

**FINDING OF NO SIGNIFICANT IMPACT
FOR
SBE, INC
ELECTRIC DRIVE VEHICLE BATTERY AND COMPONENT
MANUFACTURING INITIATIVE APPLICATION
BARRE, VERMONT**

RESPONSIBLE AGENCY: U.S. Department of Energy (DOE)

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: DOE completed the *Final Environmental Assessment for Electric Drive Vehicle Battery and Component Manufacturing Initiative Application, Barre, Vermont* (DOE/EA-1725). Based on the analyses in the Environmental Assessment (EA), DOE determined that its Proposed Action, awarding a federal grant to SBE Inc. (SBE) to establish an advanced Direct Current Bus capacitor manufacturing facility, would result in no significant adverse impacts. In addition, beneficial local socioeconomic impacts would occur from increased employment opportunities and spending in the affected communities.

BACKGROUND: As part of the *American Recovery and Reinvestment Act of 2009* (Recovery Act; Public Law 111-5, 123 Stat. 115), DOE's National Energy Technology Laboratory, on behalf of the Office of Energy Efficiency and Renewable Energy's Vehicle Technologies Program, is providing up to \$2 billion in federal funding for competitively awarded agreements to facilitate the construction (including increase in production capacity at existing plants) of U.S. manufacturing plants to produce advanced batteries and electric drive components.

The federal action of providing funding for these projects, known as the Electric Drive Vehicle Battery and Component Manufacturing Initiative, requires compliance with the *National Environmental Policy Act of 1969* (NEPA; 42 U.S.C. 4321 et seq.), the Council on Environmental Quality regulations (40 CFR Parts 1500 to 1508) and DOE's NEPA implementing procedures (10 CFR Part 1021). DOE prepared an EA to evaluate the potential environmental consequences of providing a grant for this proposed project under the initiative.

PURPOSE AND NEED: The overall purpose and need for DOE action pursuant to the Vehicle Technologies Program and the funding opportunity under the Recovery Act are to accelerate the development and production of various electric drive vehicle systems by building or increasing domestic manufacturing capacity for advanced automotive batteries, their components, recycling facilities, and electric drive vehicle components in addition to stimulating the U.S. economy. This and the other selected projects are needed to reduce the U.S. petroleum consumption by investing in alternative vehicle technologies. The proposed project will also meaningfully assist with the nation's economic recovery by creating manufacturing jobs in the United States in accordance with the objectives of the Recovery Act.

DESCRIPTION OF THE PROPOSED ACTION: DOE's Proposed Action is to provide a grant to provide partial funding for the manufacture of high power capacitors for electric drive vehicles at a new SBE site in the existing Wilson Industrial Park, which is about one mile from

the existing SBE facility. The project would include installing and operating new equipment in a newly constructed 52,800 square foot direct current (DC) bus capacitor facility at a new SBE facility in Wilson Industrial Park in Barre, Vermont (VT). SBE would conduct the following activities to manufacture and assemble high power capacitors for electric drive vehicles: development new equipment, performance testing, and actual production as part of SBE's existing DC bus capacitor line. DOE would provide \$9,090,000 in financial assistance in a cost-sharing arrangement in order to facilitate the construction and operation of an advanced high power capacitors manufacturing facility. The total cost of the project is estimated at \$18,186,387.

ALTERNATIVES CONSIDERED: In addition to the Proposed Action, DOE considered the No-Action Alternative as required under NEPA. Under the No-Action Alternative, DOE would not provide funds for the SBE Proposed Project. For the purposes of the EA, DOE assumed that the project would not proceed without DOE funding. This assumption establishes a baseline against which the potential environmental impacts of the proposed project are compared.

ENVIRONMENTAL CONSEQUENCES: DOE evaluated the potential environmental consequences of the proposed project and the No-Action Alternative, including the activities necessary to implement the proposed project that would be funded by SBE rather than the Recovery Act.

DOE considered thirteen environmental resource areas in the preparation of the EA. However, not all areas were evaluated at the same level of detail. DOE focused more detailed analysis on areas that would require new or revised permits, have the potential for significant adverse environmental impacts, or have the potential for controversy. The areas DOE evaluated in more detail included air quality; water resources; infrastructure/utilities; noise; waste management; and human health and safety. For these areas, DOE determined there would be minimal potential adverse environmental impacts. Air and water emissions would likely require modifications to existing permits or new permits, but the changes would be minor and not trigger major delays or controversy.

DOE also evaluated socioeconomics to determine the potential positive benefits of the proposed project on the affected communities. The proposed project is anticipated to result in small increases in local employment opportunities and local spending, potentially providing a minor beneficial impact to the local community.

The other environmental areas DOE evaluated for potential impacts were geology and soils; terrestrial vegetation; wildlife; threatened and endangered species; land use; and sustainability. DOE determined that there would be no potential for adverse impacts for these resource areas, or that the impacts would be minimal and temporary, or both. The EA provides more detail on the reasons DOE did not conduct more detailed evaluations.

Under the No-Action Alternative, the project would either be delayed, as SBE sought other funding sources, or abandoned altogether. The potential environmental consequences, if the project was delayed, could be different if the project was modified. If abandoned, the potential environmental consequences would not occur. Furthermore, the potential beneficial impacts would change or not occur.

PUBLIC AVAILABILITY: DOE issued the Draft EA on February 21, 2010, and advertised its release in the Barre's *Time Argus* on February 21, 22, and 23. In addition, the Department sent copies for public review to Aldrich Public Library in Barre. The Department established a 30-day public comment period that began February 21, 2010 and ended March 23, 2010. The Department announced it would accept comments by mail, e-mail, and facsimile.

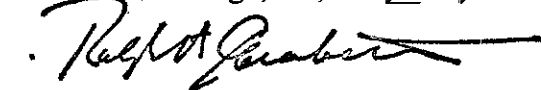
The Draft EA was distributed to various state agencies. DOE conducted formal consultations by mail with the responsible U.S. Fish and Wildlife Service field office, State Historic Preservation Office, and Tribal contacts in Vermont. In each case, DOE received correspondence supporting a determination of no potential impacts to threatened or endangered species, and no potential impacts to properties listed on or eligible for inclusion to the *National Register of Historic Places*.

Copies of the Final EA and this FONSI are available at DOE's National Energy Technology Laboratory web site at <http://www.netl.doe.gov/publications/others/nepa/ea.html> or by sending a request to:

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DETERMINATION: On the basis of the evaluations in the Final EA, DOE determined that its Proposed Action, to provide a \$9.09 million federal grant for SBE's proposed project, to establish a state-of-the-art DC Bus Capacitor facility that is capable of meeting a 100,000 EDV production capacity level in a new facility in Barre, Vermont would have no significant impact on the human environment. All potential environmental impacts identified and analyzed in the EA would be less than significant. Therefore, preparation of an environmental impact statement is not required, and DOE is issuing this Finding of No Significant Impact.

Issued in Pittsburgh, PA, this 30th day of March 2010.



 Anthony V. Cugini
Acting Director
National Energy Technology Laboratory