

PMC-EF2a

(201402)

**U.S. DEPARTMENT OF ENERGY
EERE PROJECT MANAGEMENT CENTER
NEPA DETERMINATION**



RECIPIENT: Natel Energy, Inc.

STATE: CA

PROJECT TITLE : Development of a project on North Unit Irrigation District's Main Canal at the Monroe Drop, using a novel low-head hydropower technology called the SLH100

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0000486	DE-EE0005420	GFO-0005420-001	GO

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Order 451.1A), I have made the following determination:

CX, EA, EIS APPENDIX AND NUMBER:

Description:

A9 Information gathering, analysis, and dissemination Information gathering (including, but not limited to, literature surveys, inventories, site visits, and audits), data analysis (including, but not limited to, computer modeling), document preparation (including, but not limited to, conceptual design, feasibility studies, and analytical energy supply and demand studies), and information dissemination (including, but not limited to, document publication and distribution, and classroom training and informational programs), but not including site characterization or environmental monitoring. (See also B3.1 of appendix B to this subpart.)

Rational for determination:

DOE is proposing to provide federal funding to Natel Energy, Inc. (Natel) to design, permit, construct and operate a new low-head hydropower project at an existing irrigation canal near Madras, Oregon.

This NEPA determination applies to Phase 1 only. Phase 2 will require additional NEPA review.

The proposed site is on North Unit Irrigation District's main canal, located 12.5 miles south of Madras, Oregon. The site is called the Monroe Drop and it is an existing energy dissipation chute. The surrounding land is farmland under active cultivation.

The proposed project would include the installation of an SLH100 HydroEngine™ within a newly constructed powerhouse connected to an intake and draft tube. The proposed project would also require road modifications and an interconnection path between the powerhouse and the existing 12.5 kV distribution line owned and operated by PacifiCorp. Except for 400 feet of transmission line, the proposed project would be located within the existing canal and right-of-way

PHASE 1

- Task 1.0 Complete full plant design utilizing one SLH100 unit rated at 400 kW
- Task 2.0 Obtain necessary permits and licenses
- Task 3.0 Obtain interconnection agreement with PacifiCorp
- Task 4.0 Negotiate power sales agreement

PHASE 2

- Task 5.0 Construct powerhouse and install HydroEngine™ unit
- Task 6.0 Monitor system operation and verify levelized cost of energy for final report
- Task 7.0 Project management and reporting

Phase 1 would include preparing design documents, an interconnection agreement, a power sales agreement and obtaining permits including a FERC exemption, lease of power privilege, land-use permits, and water rights for hydropower generation.

Phase 2 would include site preparation, construction of the powerhouse and operation of the low-head hydropower project. At this time, any task association with site preparation and construction is prohibited.

Based on this information, DOE has determined the work outlined for Phase 1 is consistent with activities identified in

categorical exclusion A9 (information gathering, analysis and dissemination).

NEPA PROVISION

DOE has made a conditional NEPA determination for this award, and funding for certain tasks under this award is contingent upon the final NEPA determination.

Insert the following language in the award:

You are restricted from taking any action using federal funds, which would have an adverse affect on the environment or limit the choice of reasonable alternatives prior to DOE/NNSA providing either a NEPA clearance or a final NEPA decision regarding the project.

Prohibited actions include:

Phase 2

This restriction does not preclude you from:

Phase 1

If you move forward with activities that are not authorized for federal funding by the DOE Contracting Officer in advance of the final NEPA decision, you are doing so at risk of not receiving federal funding and such costs may not be recognized as allowable cost share.

Note to Specialist :

Cristina Tyler 4.4.2012

DOE Funding: \$746,042
Cost Share: \$746,042
Total Project Costs: \$1,492,084

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature:  Date: 4/11/2012
NEPA Compliance Officer

FIELD OFFICE MANAGER DETERMINATION

Field Office Manager review required

NCO REQUESTS THE FIELD OFFICE MANAGER REVIEW FOR THE FOLLOWING REASON:

- Proposed action fits within a categorical exclusion but involves a high profile or controversial issue that warrants Field Office Manager's attention.
- Proposed action falls within an EA or EIS category and therefore requires Field Office Manager's review and determination.

BASED ON MY REVIEW I CONCUR WITH THE DETERMINATION OF THE NCO :

Field Office Manager's Signature: _____ Date: _____
Field Office Manager