Department of Energy
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228-8213

APR 0 5 2016

MEMORANDUM FOR TREENA GARRETT, GC-33, WASHINGTON, DC

FROM: MARK A. GABRIEL
ADMINISTRATOR

SUBJECT: Publication of Notice in the *Federal Register*

Please arrange for the publication of the attached Record of Decision for the Southline Transmission Line Project Environmental Impact Statement in the *Federal Register*.

If you have any questions, please contact Shellie Scott at (202) 586-5581.

Attachment

APPROVED AS TO LEGAL SUFFICIENCY

John D. Bremer
General Counsel

6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Southline Transmission Line Project Environmental Impact Statement (DOE/EIS-0474)

AGENCY: Western Area Power Administration, DOE

ACTION: Record of Decision

SUMMARY: The Western Area Power Administration (Western) and the U.S. Bureau of Land Management (BLM), acting as joint lead agencies, issued the Proposed Southline Transmission Line Project (Project) Final Environmental Impact Statement (EIS) (DOE/EIS-0474) on November 6, 2015. The Agency Preferred Alternative developed by Western and the BLM through the National Environmental Policy Act (NEPA) process and described in the Final EIS is summarized in this Record of Decision (ROD). This alternative is also the Environmentally Preferred Alternative for most of the Project. One segment in the New Build Section and some local alternatives in the Upgrade Section were selected that reduce substantial existing resource conflicts while creating only minor new impacts. All practicable means to avoid or minimize environmental harm have been adopted.

Since the BLM and Western were joint lead agencies in the preparation of the EIS, each agency will issue its own ROD(s) addressing the overall Project and the specific matters within its jurisdiction and authority. This ROD constitutes Western's decision with respect to the alternatives considered in the Final EIS.

Western has selected the Agency Preferred Alternative identified in the Final EIS as the route for the Project. This decision on the route will enable design and engineering activities to

proceed. This ROD also commits Western and Southline Transmission, LLC (Southline) to implement the proponent-committed environmental measures (PCEMs) identified in table 2-8, Project PCEMs by Resource, of the Final EIS. Selection of the Agency Preferred Alternative will also allow detailed Project costs to be developed, which are necessary for future participation and financing decisions. This ROD does not make decisions about Western's participation in the Project or financing. Those decisions are contingent on the successful development of participation agreements and financial underwriting, and would be recorded in a second ROD.

FOR FURTHER INFORMATION CONTACT: For information on Western's participation in the Project contact Stacey Harris, Public Utilities Specialist, Transmission Infrastructure Program (TIP) Office A0700, Headquarters Office, Western Area Power Administration, P.O. Box 281213, Lakewood, CO 80228-8213, telephone (720) 962-7714, facsimile (720) 962-7083, email sharris@wapa.gov. For information about the Project EIS process or to request a CD of the document, contact Mark J. Wieringa, NEPA Document Manager, Natural Resources Office A7400, Headquarters Office, Western Area Power Administration, P.O. Box 281213, Lakewood, CO 80228-8213, telephone (720) 962-7448, facsimile (720) 962-7263, email wieringa@wapa.gov. The Final EIS, this ROD, and other Project documents are also available on the Project Web site at *http://www.blm.gov/nm/southline*.

For general information on the Department of Energy (DOE) NEPA process, please contact Carol M. Borgstrom, Director, Office of NEPA Policy and Compliance (GC-54), U.S. Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, telephone (202) 586-4600 or (800) 472-2756.

SUPPLEMENTARY INFORMATION: Southline, a subsidiary of Hunt Power, LP, is the Project proponent. Black Forest Partners, LP, is the manager for the Project. In March 2011, Southline submitted a Statement of Interest to Western for consideration of its Project. As part of their Project, Southline proposed the upgrade of approximately 120 miles of Western's existing Saguaro-Tucson and Tucson-Apache 115-kilovolt (kV) single-circuit transmission lines to a double-circuit 230-kV transmission line (Upgrade Section) using existing rights-of-way (ROWs). The New Build Section of the Project would include 240 miles of new 345-kV double-circuit transmission line on new ROWs between Afton Substation in New Mexico and Apache Substation in Arizona. In addition, Southline requested that Western consider providing financing for the Project using the borrowing authority provided to Western under the American Recovery and Reinvestment Act of 2009 amendment of the Hoover Power Plant Act of 1984. Southline's proposal prompted Western to initiate an EIS process to determine the environmental impacts of the Project and alternatives to inform Western's decisions regarding the Project.

