



Department of Energy
Washington, DC 20585

April 24, 2026

Scott Osterholt, Managing Director Federal
Grants and Broadband
American Electric Power
1 Riverside Plaza
Columbus, OH 43215
ssosterholt@aep.com

Subject: U.S. Department of Energy, Office of Energy Dominance Financing
Completion of Environmental Review for a Proposed Federal Loan
Guarantee to American Electric Power for the Abilene Northwest to
Mulberry Creek Project in Taylor County, Texas

Dear Scott:

As provided in letter to you dated March 17, 2026, 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 American Electric Power pursuant to its authority. In its application for Federal financial assistance, American Electric Power has identified the Abilene Northwest to Mulberry Creek Project (Project) in Taylor County, Texas.

The Project includes rebuilding approximately 2 miles of existing 138-kV transmission line beginning at the Abilene Northwest substation and extending northwest to Structure Dead End 8. The rebuild would occur within the transmission line’s existing 100-foot right-of-way (ROW) and would involve removing the existing 22 wood H-frame (2 poles with cross bracing) transmission line structures and replacing them with 22 new single steel poles. The transmission line centerline will shift slightly (20-30) feet from the existing line but would still remain within the existing 100-foot ROW. The existing structures are 50 feet tall, and the replacement structures are 80 feet tall. Existing roads and ROW will be used for construction access. The general construction process would entail erosion and sediment control installation, access road work, crane pad grading, foundation installation, structure assembly and erection, conductor/wire installation, and restoration once construction is completed.

EDF conducted the environmental reviews and consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support. The applicable and relevant environmental statutes and EOs

included:

1. Section 7 of the 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

Applicable and Relevant Environmental Review(s)

Section 7, Endangered Species Act

On April 14, 2026, DOE obtained from the U.S. Fish and Wildlife Service an Official Species List (Project Code 2026-0076079), which resulted in the following species identified as occurring or potentially occurring in the Project area: the threatened piping plover and rufa red knot, the endangered sharpnose shiner and smalleye shiner, and the proposed threatened monarch butterfly. No designated critical habitat was identified in the Project area. The Official Species List indicated that the piping plover and rufa red knot are to be considered *only* if the project is a wind energy project, which the Project is not. In addition, the Official Species List also indicated that the sharpnose shiner and smalleye shiner are to be considered *only* for reservoir projects; in-channel projects such as interbasin transfers, water diversions, small impoundments, etc. that may reduce flows of major tributaries eventually flowing into occupied habitat; and commercial/industrial well field projects. Since the Project does not propose any in-water work and is not a well field or reservoir project, DOE does not need to consider sharpnose and smalleye shiners for the Project. As such, DOE has made *no effect* determinations for the piping plover, rufa red knot, sharpnose shiner, and smalleye shiner. DOE confirmed this determination by completing the Texas Statewide Determination key (Texas Dkey) in IPaC, which returned a result of *no effect* for all four species.

DOE understands that as a proposed species under ESA, the monarch butterfly has a different threshold of analysis and the Federal action agency is required to determine if their action would be likely to jeopardize the continued existence of the species. DOE does not believe the Project would be likely to jeopardize the continued existence of the species given the nature of the project (i.e., a transmission line rebuild in an already existing and disturbed ROW). However, if the species were to be formally listed during construction, AEP has agreed to implement the following mitigation measure to avoid impacts to the species: *If the proposed monarch butterfly is formally listed as threatened or endangered during project construction, AEP has agreed to avoid any milkweed plants (if present) between the months of March-May and September to November if the plants have monarch butterfly eggs, caterpillars, or chrysalis.*

Section 106, National Historic Preservation Act

In accordance with the National Historic Preservation Act (NHPA), EDF consulted with the Texas State Historic Preservation Office (SHPO). On April 20, 2026, the Texas SHPO concurred with EDF's finding of No Adverse Effect for this project. DOE identified and contacted five (5) federally recognized Native American Indian Tribes (Tribes) that may have an interest in the Project area (Apache Tribe of Oklahoma; Comanche Nation, Oklahoma; Delaware Nation, Oklahoma; Tonkawa Tribe of Indians of Oklahoma; and Wichita and Affiliated Tribes (Wichita, Keechi, Waco, and Tawakonie), Oklahoma). No comments were

received from these Tribes.

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

Conclusion

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

Respectfully,

Todd Stribley
Director, EDF Environmental Programs
Office of Energy Dominance Financing

cc: Denis O'Meara, EDF Utilities Vertical Lead
Marla Waters, Project Manager, American Electric Power

Attachments: Letter Dated March 17, 2026 from EDF to American Electric Power



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Washington, DC 20585

March 17, 2026

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Dear Scott:

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DOE is considering whether to issue Federal financial assistance to American Electric Power pursuant to its authority. In its application for Federal financial assistance, American Electric Power has identified the Abilene Northwest to Mulberry Creek Project (Project) in Taylor County, Texas. The Project includes rebuilding approximately 2 miles of existing 138-kV transmission line beginning at the Abilene Northwest substation and extending northwest to Structure Dead End 8. The rebuild would occur within the transmission line’s existing 100-foot right-of-way (ROW) and would involve removing the existing 22 wood H-frame (2 poles with cross bracing) transmission line structures and replacing them with 22 new single steel poles. The transmission line centerline will shift slightly (20-30) feet from the existing line but would still remain within the existing 100-foot ROW. The existing structures are 50 feet tall, and the replacement structures are 80 feet tall. Existing roads and ROW will be used for construction access. The general construction process would entail erosion and sediment control installation, access road work, crane pad grading, foundation installation, structure assembly and erection, conductor/wire installation, and restoration once construction is completed.

EDF is initiating its environmental review to assist and inform its decision on whether to provide Federal financial assistance to American Electric Power for the Project. The

environmental review will include reviews of: (1) permitting, authorization, and/or approval status of American Electric Power’s project(s), (2) status and scope of any NEPA reviews being completed by other Federal agencies (as applicable); (3) applicable land use and/or zoning approvals; and (4) nature and extent of any contamination at, in, under or from the Project site and potential liability. In addition, EDF will complete the environmental consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support.

EDF, in consultation with American Electric Power, has identified the following environmental statutes and EOs are associated with the proposed Federal financial support for the Project:

1. Section 7 of the Endangered Species Act (16 USC 1536)
2. Section 106 of the National Historic Preservation Act (54 USC 306108)
 - a. Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

During the due diligence process and in consultation with American Electric Power, EDF may revise the list of applicable and relevant environmental statutes and EOs associated with its proposed Federal financial support.

Respectfully,

David
Johnson

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Johnson
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David Johnson
Environmental Project Manager
Office of Energy Dominance Financing

cc: Denis O’Meara, EDF Utilities Vertical Lead
Todd Stribley, Director, EDF Environmental Programs
Marla Waters, Project Manager, American Electric Power