

U.S. DEPARTMENT OF ENERGY
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY
NEPA DETERMINATION



RECIPIENT: COnovate Inc.

STATE: WI

PROJECT TITLE : Accelerate Validation of a Domestic, Sustainable Alternative for Battery Grade Graphite in Lithium-ion Batteries

Notice of Funding Opportunity Number

Procurement Instrument Number

NEPA Control Number

CID Number

DE-EE0011730

GFO-0011730-001

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Policy 451.1), 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.)

B3.6 Small-scale research and development, laboratory operations, and pilot projects

Siting, construction, modification, operation, and decommissioning of facilities for smallscale research and development projects; conventional laboratory operations (such as preparation of chemical standards and sample analysis); and small-scale pilot projects (generally less than 2 years) frequently conducted to verify a concept before demonstration actions, provided that construction or modification would be within or contiguous to a previously disturbed or developed area (where active utilities and currently used roads are readily accessible). Not included in this category are demonstration actions, meaning actions that are undertaken at a scale to show whether a technology would be viable on a larger scale and suitable for commercial deployment.

Rationale for determination:

The U.S. Department of Energy (DOE) is proposing to provide federal funding to COnovate, Inc (COnovate) for process improvement activities associated with the production of battery-grade graphite in lithium-ion batteries.

Process testing and laboratory-scale synthesis of composite carbon-based materials would occur at COnovate's research and development laboratory in Wauwatosa, WI. Fabrication and charge/discharge cycle testing of lithium-ion battery coin cells, material characterization, techno economic analysis as well as data analysis and interpretation would also occur at this site. Process testing and pilot scale synthesis of composite carbon-based materials from bio-renewable feedstock, techno economic analysis, and initial front-end loading evaluation would occur at Applied Catalysts manufacturing facility in Laurens, SC. Fabrication and charge/discharge cycle testing of larger format full cell lithium-ion batteries as well as preliminary analysis of battery performance data would occur at three locations, including Argonne National Laboratory in Lemont, IL; Pacific Industrial Development Corporation in Ann Arbor, MI; and XALT Energy in Midland, MI.

Project activities would include the use and handling of various laboratory-scale amounts of hazardous materials, including fine powders, corrosive or flammable solvents, compressed or pressurized gas systems, electrolytes, metals, and metal oxides. Additionally, the proposed project involves use and operation of laboratory equipment that could involve various hazards including moving parts, loud operation, and/or hot surfaces. Hazardous materials would be managed in accordance with federal, state, and local environmental regulations and all existing environmental, health, and safety policies and procedures that would be followed, including employee training, proper protective equipment, engineering controls, monitoring, and internal assessments. Additional policies and procedures would be implemented as necessary as new health and safety risks are identified.

DOE has considered the scale, duration, and nature of proposed activities to determine potential impacts on resources, including those of an ecological, historical, cultural, and socioeconomic nature. DOE does not anticipate impacts on these resources that would be considered significant or require DOE to consult with other agencies or stakeholders.

Any work proposed to be conducted at a federal facility may be subject to additional NEPA review by the cognizant federal official and must meet the applicable health and safety requirements of the facility.

EERE is aware of the November 12, 2024, decision of *Marin Audubon Society v. FAA*, No. 23-1067 (D.C. Cir. Nov. 12, 2024). To the extent that a court may conclude that the Council on Environmental Quality (CEQ) regulations implementing NEPA are not judicially enforceable or binding on this agency action, EERE has nonetheless elected to follow those regulations at 40 C.F.R. Parts 1500-1508, in addition to DOE's procedures/regulations implementing NEPA at 10 C.F.R. Part 1021, to meet the agency's obligations under NEPA, 42 U.S.C. §§ 4321 et seq.

NEPA PROVISION

DOE has made a final NEPA determination.

Notes:

Advanced Materials and Manufacturing Technologies Office
NEPA review completed by Chris Akios, 02/03/2025

FOR CATEGORICAL EXCLUSION DETERMINATIONS

The proposed action (or the part of the proposal defined in the Rationale above) 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 1508.25(a)(1)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.27(b)(7)), 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.

The proposed action is categorically excluded from further NEPA review.

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature:



NEPA Compliance Officer

Date: 3/10/2025

FIELD OFFICE MANAGER DETERMINATION

- ☒ Field Office Manager review not required
☐ Field Office Manager review required

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

Field Office Manager's Signature:

Field Office Manager

Date: