



# U.S. Department of Energy Categorical Exclusion Determination Form

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Proposed Action Title: Central Arizona Project Rate Increase

Program or Field Office: Western Area Power Administration, Desert Southwest Region

Location(s) (City/County/State): Arizona

Proposed Action Description:

Western Area Power Administration (Western) is proposing an adjustment to the Central Arizona Project transmission rates for firm point-to-point transmission service, non-firm point-to-point transmission service, and Network Integration Transmission Service (NITS) on the CAP 115 kilovolt (kV) and 230-kV transmission lines. Current rates under Rate Schedules CAP-NFT2, CAP-NFT2 and CAP-NITS2 expire December 31, 2015. Western is not proposing any changes to the existing rate-setting formula through December 31, 2020, but is proposing to adjust the existing rates to provide sufficient revenue to cover all annual costs, including interest expenses, and to repay required investment within the allowable period.

Western is also proposing to begin charging for transmission service on the Navajo (500-kV) portion of the CAP under Rate Schedule CAP-NFT3. Western currently markets excess transmission service from the Navajo (500-kV) portion of the CAP on a short-term (less than 12 months) basis at the current CAP 115/230-kV rates under Western's Administrator's authority to set rates for short-term sales.

Proposed rates, under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3, are scheduled to go into effect on January 1, 2016, and remain in effect through December 31, 2020.

SEE CONTINUATION SHEET FOR RATES

Categorical Exclusion(s) Applied:

B1.1 - Changing rates and prices

For the complete DOE National Environmental Policy Act regulations regarding categorical exclusions, including the full text of each categorical exclusion, see Subpart D of [10 CFR Part 1021](#).

Regulatory Requirements in 10 CFR 1021.410(b): (See full text in regulation)

The proposal 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 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 proposal that may affect the significance of the environmental effects of the proposal.

The proposal 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.

Based on my review of the proposed action, as NEPA Compliance Officer (as authorized under DOE Order 451.1B), I have determined that the proposed action fits within the specified class(es) of action, the other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

NEPA Compliance Officer:

*Andra Marant*

Date Determined:

10.15.15

**EXISTING AND PROPOSED RATES FOR FIRM TRANSMISSION SERVICE**

<b>Type of Service</b>	<b>Existing Rates January 1, 2015 through December 31, 2015</b>	<b>Proposed Rates CAP 115/230-kV system (Jan. 1, 2016)</b>
Firm Transmission Service	\$13.56/kW-year	\$14.88/kW-year
Non-firm Transmission Service	1.55 mills/kWh	1.70 mills/kWh

Checklist for Categorical Exclusion Determination, revised Nov. 2011

<b>Application of Categorical Exclusions (1021.410)</b>	<b>Disagree</b>	<b>Agree</b>	<b>Unknown</b>
(b)(1) The proposal fits within a class of actions that is listed in appendix A or B to subpart D.		X	
(b)(2) There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal, including, but not limited to, scientific controversy about the environmental effects of the proposal; uncertain effects or effects involving unique or unknown risks; and unresolved conflicts concerning alternate uses of available resources		X	
(b)(3) The proposal has not been segmented to meet the definition of a categorical exclusion. Segmentation can occur when a proposal is broken down into small parts in order to avoid the appearance of significance of the total action. The scope of a proposal must include the consideration of connected and cumulative actions, that is, the 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 § 1021.211 of this part concerning limitations on actions during EIS preparation.		X	
<b>B. Conditions that are Integral Elements of the Classes of Actions in Appendix B. :</b>	<b>NO</b>	<b>YES</b>	<b>UNKNOWN</b>
(1) Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety and health, or similar requirements of DOE or Executive Orders.	X		
(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;	X		
(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;	X		
(4) Have the potential to cause significant impacts on environmentally sensitive resources. An environmentally sensitive resource is typically a resource that has been identified as needing protection through Executive Order, statute, or regulation by Federal, state, or local government, or a federally recognized Indian tribe. An action may be categorically excluded if, although sensitive resources are present, the action would not have the potential to cause significant impacts on those resources (such as construction of a building with its foundation well above a sole-source aquifer or upland surface soil removal on a site that has wetlands). Environmentally sensitive resources include, but are not limited to:	X		

(i)	Property (such as sites, buildings, structures, and objects) of historic, archaeological, or architectural significance designated by a Federal, state, or local government, or property determined to be eligible for listing on the National Register of Historic Places;	X		
(ii)	Federally-listed threatened or endangered species or their habitat (including critical habitat) or Federally- proposed or candidate species or their habitat (Endangered Species Act); state-listed or state-proposed endangered or threatened species or their habitat; Federally-protected marine mammals and Essential Fish Habitat (Marine Mammal Protection Act; Magnuson-Stevens Fishery Conservation and Management Act); and otherwise Federally-protected species (such as under the Bald and Golden Eagle Protection Act or the Migratory Bird Treaty Act);	X		
(iii)	Floodplains and wetlands (as defined in 10 CFR 1022.4, —Compliance with Floodplain and Wetland Environmental Review Requirements: “Definitions,” or its successor);	X		
(iv)	Areas having a special designation such as Federally- and state-designated wilderness areas, national parks, national monuments, national natural landmarks, wild and scenic rivers, state and Federal wildlife refuges, scenic areas (such as National Scenic and Historic Trails or National Scenic Areas), and marine sanctuaries;	X		
(v)	Prime or unique farmland, or other farmland of statewide or local importance, as defined at 7 CFR 658.2(a), —Farmland Protection Policy Act: Definitions,   or its successor;	X		
(vi)	Special sources of water (such as sole-source aquifers, wellhead protection areas, and other water sources that are vital in a region); and	X		
(vii)	Tundra, coral reefs, or rain forests.; or	X		
(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 of the Department of Agriculture, the Environmental Protection Agency, and the National Institutes of Health.	X		