

ENVIRONMENTAL ASSESSMENT DETERMINATION

Name of Project: Blythe Energy Project in Southeastern California

Location: Approximately 5 miles west of Blythe, Riverside County, California

Description of the Proposed Action: Western Area Power Administration (Western) has been approached by Wisvest Corporation, a non-regulated subsidiary of Wisconsin Energy Corporation, to interconnect the power to be generated by the Blythe Energy Project (Project) to Western's transmission system. The Project as proposed is a 520-megawatt (MW) natural gas-fired thermal power plant that is intended to serve competitive regional markets in southern California and Arizona. The Project is intended as a 'merchant plant,' which means that the Project would be independent of other generators and that the power generated would serve the open market rather than any particular utility or load. All financial responsibility for the Project would be borne by Wisvest Corporation.

The Project would occupy approximately 15 acres of a 76-acre parcel of private land located just east of the Blythe Airport. Water for cooling and steam generation would be obtained from groundwater wells at approximately 2,200 gallons per minute. The plant would be a "zero discharge" facility, meaning that there would be no wastewater discharge from the plant; wastewater would be handled by evaporation ponds on site. Natural gas would be fed to the plant by new pipelines that would tap existing major interstate gas pipelines in the vicinity. One option is to pipe gas from the Arizona side of the Colorado River through a new 11.5-mile pipeline. The other option is to tap an existing pipeline within one mile of the Project. Price of gas would be one determining factor on the choice of options.

The Project would interconnect with Western's transmission system by means of a reconfiguration of two 161-kilovolt (kV) transmission lines that terminate in Western's Blythe Substation, located approximately 600 feet east of the Project site. These two lines, the Parker-Blythe #1 and #2 transmission lines, as well as Western's Blythe-Knob 161-kV line, a line belonging to the Imperial Irrigation District, and a line belonging to Southern California Edison Company, all interconnect at the Blythe Substation. New transmission construction would be limited to short tie sections to each of Western's two lines; these tie sections would generally involve one or two spans of new construction at most.

Class of Action To Be Applied from Subpart D, Department of Energy (DOE) National Environmental Policy Act (NEPA) Implementing Procedures: Section 1021.400 (Subpart D) of the DOE Procedures requires that DOE determine the level of documentation necessary for a proposal. Appendix D to Subpart D indicates those actions that normally require the preparation of an environmental impact statement (EIS); specifically Appendix D6 and D7 apply to integrating major new generation sources into the existing transmission grid. However, Section 1021.400(c) allows DOE to consider "...extraordinary circumstances related to the specific proposal that may affect the significance of environmental impacts of the proposal."

The extraordinary circumstance that affects the significance of the environmental impacts of the Blythe Energy Project is the proposal submitted to Western for consideration in reviewing the application for interconnection. Western received this proposal fully mitigated, and with the applicant's full commitment to avoid all environmental impacts or reduce impacts to insignificance.

The reason for the application arriving in this advanced stage is that the applicant first applied to the California Energy Commission (CEC). The CEC requires applicants to submit proposals in the form of an Application for Certification (AFC), which consists of the applicant's review of the environmental and engineering issues involved in the proposed project. The CEC also requires applicants to incorporate substantial mitigation measures for all identified impacts into the AFC. Therefore, the applicant had already committed in their planning to mitigate all potential impacts to environmental resources before applying for interconnection to Western's transmission system.

Western and the CEC have reviewed the submission and have determined that the information in the AFC is adequate for further review under NEPA and the CEC project siting process, which is equivalent to the California Environmental Quality Act process. Western and the CEC will now initiate internal and public scoping to determine if additional information is needed, and also to allow the public to comment on the proposal, its impacts, and the proposed mitigation. Western and the CEC will then further review all information to determine if the proposed mitigation is sufficient to reduce or avoid impacts.

Reliance on the applicant's commitment to mitigation is clearly what the Council on Environmental Quality (Council) referred to in their "40 Questions" (46 FR 18026). The Council stated that mitigation measures might be relied upon to make a finding of no significant impact if they are "imposed by statute or regulation, or ... part of the original proposal (Question 40a). The mitigation in this proposal is neither vague nor general in nature; it is specific for each potential impact.

Determination: Based on the provision in section 1021.400(c) of the DOE National Environmental Policy Act Implementing Procedures, I have determined that an Environmental Assessment (EA) may be prepared to assess the impacts of the proposed action. Based on the analysis in the EA, either Western will prepare a finding of no significant impact and proceed with the action, or Western will prepare an environmental impact statement if the EA reveals the potential for significant environmental impacts.

Signature:

Michael S. Hartung

Title:

Administrator

Date:

APR 21 2000