



## National Environmental Policy Act (NEPA) Determination Categorical Exclusion

**Recipient:** Spruce Root, Inc.

**State:** Alaska

**Project Title:** Decarbonizing the Tongass with Tribally-owned Heat Pumps

**Funding Opportunity Announcement Number:** DE-FOA-0003045

**Award Number:** DE-CD0000123

**OCED NEPA Control Number:** OCED-00123-002-CX

**Categorical Exclusion Appendix, Number, and Description:** *B5.1 Actions to conserve energy or water*

(a) Actions to conserve energy or water, demonstrate potential energy or water conservation, and promote energy efficiency that would not have the potential to cause significant changes in the indoor or outdoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, manufacturers, and designers), organizations (such as utilities), and governments (such as state, local, and tribal). Covered actions include, but are not limited to weatherization (such as insulation and replacing windows and doors); programmed lowering of thermostat settings; placement of timers on hot water heaters; installation or replacement of energy efficient lighting, low-flow plumbing fixtures (such as faucets, toilets, and showerheads), heating, ventilation, and air conditioning systems, and appliances; installation of drip-irrigation systems; improvements in generator efficiency and appliance efficiency ratings; efficiency improvements for vehicles and transportation (such as fleet changeout); power storage (such as flywheels and batteries, generally less than 10 megawatt equivalent); transportation management systems (such as traffic signal control systems, car navigation, speed cameras, and automatic plate number recognition); development of energy-efficient manufacturing, industrial, or building practices; and small scale energy efficiency and conservation research and development and small-scale pilot projects. Covered actions include building renovations or new structures, provided that they occur in a previously disturbed or developed area. Covered actions could involve commercial, residential, agricultural, academic, institutional, or industrial sectors. Covered actions do not include rulemakings, standard-settings, or proposed DOE legislation, except for those actions listed in B5.1(b) of this appendix. (b) Covered actions include rulemakings that establish energy conservation standards for consumer products and industrial equipment, provided that the actions would not: (1) Have the potential to cause a significant change in manufacturing infrastructure (such as construction of new manufacturing plants with considerable associated ground disturbance); (2) involve significant unresolved conflicts concerning alternative uses of available resources (such as rare or limited raw materials); (3) have the potential to result in a significant increase in the disposal of materials posing

significant risks to human health and the environment (such as RCRA hazardous wastes); or (4) have the potential to cause a significant increase in energy consumption in a state or region.

**Rationale for determination:** DOE's Office of Clean Energy Demonstrations (OCED) is proposing to provide funding to Spruce Root, Inc. (Spruce Root) in support of their project to install approximately 240 heat pumps in homes and community facilities on Prince of Wales Island in Alaska. DOE has experience based on its ongoing and reoccurring funding of heat pump installations in support of various initiatives. Ductless air source heat pumps would be installed on the exterior of the home on a footer such as cinder blocks no larger than 4 feet by 4 feet or with brackets attached to the side of the home. The units would be 60,000 BTUs or less and will use existing surplus hydropower from the local grid. Activities in the milestones for Spruce Root would include:

- Programmatic design and planning activities
- Procurement activities
- Training and workforce development activities
- Coordination with local stakeholders
- Prepare and coordinate waitlist for heat pumps
- Heat pump installation

Spruce Root will identify candidate homes and work with DOE to submit required documentation in order for DOE to complete consultation under Section 106 of the NHPA with the Alaska State Historic Preservation Office (AK SHPO). If there is a finding of no historic properties affected or no adverse effect, the installation may proceed. Funding will not be authorized for an installation and related installation activities cannot be undertaken prior to DOE concluding Section 106 consultation relative to the installation. DOE does not anticipate adverse impacts to sensitive resources as a result of the proposed activities. A supplemental environmental review recognizing integral elements and providing for additional mitigation, if necessary, would be undertaken if substantial new information or circumstances are presented.

**Related regulatory requirements:** Installation of heat pumps likely has minimal potential to affect historic properties. All external installations for heat pumps would either be placed directly on the house, or they would be adjacent, located within the home's construction disturbance prism. DOE will develop a template or utilize the AK SHPOs built inventory form which would require determining whether or not the home is listed in the NRHP or if it is within a historic district. If the home is within a historic district, DOE would then need to confirm if it is contributing, regardless of the age of the home. All cultural resource identification activities (e.g., archaeological, historic above ground, historic visual assessments) must be completed in accordance with applicable guidelines and standards provided by the State Historic Preservation Office (SHPO) and the Secretary of the Interior's Identification Standards. Coordination with DOE is required to establish an Area of Potential Effects (APE). DOE will conduct Section 106 consultation with SHPO, Tribes, and as applicable, other Section 106 consulting parties.

**Signature of this Categorical Exclusion determination affirms that:**

The proposed action (or the part of the proposal described in ‘rationale for determination’) fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D. To fit within the classes of actions listed in 10 CFR Part 1021, Subpart D, Appendix B, a proposal must be one that would not:

- (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders;
- (2) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators), but the proposal may include categorically excluded waste storage, disposal, recovery, or treatment actions or facilities;
- (3) 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;
- (4) have the potential to cause significant impacts on environmentally sensitive resources, including, but not limited to, those listed in paragraph B (4) of 10 CFR Part 1021, Subpart D, Appendix B;
- (5) 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 listed in paragraph B (5) of 10 CFR Part 1021, Subpart D, Appendix B.

There are no extraordinary circumstances related to the proposed action that may affect the significance of the environmental effects of the proposal. The proposed action has not been segmented to meet the definition of a categorical exclusion.

This proposal is not connected to other actions with potentially significant impacts (40 CFR 1501.3(b)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.1(i)(3)) and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

Any work to be carried out outside of the United States, its territories and possessions is exempt from further review pursuant to Section 5.1.1 of the DOE Final Guidelines for Implementation of Executive Order 12114; “Environmental Effects Abroad of Major Federal Actions.”

**Conditions:**

1. If the Recipient proposes to add to or modify the activities or locations described herein, those new activities/locations will be subject to additional NEPA review.
2. All required permits and approvals must be obtained before work can begin and all work must be completed in accordance with all required permits and approvals.
3. All cultural resource identification activities (e.g., archaeological, historic above ground, historic visual assessments) must be completed in accordance with applicable guidelines and standards provided by the State Historic Preservation Office (SHPO) or Tribal Historic Preservation Office (THPO) and the Secretary of the Interior’s Identification Standards. Coordination with DOE is required to establish an Area of Potential Effects (APE) and scope of effort (i.e., research design)



prior to geotechnical surveys and cultural resource field investigations. DOE will initiate Section 106 consultation prior to any geotechnical surveys and cultural resource field investigations in order to support coordination with SHPO/THPO, Tribes, and other Section 106 consulting parties.

**Signature of this memorandum constitutes a record of this decision.**

OCED NEPA Compliance Officer Signature:

Date: