

**FINDING OF NO SIGNIFICANT IMPACT
FOR THE
POPE/DOUGLAS THIRD COMBUSTOR EXPANSION PROJECT
ALEXANDRIA, MINNESOTA**

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

ACTION: Finding of No Significant Impact

SUMMARY: DOE completed the *Final Environmental Assessment for the Pope/Douglas Third Combustor Expansion Project in Alexandria, Minnesota* (DOE/EA-1699). Based on the analyses in the Environmental Assessment (EA), DOE determined that its proposed action, awarding federal funding to the Pope/Douglas Solid Waste Management (PDSWM) Joint Powers Board to facilitate the construction and operation of a third municipal waste combustor to complement the two existing combustors at the PDSWM waste-to-energy facility, would result in no significant adverse impacts to the human environment. DOE further determined that there could be minor economic benefits derived during construction of the proposed project. Expansion of PDSWM's facility would enable it to manage the solid waste from five counties and provide steam to three customers.

BACKGROUND: DOE's National Energy Technology Laboratory, on behalf of the Office of Energy Efficiency and Renewable Energy's Industrial Technologies Program, is providing up to \$10,000,000 in federal funding to support its mission in developing technologies that enable utilization of opportunity fuels and non-traditional feed stocks in industrial processes, and that enable use of combined heat and power in under-utilized applications.

The federal action of providing funding for this and similar projects selected in response to Funding Opportunity Announcement DE-PS26-08NT0004312-00 (Fuel/Feedstock Flexibility and Combined Heat and Power) requires compliance with the *National Environmental Policy Act of 1969* (NEPA; 42 U.S.C. 4321 et seq.), the Council on Environmental Quality regulations (40 CFR Parts 1500 to 1508) and DOE's NEPA implementing procedures (10 CFR Part 1021). DOE prepared an EA to evaluate the potential environmental consequences of providing a financial assistance grant to PDSWM for this proposed project.

PURPOSE AND NEED: The overall purpose of this Congressionally Directed Project is to advance research and the development and demonstration of energy efficiency or renewable energy technologies or programs. On a national level, there is a need for projects to demonstrate and implement energy generation through more efficient and environmentally preferable means. Projects need to support innovative technologies that would provide fuel flexibility options for manufacturers and consumers and reduce fossil fuel requirements. The proposed project would use municipal solid waste as the fuel source, which is considered a renewable energy fuel. By

using municipal solid waste, the project would help DOE meet requirements set forth in the Energy Policy Act (EPACT) of 2005, Public Law 109-58, as strengthened by Executive Order 13514, which call for increases in renewable energy generation and use.

The proposed project also assists DOE meet the goals set forth in the Energy Independence and Security Act of 2007 by improving national energy security through increased production of biofuels. Increased use of biofuels could result in a variety of benefits to the nation, including: improved national energy security, increased economic growth, and other broad-based environmental benefits.

DESCRIPTION OF THE PROPOSED ACTION: DOE's proposed action is to provide cost-shared funding for the proposed Pope/Douglas Third Combustor Expansion Project in Alexandria, Minnesota. The proposed project would add a third municipal waste combustor on already developed land adjacent to and complementing two existing combustors at the PDSWM waste-to-energy facility. The third combustor would have a nominal capacity of 120 tons of waste per day and would double the facility's overall capacity. Expansion of the facility would enable PDSWM to manage the solid waste of five counties and provide steam to three customers. Excess steam produced at the facility would be used to produce electricity for in-house use or for sale to the local grid. DOE would provide funding for approximately 5% of the overall total project cost, or \$927,514 of the projected total project cost of \$19,400,000. Private industry partners would provide the remaining project funding and be responsible for project implementation. The proposed project would be considered a permanent installation, and would have a minimum 25 year operating life.

ALTERNATIVES CONSIDERED: In addition to the proposed project, DOE considered the No-Action Alternative as required under NEPA. Under the No-Action Alternative, DOE would not provide funds for the proposed project. For the purposes of the EA, DOE assumed that the project would not proceed without DOE funding. This assumption establishes a baseline against which the potential environmental impacts of the proposed project are compared.

ENVIRONMENTAL CONSEQUENCES: DOE evaluated the potential environmental consequences of the proposed project and the No Action alternative in the EA. No potentially significant impacts associated with the proposed project were identified.

The proposed third waste combustor would be integrated into the existing site procedures and operations at the PDSWM facility. All air emissions from construction and operation activities would be below the applicability threshold for all criteria pollutants, and would not be regionally significant. The PDSWM expansion would require a construction permit and a major amendment to the facility's existing air emissions permit to include the third combustor unit. No other permits are anticipated to be needed.

The third waste combustor would be constructed immediately south of the two existing combustors, on 0.2 acres of property that has been previously paved and is generally unused.

Negligible impacts to land use and soils, water resources, biological resources, infrastructure, and cultural resources would occur. Construction and operation of the proposed project is not expected to impact any federal- or state-listed threatened or endangered species. No change in noise levels or land use is expected as a result of the proposed project. Minor economic benefits would be derived indirectly during construction of the project.

Under the No Action Alternative, the project would either be delayed, as PDSWM sought other funding sources, or abandoned altogether. The potential environmental consequences, if the project were delayed, could be different if the project was modified. If abandoned, the potential environmental consequences would not occur. Furthermore, the potential beneficial impacts would change or not occur.

PUBLIC AVAILABILITY: Comments were invited on the Draft EA for this project for a period of 30 days following publication of the public notice in two local newspapers; the Minneapolis-St. Paul *Star Tribune* and the *Alexandria Echo Press*. The public notice was published for 3 consecutive days on Thursday, March 11; Friday, March 12; and Saturday, March 13. Copies of the Draft EA were made available through the National Energy Technology Laboratory (NETL) website, the Douglas County Public Library System, and at the Pope/Douglas Waste-to-Energy facility in Alexandria.

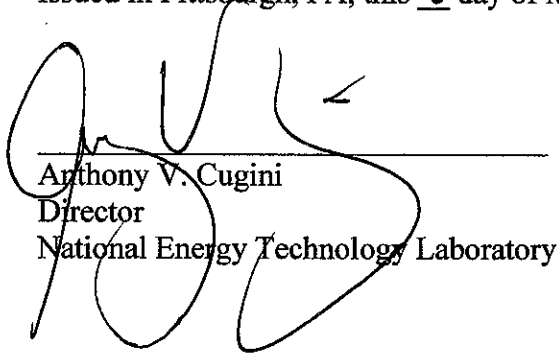
The Draft EA was distributed to various federal, state, and local agencies with jurisdiction or special expertise. These agencies were also consulted during the project evaluation process between 2007 and 2009, as required by the State of Minnesota's environmental review process. The Final EA and this FONSI will be available at the NETL website, <http://www.netl.doe.gov/publications/others/nepa/ea.html>.

COMMENTS: Three comments were received by the close of the comment period on April 14, 2010. The Minnesota Pollution Control Agency (MPCA) asked for clarification and additional information on a few items related to wastewater, storm water, and waste management associated with the proposed project. These comments are addressed in this Final EA. The Minnesota Department of Natural Resources (DNR) provided a link to earlier comments on the Environmental Assessment Worksheet completed by the PDSWM and had no further comment on this EA. The Minnesota Historical Society concluded that no properties listed on or eligible for listing on the National Register of Historic Places would be affected by the proposed project. No comments were received from the general public.

DETERMINATION: On the basis of the evaluations in the Final EA, DOE determined that its proposed action - providing a \$927,514 federal grant - and PDSWM's proposed project - constructing and operating a third municipal waste combustor at the existing PDSWM waste-to-energy facility in Alexandria - would have no significant impact on the human environment. Although the proposed project would increase air emissions and require the PDSWM facility to revise its existing air emissions permit, these changes would be minor and the project proponent would be required to adhere to permit conditions during construction and operation. No other

permits are anticipated to be needed. All other potential environmental impacts identified and analyzed in the EA would be negligible. Therefore, preparation of an Environmental Impact Statement is not required, and DOE is issuing this Finding of no Significant Impact.

Issued in Pittsburgh, PA, this 18 day of May 2010.



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