

**Record of Categorical Exclusion
for
Wisconsin Electric Power Company's
Big Quinnesec Falls Hydroelectric Turbine Generator Unit 1 and 2 Rehabilitation Project**

Description of Categorically Excluded Action

The United States Department of Energy (DOE) Title XVII Energy Infrastructure Reinvestment (EIR 1706) Program was established pursuant to the Inflation Reduction Act of 2022, which amended Title XVII of the Energy Policy Act of 2005 to include the EIR Program. The EIR Program provides loan guarantees for projects that either: (1) retool, repurpose, or replace energy infrastructure that has ceased operations; provided that if the project involves electricity generation through the use of fossil fuels, it is required to have controls or technologies to avoid, reduce, utilize, or sequester air pollutants and anthropogenic emissions of greenhouse gases; or (2) projects that enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases.

The DOE Loan Programs Office (LPO) is considering whether to issue a loan guarantee of a funding facility to Wisconsin Electric Power Company (WEC) pursuant to its authority under the EIR 1706 Program. In its application, WEC has identified the Big Quinnesec Falls Hydroelectric Turbine Generator Unit 1 and 2 Rehabilitation Project (Project) in Iron Mountain, Michigan, for inclusion in the funding facility that is the subject of DOE's loan guarantee (the Proposed Action). WEC may request inclusion of multiple individual projects with independent utility in the funding facility that is the subject of the DOE loan guarantee; accordingly, DOE will complete an environmental review pursuant to the National Environmental Policy Act (NEPA) for these projects prior to their inclusion in the funding facility that is the subject of DOE's loan guarantee.

Project Description

The Big Quinnesec Falls Hydroelectric Facility is a Federal Energy Regulatory Commission (FERC) licensed facility with a renewable electricity nameplate capacity of 20.4 megawatts (MW). It is located on the Menominee River between the towns of Breitung in Dickson County, Michigan and Niagara in Marinette County, Wisconsin. The Big Quinnesec Falls Hydroelectric Facility consists of a 92-Foot Head Powerhouse, a 61-Foot Head Powerhouse, four 12-foot diameter steel penstocks, and a dam that holds a 270-acre impoundment.

The Project is wholly contained within the existing 92-Foot Head Powerhouse. Project activities within the 92-Foot Head Powerhouse include a comprehensive assessment of all components of the turbine-generator and refurbishment or replacement of items in Units 1 and/or 2, as necessary. Specific activities may include generator stator rewind; generation stator core restack; generator rotor pole rewind; excitation system repairs or upgrades; repair or replacement of bearings; repair or replacement of generator and turbine shafts; repair or replacement of distributor components; replacement of the turbine runner; repair or replacement of governor components; and upgrade of the unit control. No new facilities are being constructed, and existing facilities are not being modified. Staging and laydown areas for rehabilitation activities are located on graveled surfaces immediately adjacent to the 92-Foot Head Powerhouse. The Project does not require any ground disturbance.

The Project is required to maintain the Big Quinnesec Falls Hydroelectric Facility in a condition suitable for the hydropower facility to be used for its designated purpose. The Project replaces outmoded components, but it does not result in a significant change in expected useful life, design capacity, or function

of the facility, including how water flow is managed. WEC has determined that the Project is a type of activity that does not require further authorization under its existing FERC license.

Number and Title of Categorical Exclusion(s)

The Proposed Action is consistent with and covered by DOE categorical exclusions in 10 Code of Federal Regulations (CFR) Part 1021, Appendix B1, Categorical Exclusions Applicable to Facility Operation. The Project is covered by DOE Categorical Exclusion B1.3.

B1.3 Routine Maintenance

Routine maintenance activities and custodial services for buildings, structures, rights-of-way, infrastructures (including, but not limited to, pathways, roads, and railroads), vehicles and equipment, and localized vegetation and pest control, during which operations may be suspended and resumed, provided that the activities would be conducted in a manner in accordance with applicable requirements. Custodial services are activities to preserve facility appearance, working conditions, and sanitation (such as cleaning, window washing, lawn mowing, trash collection, painting, and snow removal). Routine maintenance activities, corrective (that is, repair), preventive, and predictive, are required to maintain and preserve buildings, structures, infrastructures, and equipment in a condition suitable for a facility to be used for its designated purpose. Such maintenance may occur as a result of severe weather (such as hurricanes, floods, and tornadoes), wildfires, and other such events. Routine maintenance may result in replacement to extent that replacement is in-kind and is not a substantial upgrade or improvement. In-kind replacement includes installation of new components to replace outmoded components, provided that the replacement does not result in a significant change in the expected useful life, design capacity, or function of the facility. Routine maintenance does not include replacement of a major component that significantly extends the originally intended useful life of the facility (for example, it does not include the replacement of a reactor vessel near the end of its useful life). Routine maintenance activities include, but are not limited to:

- (a) Repair or replacement of facility equipment, such as lathes, mills, pumps, and presses;*
- (b) Door and window repair or replacement;*
- (c) Wall, ceiling, or floor repair or replacement;*
- (d) Reroofing;*
- (e) Plumbing, electrical utility, lighting, and telephone service repair or replacement;*
- (f) Routine replacement of high-efficiency particulate air filters;*
- (g) Inspection and/or treatment of currently installed utility poles;*
- (h) Repair of road embankments;*
- (i) Repair or replacement of fire protection sprinkler systems;*
- (j) Road and parking area resurfacing, including construction of temporary access to facilitate resurfacing, and scraping and grading of unpaved surfaces;*
- (k) Erosion control and soil stabilization measures (such as reseeding, gabions, grading, and revegetation);*
- (l) Surveillance and maintenance of surplus facilities in accordance with DOE Order 435.1, "Radioactive Waste Management," or its successor;*
- (m) Repair and maintenance of transmission facilities, such as replacement of conductors of the same nominal voltage, poles, circuit breakers, transformers, capacitors, crossarms, insulators, and downed powerlines, in accordance, where appropriate, with*

40 CFR part 761 (Polychlorinated Biphenyls Manufacturing, Processing, Distribution in Commerce, and Use Prohibitions) or its successor;

- (n) Routine testing and calibration of facility components, subsystems, or portable equipment (such as control valves, in-core monitoring devices, transformers, capacitors, monitoring wells, lysimeters, weather stations, and flumes);*
- (o) Routine decontamination of the surfaces of equipment, rooms, hot cells, or other interior surfaces of buildings (by such activities as wiping with rags, using strippable latex, and minor vacuuming), and removal of contaminated intact equipment and other material (not including spent nuclear fuel or special nuclear material in nuclear reactors); and*
- (p) Removal of debris.*

Regulatory Requirements defined in 10 CFR § 1021.410(b)

The Proposed Action and related Project activities described above were subjected to an environmental due diligence review by DOE LPO staff to ensure they are consistent with the specific category of actions (categorical exclusion) contained in Appendix B of 10 CFR Part 1021 and the conditions for applying categorical exclusions specified in Section 410 of Part 1021. To ensure the requirements of Appendix B were met, LPO staff reviewed project-related documents obtained between April 2024 and August 2024 and participated in several conference calls with WEC staff to ensure a complete understanding of the activities associated with the Project.

The environmental due diligence review determined that there is no controversy regarding the potential environmental impacts of the Project, and that the actions associated with the loan guarantee would not adversely affect any physical, biological, or socio-cultural resources associated with the deployment of the project. The environmental due diligence review determined the Proposed Action has not been segmented to meet the definition of a categorical exclusion.

The Comment section below is provided for any necessary clarifications concerning the findings listed above. Signature by WEC's designated representative in the Corporate Validation section is an indication of WEC's concurrence with the findings and determinations presented above.

Comment(s)

Corporate Validation

Name and Title (Print):

Rick Moser, Manager – Environmental Programs & Licensing

Signature and Date:



March 4, 2025

Determination

Based on my review of information conveyed to me and in my possession concerning the actions associated with the proposed EIR Program (EIR 1706) loan guarantee described above, as NEPA Compliance Officer (as prescribed in DOE Policy Directive 451.1), I have determined that the actions involve no extraordinary circumstances and fit within the specified category of actions in Appendix B of 10 CFR Part 1021 described above, and are hereby categorically excluded from further review under NEPA (42 United States Code 4321, as amended).

DOE will complete a review of any future projects in accordance with NEPA, prior to their inclusion in the funding facility that is the subject of the DOE loan guarantee.

Signature and Date

Todd Stribley
NEPA Compliance Officer
Loan Programs Office