potential impacts to endangered whooping cranes and least terns; the threatened piping plover; and the candidate species lesser prairie chicken. Based on the low probability of site usage by these birds, the impact avoidance and minimization measures (most notably the burying of all collection systems), and CPV's proposed commitments and conservation, TVA determined that the Project is not likely to adversely affect these species. The basis for this conclusion was described in detail in a Biological Assessment submitted by TVA to the USFWS concurred with this determination in correspondence dated November 10, 2011.

In correspondence dated November 4, 2011, Kansas State Historic Preservation Office (SHPO) concurred that no archaeological resources eligible for listing in the National Register of Historic Places (NRHP) were identified in the project area. One farm complex eligible for the NRHP was identified in the project area. In consultation with the SHPO, TVA determined that the visual effect on this farm complex would be adverse, and alternative sites for the Project or vegetation screening were not economically or logistically feasible. Therefore, TVA has identified measures to mitigate or minimize adverse effects in a MOA which was executed between TVA, the SHPO, and CPV on November 28, 2011. With adherence to the stipulations of this MOA, as well as implementation of the mitigation measures listed below, TVA has complied with Section 106 of the National Historic Preservation Act.

Public and Intergovernmental Review

On September 16, 2011, TVA issued a draft EA for a 30-day period of public and agency review and comment. Copies of the draft EA were mailed to government agencies as well as individuals who had indicated an interest in the Project. TVA notified interested federally recognized Native American Tribes, elected officials, and other stakeholders that the draft EA was available for review and comment. Public notices appeared in local newspapers on September 21-22, 2011. TVA made printed copies of the draft EA available to the public at libraries in Knoxville, Tennessee; and in Cimarron, Dodge City, and Topeka, Kansas. Electronic versions of the document were posted on the TVA website, where comments could be provided online.

TVA received four responses during the public comment period and one response after its close. Comments were received from the Natural Resources Conservation Service, the National Oceanic and Atmospheric Administration, the Kansas Department of Agriculture, Division of Water Resources, and the USFWS. These comments have been addressed in the final EA.

During the course of the review, TVA also consulted with the Kansas SHPO regarding cultural resources, and also consulted with the USFWS regarding mitigation and conservation measures.

Mitigation

The EA stipulates commitments, mitigation and conservation measures that will be applied to avoid, reduce, or eliminate potential environmental impacts related to the Project. These mitigation measures will be implemented by CPV or the identified parties. Furthermore, TVA will require CPV to adhere to the following special conditions and requirements:

- To minimize or reduce the environmental effects of the proposed project on terrestrial and migrating birds, including federally listed avian species, CPV shall implement the mitigative measures described in the BA (Attachment Q of the EA) including the funding agreement with Ducks Unlimited, Inc.
- CPV will comply with the stipulations of the executed Memorandum of Agreement on archaeological resources (Appendix R of the EA).

Conclusion and Findings

The execution of the PPA is contingent upon meeting applicable environmental review requirements, and making a determination of environmental acceptability. The final EA issued by TVA was prepared by CPV and Tetra Tech EC, Inc. under the guidance of TVA. TVA has independently reviewed and evaluated the identified issues and scope of the environmental review, the technical data and studies, public and agency comments, as well as made pertinent revisions to the draft EA, and has determined the final document to be adequate and complete.

Based on the findings listed above and the analyses in the final EA, TVA concludes that the Proposed Action of purchasing power from CPV through a PPA for a 20-year period would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required. This finding is contingent upon adherence to the commitments, mitigation and conservation measures provided above.



December 2, 2011

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Date Signed