Southline also filed a ROW application with the BLM pursuant to Title V of the Federal Land Policy and Management Act of 1976, as amended, proposing to construct, operate, maintain, and eventually decommission a high-voltage electric transmission line on land managed by the BLM. The BLM initiated its own NEPA process to address whether to grant a ROW permit. Because both agencies had NEPA decisions to consider, Western and the BLM agreed to be joint lead agencies in accordance with NEPA, 40 CFR 1501.5(b), for the purpose of preparing the EIS for the Project. The agencies issued the Final EIS for the Project on November 6, 2015. Each agency will issue its own ROD(s) addressing the overall Project and the specific matters within its jurisdiction and authority. This ROD constitutes Western's decision with respect to the alternatives considered in the Final EIS.

Project Description

The Project includes:

The New Build Section (Afton–Apache), which includes construction and operation of:

- Approximately 205 miles of 345-kV double-circuit electric transmission line in New Mexico and Arizona with a planned bidirectional capacity of up to 1,000 MW. This section is defined by endpoints at the existing Afton Substation, south of Las Cruces in Doña Ana County, New Mexico, and the existing Apache Substation, south of Willcox in Cochise County, Arizona;
- Approximately 5 miles of 345-kV single-circuit electric transmission line between the existing Afton Substation and the existing Luna-Diablo 345-kV transmission line. This segment of the Project is included in the analysis, but development of this segment would be determined at a later date;
- Approximately 30 miles of 345-kV double-circuit electric transmission line between New Mexico State Route 9 and Interstate 10 east of Deming in Luna County, New Mexico, to provide access for potential renewable energy generation sources in southern New Mexico. This segment of the Project is included in the analysis, but development of this segment would be determined at a later date;
- A new substation in Luna County, New Mexico (proposed Midpoint Substation), to provide an intermediate connection point for future interconnection requests; and
- Substation expansion for installation of new communications equipment at, and connection to, two existing substations in New Mexico and one in Arizona.

The Upgrade Section (Apache-Saguaro), which would replace and upgrade a portion of Western's transmission system and includes:

- Replacing 120 miles of Western's existing Saguaro-Tucson and Tucson-Apache 115-kV single-circuit wood-pole H-frame electric transmission lines with a 230-kV double-circuit electric steel-pole transmission line. This section is defined by endpoints at the existing Apache Substation, south of Willcox in Cochise County, Arizona, to the existing Saguaro Substation, northwest of Tucson in Pima County, Arizona;
- Approximately 2 miles of new-build double-circuit 230-kV electric transmission line to interconnect with the existing Tucson Electric Power Company Vail Substation located southeast of Tucson and just north of the existing 115-kV Tucson-Apache line; and
- Connection to and upgrading, modification, and expansion of 12 existing substations in southern Arizona, including installation of new bays, transformers, breakers, switches, communications equipment, and related facilities associated with the voltage increase and compatibility with existing substations. Depending on design and engineering considerations, some substation expansions may require separate yards.

Alternatives

Based on a series of public meetings, routing workshops and meetings with local, State, and other Federal agencies prior to developing their Project, Southline published a Project routing study (April 2012). Many different route segments were identified and analyzed during this process. The route segments were designed to maximize the paralleling of existing linear infrastructure, maximize use of existing access roads, and identify and reject route segments with substantial environmental conflicts. This process resulted in a 'Proponent Preferred' or northern route, and a 'Proponent Alternative' or southern route, for the New Build Section. Although other options were considered, rebuilding the existing

Western lines was the only option that preserved connectivity with the 12 existing substations in southern Arizona, an important feature of the Project.

Southline presented the Proponent Preferred and Proponent Alternative routes to the BLM with their application for a ROW grant and these alternatives were analyzed in the NEPA process. Because Western and BLM participated in Southline's routing study and public outreach, they each understood why various route segments were selected and rejected. Both agencies analyzed both of the Southline proponent alternatives and the No Action Alternative, and used the NEPA process to identify other potentially reasonable, viable alternatives. Due to Southline's thorough routing process, extensive stakeholder outreach, and early route screening with Western and the BLM, agency alternatives developed through the NEPA process resulted in only small route variations which could potentially reduce or avoid local resource conflicts.

The 360-mile-long Project was divided into four 'route groups', two in the New Build Section and two in the Upgrade Section, with Apache Substation in Arizona being the point separating the two sections and route groups 1 and 2 from route groups 3 and 4. Within the four route groups various sub-routes including segments of the Proponent Preferred and Proponent Alternative were identified. Some of the sub-routes also include local alternatives that were departures from the proponent alternatives due to potential resource conflicts or opportunities identified during the NEPA process. The agencies' alternatives analyses did not result in major new alternatives but did identify local alternatives and route variations that avoided or reduced localized resource conflicts. The division of the Project into smaller sections provided a framework for a more meaningful and localized comparison of resource

impacts and provided the agencies with the ability to 'mix and match' route segments to create multiple full-length alternatives.

Agency Preferred Alternative

The Agency Preferred Alternative developed in the Final EIS varies somewhat from the one described in the Draft EIS due to consideration and incorporation of comments from the public, interested parties and the agencies. In the New Build Section, the Agency Preferred Alternative consists of a combination of the Proponent Preferred, Proponent Alternative, and local alternative segments. Draft EIS local alternative LD4 would have included the shared use of approximately 50 miles of ROW with the proposed SunZia Project to consolidate linear facility impacts into one utility corridor, an important BLM management objective. However, a Western Electricity Coordinating Council Regional Business Practice standard requires separation between large, main system transmission lines, which could largely negate the environmental benefits of constructing transmission lines in adjacent ROWs. Additionally, if one line were not constructed, the remaining line would traverse previously undeveloped land and create a new utility corridor of its own, precisely the situation the BLM is trying to prevent by consolidating development. Accordingly, the Agency Preferred Alternative in the Final EIS was shifted south to another route segment that parallels an existing natural gas pipeline ROW.

Both the Department of Defense and the Arizona Game and Fish Department (AZGFD) expressed concerns about alternatives in the area near Willcox Playa and north and east of Apache Substation. The route selected in the Draft EIS that runs parallel to an existing transmission line east of the playa presented conflicts with wintering sandhill cranes and waterfowl, and routes to Apache Substation on the west side of the playa conflicted with

activities on the Buffalo Soldier Electronic Testing Range. Options east of developed agricultural areas near the playa that turned directly west to enter Apache Substation were prepared and analyzed, but were found to conflict with agricultural interests. Ultimately, mitigation of potential effects on sandhill cranes and waterfowl acceptable to the AZGFD was agreed upon and the route on the east side of the Willcox Playa that was originally included as part of the Agency Preferred Alternative was retained.

The Agency Preferred Alternative for the Upgrade Section consists of a combination of the Proponent Preferred, a route variation south of the Tucson International Airport, and local alternatives at Tumamoc Hill and near the Marana Airport. The Agency Preferred Alternative maximizes the use of existing Western ROWs for the Saguaro-Tucson and Tucson-Apache transmission lines while also addressing existing impacts and opportunities where appropriate. The route skirts the edge of the culturally and visually sensitive Tumamoc Hill property and allows the removal of the section of existing line that crosses through the middle of the property, relocates a portion of the existing line to facilitate Pima County future development plans south of Tucson International Airport, relocates a segment of existing line out of the Summit community where development is encroaching on the ROW, and relocates a segment of existing line near the Marana Airport to reduce conflicts with military training operations.

Environmentally Preferred Alternative

Except for one segment the Environmentally Preferred Alternative for the New Build Section is the same as the Agency Preferred Alternative. This is due to the emphasis placed on routing the Project to parallel existing linear infrastructure and consolidating development to the maximum extent possible. Consolidation also maximizes the opportunity to use

existing access roads for the Project. This approach minimizes new disturbance and, in turn, environmental impacts.

The Environmentally Preferred Alternative for the Upgrade Section involves an upgrade of the existing single-circuit 115-kV wood pole lines and use of the existing Western ROWs for the entire length of the section from Apache Substation to Saguaro Substation. The existing lines have been operated and maintained for over 60 years and have well-established access roads. New construction disturbance would be minimal and little or no new impacts to environmental resources would occur except that new monopole steel structures would be taller and have an incrementally larger visual impact. Any existing impacts on the human environment are already included in the baseline condition.

Responsible transmission planning also looks for opportunities to reduce existing impacts or address changing attitudes about the values and weights of impacts. Each of the three local alternatives included in the Agency Preferred Alternative would have associated new environmental impacts, but in each case it was determined that the reduction in present or future conflicts more than offset the new impacts.

