Categorical Exclusion Determination

Bonneville Power Administration Department of Energy



Proposed Action: Aggregated Demand Response Demonstration Project Agreement

Project Manager: Mark Miller, Account Executive – PTL-5

Locations: Washington, Oregon, Idaho, and Montana

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): B4.4 Power marketing services and activities.

Description of the Proposed Action: BPA proposes to enter into a short-term aggregated demand response demonstration project agreement with EnerNOC, an energy-management services corporation. Under the terms of the agreement, EnerNOC would work with BPA to aggregate and dispatch demand response assets from loads served by BPA power customers. The demonstration project would primarily focus on load reductions available at existing commercial and industrial facilities. These loads would be used to test a commercial aggregator's ability to respond to BPA's signals during demand response events and deliver capacity for balancing reserves and operational flexibility.

All demand response under the demonstration project agreement would be provided from existing grid infrastructure and all generation sources used to serve loads would continue to operate within normal operating limits. Under the proposed agreement, participating facilities are permitted to use up to 25 MW of existing on-site generation to provide load reductions. Communications and metering equipment necessary to participate in the program would be installed in previously disturbed or developed areas owned and maintained by Enernoc's customers.

Findings: In accordance with Section 1021.410(b) of the Department of Energy's (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011), BPA has determined that the proposed action:

- (1) fits within a class of actions listed in Appendix B of 10 CFR 1021, Subpart D (see attached Environmental Checklist);
- (2) does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal; and
- (3) has not been segmented to meet the definition of a categorical exclusion.

Based on these determinations, BPA finds that the proposed action is categorically excluded from further NEPA review.

/s/ Jennifer A. Corwin Jennifer A. Corwin **Environmental Protection Specialist**

Concur:

Date: February 8, 2016

<u>/s/ Stacy L. Mason</u> Stacy L. Mason **NEPA Compliance Officer**

Attachment(s): Environmental Checklist

Categorical Exclusion Environmental Checklist

This checklist documents environmental considerations for the proposed project and explains why the project would not have the potential to cause significant impacts on environmentally sensitive resources and would meet other integral elements of the applied categorical exclusion.

Proposed Action: Aggregated Demand Response Demonstration Project Agreement

Project Site Description						
Commercial and industrial facilities throughout the BPA service territory.						
Evaluation of Potential Impacts to Environmental Resources						
	Environmental Resource Impacts	No Potential for Significance	No Potential for Significance, with Conditions			
1.	Historic and Cultural Resources					
2.	Geology and Soils					
	Explanation: No above or below ground disturban	ce.				
3.	Plants (including federal/state special-status species)					
	Explanation: No above or below ground disturban	ce.				
4.	Wildlife (including federal/state special- status species and habitats)					
	Explanation: No above or below ground disturban	ce.				
5.	Water Bodies, Floodplains, and Fish (including federal/state special-status species and ESUs)					
	Explanation: No above or below ground disturban	ce.				
6.	Wetlands					
	Explanation: No above or below ground disturban	ce.				

7.	Groundwater and Aquifers				
	Explanation: No above or below ground disturbance.				
8.	Land Use and Specially Designated Areas				
	Explanation: No above or below ground disturbance or change in land ownership.				
9.	Visual Quality				
	Explanation: No above ground disturbance.				
10.	Air Quality				
	Explanation: No addition of new generation is permitted under this project.				
11.	Noise				
	Explanation: No addition of new equipment that would in	ncrease noise.			
12.	Human Health and Safety				
	Explanation: No potential to affect human health and saf	ety.			
Evaluation of Other Integral Elements					
The proposed project would also meet conditions that are integral elements of the categorical exclusion. The project would not:					
•	Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders.				
	Explanation, if necessary:				
•	Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators) that are not otherwise categorically excluded.				
	Explanation, if necessary:				

Disturb hazardous substances, pollutants, contaminants, or CERCLA excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases.

Explanation, if necessary:

Involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those of the Department of Agriculture, the Environmental Protection Agency, and the National Institutes of Health.

Explanation, if necessary:

Landowner Notification, Involvement, or Coordination

Description: Coordination is occurring with EnerNOC and the participating BPA power customers.

Based on the foregoing, this proposed project does not have the potential to cause significant impacts to any environmentally sensitive resource.

Signed: <u>/s/ Jennifer A. Corwin</u> Jennifer Corwin Date: February 8, 2016