



Categorical Exclusion Determination

Western Area Power Administration

U.S. Department of Energy



<u>Proposed Action Title:</u>	Eloy Valley III Interconnection Project
<u>WAPA Region:</u>	Desert Southwest Region (DSW)
<u>Location (County/State):</u>	Pinal County, Arizona
<u>CX Determination Number:</u>	2026-DSW-002
<u>CX Determination Expiration</u>	2/28/2031
<u>Date*:</u>	

**CX is valid until the date above (no longer than five years from when document was signed) or completion of work started prior to the expiration of the CX Determination, unless there are substantial changes to the scope of work, location, or applicable regulations. If such changes occur prior to the expiration of the CX, the Region Environmental Program will review the analysis to ensure the CX is still applicable.*

Proposed Action Description:

Western Area Power Administration (WAPA) proposes to construct a new Point of Interconnection at WAPA's existing Electrical District 5 230-kilovolt (kV) Substation to accommodate the interconnection request submitted by Eloy Valley Energy Center III, LLC. This would require upgrading the Electrical District 5 Substation within the current fenced boundary, located in Pinal County, approximately 70 miles southeast of Phoenix, Arizona in Section 25, Township 09 South, Range 07 East. WAPA performed a System Impact Study (February 22, 2023) and a Facility Study (July 2, 2024) to evaluate the impacts of the proposed interconnection. WAPA would enter into a Large Generator Interconnection Agreement (LGIA) with Eloy Valley Energy Center III, LLC. The execution of the LGIA is an activity foreseeably necessary for the proposal per 10 CFR 1021.102(d). WAPA would retain ownership and management of the Electrical District 5 Substation.

Implementation of the proposed action includes construction of three new power circuit breakers, rigid bus work, instrument transformers, disconnecting switches, yard steel, take-off structure, approaching poles, and applicable appurtenant protection and communication system equipment at Electrical District 5 230- kV Substation. A new structure just inside the south property boundary line of Electrical District 5 Substation will serve as the Point of Change of Ownership. The proposed action also consists of upgrading two 230-kV breakers inside the existing WAPA Test Track Substation and bays to accommodate a new rating. Equipment used for construction would include typical construction equipment such as grading equipment, trailers, and vehicles. WAPA's proposed action will occur within the existing Electrical District 5 Substation boundary consisting of approximately 10 acres of previously disturbed and graded land and within the existing Test Track Substation boundary consisting of approximately 1 acre of previously disturbed and graded land. Crossings with existing WAPA transmission lines would require a license agreement and letter agreement for monitoring the work.

The conceptual schedule anticipates construction at Electrical District 5 Substation and Test Track Substation will occur Spring 2029-Fall 2030.



Environmental Requirements during Project Implementation:

- If the scope of work of this project changes, DSW's Environment Department must be contacted to determine whether additional environmental review is required.
- If work occurs between February 15 and August 31, nesting bird surveys will be conducted prior to project activities. Nesting surveys can be conducted up to 2 weeks prior to project activities and will be coordinated with DSW Environmental.
- Any injured or orphaned birds and all observed active nests must be immediately reported to DSW Environment. Any dead birds must be reported to DSW Environment within twenty-four (24) hours of discovery. Additional documentation, such as photographs and GPS coordinates, may be requested to support DSW's reporting requirements to the U.S. Fish and Wildlife Service.
- If an inactive or active eagle nest is discovered, DSW Environment must be notified immediately for further instruction. Work must be avoided within 330 feet of Bald and Golden Eagle nests when inactive and 660 feet when active.
- If any cultural resources are inadvertently discovered during implementation of the proposed action, work within 100 feet of the discovery area must halt immediately, and a DSW Archaeologist must be contacted immediately. Work around the discovery must not resume until notification to proceed is provided by a DSW Archaeologist.
- If any possible human remains are inadvertently discovered during implementation of the proposed action, work within 100 feet of the discovery area must halt immediately, and a DSW Archaeologist must be notified immediately (no later than 24 hours from the time of discovery). A reasonable effort must be made to protect the remains from looting and/or further damage. Work around the discovery must not resume until notification to proceed is provided by a DSW Archaeologist.
- Activities involving the use of oil and other hazardous materials (fuel, hydraulic fluid, or other petroleum products) must comply with DSW's Spill Response Plan (SRP).
- Activities will comply with WAPA's existing Pinal County Dust Control Permit (Permit # DUSTW-26-0159).
- To prevent the transport of non-native and invasive plants and animals, including noxious weeds, work crews must thoroughly wash all vehicles and equipment (trailers, trucks, UTVs, etc.) before entering the work site to ensure they are free of soil, seeds, vegetation matter, or other debris.



Categorical Exclusion(s) Applied (Number and Title):

B4.11 Electric power substations and interconnection facilities

B4.6 Additions and modifications to transmission facilities

B4.9 Multiple use of powerline rights-of-way

Findings:

For the DOE procedures regarding categorical exclusions, including the full text of each categorical exclusion, see 10 CFR 1021.102 and Appendix B to [10 CFR Part 1021](#), and also Section 5.4 (Applying one or more categorical exclusions to a proposal) and Appendices B and C of [DOE's National Environmental Policy Act Implementing Procedures](#) (Jun. 30, 2025).

Requirements and guidance in 10 CFR 1021.102 and DOE's NEPA Implementing Procedures: (See full text in regulation and in Implementing Procedures)



The proposal fits within a class of actions that is listed in Appendix B to 10 CFR Part 1021 or Appendix B or C of DOE's NEPA Implementing Procedures (June 30, 2025).

To fit within the classes of actions listed in Appendix B to 10 CFR Part 1021, or Appendix B of DOE's NEPA Implementing Procedures, a proposal must satisfy the conditions that are integral elements of the classes of actions in Appendix B of both 10 CFR Part 1021 and DOE's NEPA Implementing Procedures. Additionally, for CXs adopted pursuant to NEPA Section 109 (see DNIP, Appendix C), the originating Federal agency's integral elements or extraordinary circumstances must be in accordance with the applicable requirements.



There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal. DOE or an applicant may modify the proposal to avoid reasonably foreseeable adverse significant effects such that the categorical exclusion would apply.



The proposal has not been segmented to meet the definition of a categorical exclusion.

[Note: For proposals that fit within the categorical exclusions listed in Appendix C of DOE's NEPA Implementing Procedures, see DOE's notice of adoption for the subject Appendix C categorical exclusion for additional considerations. DOE notices of adoption for other agency categorical exclusions may be found on [DOE's Section 109 webpage](#).]



Determination:

Based on my review of the proposed action, I have determined that the proposed action fits within the specified class(es) of action, the other requirements and guidance set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

WAPA Authorized Official Signature:

Scott R. Lund
Senior Vice President and
Desert Southwest Regional Manager