Minimization of environmental impacts was an integral part of Project routing and planning, and all practicable means have been adopted to avoid or minimize environmental harm. Table 2-8 in section 2.4.6, Typical Design Features and Agency Mitigation Measures, of the Final EIS is a compilation of PCEMs that would be implemented to minimize impacts. If the Project moves into the construction phase, this table will be incorporated into the construction contract to ensure the PCEMs are an integral part of the construction process. The PCEMs include design features that minimize impacts, agency identified best management practices, known regulatory and permit requirements, and other project-specific

measures developed during the EIS process. As described in section 2.4.1 of the Final EIS, Site Preparation and Preconstruction Activities, Southline and the BLM have developed an extensive Plan of Development (Appendix N to the Final EIS). Numerous framework plans (appendices to the Plan of Development) are being developed that include specific best management practices and resource protection measures that condition the ROW grant. The Plan of Development only applies to activities on BLM-managed public lands. Western may implement applicable provisions of the Plan of Development and its attached framework plans on State and private lands as appropriate.

Changes to Final EIS

The Town of Marana, Arizona, in consultation with the AZGFD, requested that a clarification be made to PCEM in table 2-8 concerning a bat colony under the Ina Road bridge. The agencies are incorporating the requested clarification in the BLM Plan of Development and table 2-8. The revised language will read as follows: "To avoid impacting roosting bats at the Ina Road bridge, blasting activities will be restricted to less than 130 decibels (dB) at the project site if possible, and if that is not possible, then blasting activities will occur at night after most bats have left their roost. No blasting will occur in April or May when the maternity colony is present."

The Benson/San Pedro Valley Chamber of Commerce and J-6/Mescal Community Development Organization also raised questions after the Final EIS was published. Both parties indicated a preference for Local Alternative H, a route developed for analysis based on public comment. Local Alternative H departs from the existing alignment and bypasses Benson and the Mescal residential development on the north before rejoining the existing alignment east of Benson and the Mescal residential development. The parties raised

concerns about visual impacts, EMF, and future development in the area, which were all analyzed in the EIS. Local Alternative H was not selected as part of the Agency Preferred Alternative. The existing transmission line has been in place since the early 1950s, and development has been planned around the existing ROW. Moving to Local Alternative H would only shift impacts from one set of landowners to a new set of landowners. Additionally, staying on the existing ROW would use the existing crossing of the San Pedro River, a sensitive environmental resource. The issues expressed by the parties do not present any significant new circumstances or information relevant to environmental concerns.

Section 7 and Section 106 Consultation

The BLM, as the main affected Federal land management agency, retained the lead role for Section 7 and Section 106 consultation. Consultation with the U.S. Fish and Wildlife Service resulted in the issuance of a final Biological Opinion on November 10, 2015. The requirements of the Biological Opinion will apply to the entire Project, whether on BLM managed land or not. The Biological Opinion is provided as Appendix M of the Final EIS and can also be found on the Project Web site. Western also participated as an invited signatory in the Section 106 process, which led to a Programmatic Agreement that will govern Section 106 actions as they apply to the Project. The Programmatic Agreement, Appendix L of the Final EIS, is also posted on the Project Web site.

Western's Decision

Informed by the analyses and environmental impacts documented in the Final EIS, Western has selected[1] the Agency Preferred Alternative identified in the Final EIS as the route for the Project. The Agency Preferred Alternative route will be the basis for design and

[1]On November 16, 2011, DOE's Acting General Counsel restated the delegation to Western's Administrator all the authorities of the General Counsel respecting environmental impact statements.

engineering activities that will finalize the centerline, ROW, and access road locations, particularly in the New Build Section. Additionally, this ROD commits Western and Southline to implement the PCEMs identified in the Final EIS in table 2-8 to minimize environmental impacts. Selection of the Agency Preferred Alternative will also allow detailed Project costs to be developed, which are necessary for future participation and financing decisions. These decisions are contingent on the successful development of participation agreements and financial underwriting, and would be recorded in a second ROD. Participation and financing agreements will address Project details such as interconnections, ownership, operations, maintenance, marketing, financing, and land acquisition.

This ROD was prepared in accordance with the requirements of the Council on Environmental Quality regulations for implementing NEPA (40 CFR parts 1500-1508) and U.S. Department of Energy NEPA regulations (10 CFR part 1021).

Dated: APR 05 2016

Mark A. Gabriel
Administrator