



Department of Energy
Washington, DC 20585

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Ashley McVicar, P.E.
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Subject: U.S. Department of Energy, Office of Energy Dominance Financing
Completion of Environmental Review for a Proposed Federal Loan
Guarantee to Alabama Power Company for #28 Farley Switching Station
in Houston County, Alabama

Dear Ashley McVicar:

The United States Department of Energy (DOE), Office of Energy Dominance Financing (EDF), may provide Federal financial assistance (i.e., a loan or loan guarantee) under Title XVII of the Energy Policy Act of 2005 (“Title XVII”) Public Law 109–58, title XVII (2005), as amended; 42 U.S.C. 16511 et seq. DOE is considering whether to issue Federal financial assistance to Alabama Power Company (APC) pursuant to its authority. In its application for Federal financial assistance, APC has identified the #28 Farley Switching Station (Project) in Houston County, Alabama

The Project includes constructing a new switching station and access road near the existing Joseph M. Farley Nuclear Power Plant located in southeast Alabama. The Farley 500 kilovolt (kV) Switching Station will service the two existing 500kV transmission lines currently coming into the existing Farley Nuclear Plant Transmission Station.

EDF, in consultation with APC, identified that the following environmental reviews and consultations are required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support:

1. Section 7, Endangered Species Act (16 USC 1536)
2. Section 106 of the National Historic Preservation Act (54 USC 306108)
 - a. EO 13175, Consultation and Coordination With Indian Tribal Governments
3. E.O. 11988, Floodplain Management, and 10 CFR 1022, Floodplains
4. Farmland Protection Policy Act (7 USC 4201-4209)

EDF completed the environmental reviews and consultations associated with the Project, as summarized below.

Section 7, Endangered Species Act (16 USC 1536)

DOE generated an Official Species List on February 19, 2026 (USFWS project code: 2026-0052262). Eight threatened, endangered, or proposed for listing species were identified as having potential to occur in the project area. Suitable habitat exists for three aquatic species (gulf moccasinshell, oval pigtoe, and shinyrayed pocketbook). However, the project will not consist of any in-water work or stream crossings. For the other five species, no suitable habitat exists within the project area. As such, DOE reached a “no effect” determination for all species, and no designated critical habitat exists within the project area.

Section 106, National Historic Preservation Act (54 USC 306108) and EO 13175

In accordance with Section 106 of the National Historic Preservation Act (NHPA), on February 19, 2026, DOE EDF initiated consultation with the Alabama State Historic Preservation Office (SHPO) and eight Native American Tribes including: Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Choctaw Nation of Oklahoma; Coushatta Tribe of Louisiana; Miccosukee Tribe of Indians; Mississippi Band of Choctaw Indians; Muscogee (Creek) Nation; and Seminole Tribe of Florida.

DOE’s consultation package indicated a conditional Finding of No Historic Properties Affected, consistent with 36 CFR § 800.4(d)(1). The Applicant must provide the final siting and design of the Project to DOE EDF and the AHC, confirming avoidance of all identified historic properties and potential historic properties to maintain this Finding.

On March 20, 2026, the Alabama SHPO provided a letter of concurrence with DOE’s conditional Finding of No Historic Properties Affected. The Choctaw Nation was the only tribe to respond. The Choctaw confirmed that they do not have historic interest in this project area. No objections were received from these parties within 30 days of receipt of DOE’s Finding; therefore, in accordance with 36 CFR § 800.4(d)(1)(i), DOE EDF’s responsibilities under section 106 are fulfilled.

E.O. 11988, Floodplain Management, and 10 CFR 1022, Floodplains

Wilson Creek enters the northwest corner of the project site under Highway 95 and flows south. A Special Flood Hazard Area (SFHA) exists along Wilson Creek and covers approximately 6 acres within the project boundary. No 500-year floodplains (0.2% annual chance flood hazard) or regulatory floodways were identified in the project boundary (FEMA 2025). Project activities and structures have been designed to avoid the mapped 100-year floodplain and SFHA. The project will have no effect on base flood elevations.

Farmland Protection Policy Act (7 USC 4201-4209)

Approximately 75 acres within the project area are classified as "Prime Farmland." DOE

submitted a Farmland Conversion Impact Rating form (AD-1006) to the Natural Resources Conservation Service (NRCS) on March 3, 2026. On March 11, 2026, NRCS responded with a determination that the Farley Switching Station project is exempt from review under the Farmland Protection Policy Act.

Conclusion

EDF notes that APC is responsible for obtaining permits, approvals, and/or authorizations required for the construction and/or operation of the Project.

With this letter, EDF confirms that it has completed the environmental reviews and consultations required by the applicable and relevant environmental statutes and EOs associated with its proposed Federal financial support.

Respectfully,

Molly R. Cobbs
Environmental Project Manager
Office of Energy Dominance Financing

cc: Denis O'Meara, EDF Utilities Vertical Lead
Todd Stribley, Director, EDF Environmental Programs
Giulio Areinamo-Duque, EDF Portfolio Management Division