

United States Department of the Interior
Bureau of Reclamation
Interior Region 8: Lower Colorado Basin
Phoenix Area Office

FINDING OF NO SIGNIFICANT IMPACT

ARIZONA PEAKING CAPACITY ENERGY STORAGE
LARGE GENERATOR INTERCONNECTION

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FONSI No.: PXAO 21-01

Introduction

The Western Area Power Administration (WAPA), with the Bureau of Reclamation (Reclamation) as a cooperating agency, prepared an Environmental Assessment (EA) for the proposed construction of a battery energy storage system (BESS) facility in Peoria, Arizona, with interconnection to the Navajo Southern Transmission System (NSTS). The NSTS, which was built by Reclamation as part of the Central Arizona Project, is operated by Arizona Public Service (APS) and terminates at the Westwing Substation. The Arizona Peaking Capacity Energy Storage Project (Project) will be constructed on private land adjacent to the Westwing Substation with federal funding from WAPA under the Transportation Infrastructure Program (TIP). The Project will interconnect with the NSTS upon approval of a Large Generator Interconnection Agreement (LGIA) between AES Energy Storage, LLC (AES), Reclamation, and all other entities with entitlement to a portion of the electrical transmission capacity of the NSTS.

AES proposes to build, operate, maintain, and decommission an approximately 100-megawatt (MW) BESS facility per their agreement with APS on approximately 6 acres of private land. Construction of the facility includes battery storage enclosures, inverters/transformers, a high voltage substation, communications equipment, switchgear, and heating, ventilation, and air conditioning units, all of which will be enclosed by a solid 8-foot-tall perimeter wall. AES would acquire a 60-foot-wide right-of-way over private land for the installation and maintenance of approximately 370 feet of new transmission line, connecting the BESS facility to the existing transmission line at the APS Westwing Substation. APS would replace the existing transmission poles in-place, with upgraded infrastructure to accommodate the AES interconnection.

The EA covers the construction of AES's BESS facility and the infrastructure needed to intertie the facility to the NSTS at Westwing Substation.

Public Involvement

Reclamation was notified of the need for a LGIA with AES after the public scoping period had concluded. Once notified, Reclamation became a cooperating agency on the Draft and Final EA.

WAPA initiated the public scoping period on September 25, 2019 with a letter to potentially interested parties, including adjacent landowners, public interest groups, local governments, tribes, and state and Federal agencies. WAPA also created a website specifically for the Project where interested parties could access current information about the Proposed Action and the environmental review process. Comments were accepted on the Project until October 25, 2019.

No public scoping meetings were held. A total of 18 comments were received during scoping concerning a range of environmental and impacts analysis issues. WAPA addressed the scoping comments in appropriate sections in the EA as applicable.

A Draft EA was released on June 23, 2021, which initiated a 30-day public comment period that concluded on July 23, 2021. The Draft EA was made available on WAPA's Project website and postcard notices were sent to approximately 700 landowners in the Project area to inform them of its availability. Reclamation provided notice of the Draft EA and comment period on the Phoenix Area Office website, with a link to WAPA's Project website where comments could be submitted. Comments were accepted via email, postal mail, and telephone. No comments were received during the 30-day comment period, and no updates or additional analysis were required to the Proposed Action.

Alternatives

The EA analyzed the No Action alternative and the Proposed Action Alternative. These alternatives are briefly described in this FONSI below.

Proposed Action/Selected Alternative

Under the Proposed Action, WAPA will consider funding the AES Battery Storage Project under the TIP by the authority granted to WAPA under Section 402 of the Recovery Act of 2009 (Public Law 111-5), which amended the Hoover Power Plant Act of 1984 (Public Law 98-391).

Under the Proposed Action, Reclamation will review and, if appropriate, approve the LGIA with AES. The approval of the LGIA by Reclamation and other parties entitled to transmission capacity of the NSTS would allow AES to interconnect to the NSTS at the Westwing Substation. Because Reclamation is a Federal agency with entitlement to the NSTS, the interconnection is subject to environmental review under NEPA. Therefore, Reclamation's underlying purpose was to analyze the effect of the interconnection to the surrounding environment. Reclamation's decision to approve the LGIA for the proposed Project is independent of WAPA's consideration of project financing.

No Action Alternative

Under the No Action Alternative, WAPA would not consider funding the AES Battery Storage Project, and the Project would not be built with financing from the United States Treasury. Reclamation would not enter into a Large Generator Interconnection Agreement with AES, and the Project would not interconnect to the NSTS at the Westwing Substation.

Major Considerations

The following issues were addressed in the EA and have been taken into consideration in Reclamation's determination of whether a FONSI is appropriate, or an environmental impact statement should be prepared.

1. The proposed action would impact resources as described in the EA. Generally, impacts to soil, air, biological resources, groundwater, land use, noise, transportation resources and visual resources would be negligible/minor and short-term, and best management practices and additional applicant proposed measures would be implemented as part of the proposed actions to reduce impacts, as described in Section 2.4.2 of the EA. None of the environmental effects discussed in detail in the EA are considered significant.
2. The proposed action would have a negligible impact on public health and safety from fugitive dust emissions and hazardous materials use and storage, during construction, operations and maintenance, and decommissioning. The short-term fugitive dust emissions from construction and long-term emissions over the operations phase would not substantially increase emissions over background levels or cause an exceedance of National Ambient Air Quality Standards. With the implementation of conservation measures for handling of hazardous materials, impacts to public health and safety from hazardous materials are unlikely.
3. The proposed action is not expected to have an adverse effect on the quality of the human environment. No disproportionately high or adverse human health or environmental effects on minority and/or low-income populations would result. The proposed action would have a short-term beneficial impact on employment in the analysis area during construction and decommissioning, and a negligible long-term beneficial impact during operations.
4. The proposed action would not have direct adverse impacts to unique characteristics of the geographic area such as park lands, prime and unique farmlands, wetlands, wild and scenic rivers, or ecologically critical areas. Land development would be subject to compliance with local, state, and Federal laws and ordinances protecting environmental resources.

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5. The proposed action would not have highly uncertain and potentially significant environmental effects, or involve unique or unknown environmental risks.
 6. The proposed action does not establish a precedent for future actions with significant effects and does not represent a decision in principle about a future consideration.
 7. Significant adverse effects reasonably occurring within the affected environment from the proposed action are not anticipated. Given the limited or no impacts to resources described in Chapter 3 of the EA and the minor nature of reasonably foreseeable actions described in Section 3.2.4, Reclamation does not anticipate modifications or additional impacts to resources. The reasonably foreseeable future impacts would be the same for the Proposed Action as for the No Action Alternative. A complete disclosure of the project's effects is contained in Chapter 3 of the EA.
 8. The proposed action would not adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places, or cause loss or destruction of significant scientific, cultural, or historical resources. A cultural resources inventory has been completed for the project area. No historic properties would be disturbed by the proposed action; therefore, no impacts to historic properties are anticipated from the construction, operations and maintenance, or decommissioning of the proposed action.
 9. The proposed action would not have an adverse effect on federally listed threatened or endangered wildlife species, or critical habitat.
 10. The proposed action does not violate any known Federal, state, or local law or requirements imposed for the protection of the environment. Sections 2.4.2 and 5.0 of the EA describes permits, easements, and licenses to be obtained in advance of construction in areas subject to the regulatory or permitting authority of a public or private entity.

The proposed action would not adversely affect Indian trust assets, or limit access to, or ceremonial use of Indian sacred sites on Federal lands.

Finding of No Significant Impact

Based upon the attached Final EA, Reclamation has determined the proposed action would not have a significant adverse effect on the human environment, and an environmental impact statement is not warranted.