

FINDING OF NO SIGNIFICANT IMPACT
FOR THE
SLEEPING GIANT HYDROPOWER PROJECT
LEWIS AND CLARK COUNTY, MONTANA
DOE/EA – 2022

AGENCY: U.S. Department of Energy, Western Area Power Administration

ACTION: Adoption and Approval of Environmental Assessment and Issuance of Finding of No Significant Impact

SUMMARY: The Helena Valley Irrigation District (District) has requested approval from the Bureau of Reclamation (Reclamation) to develop the 9.4 megawatt (MW) Sleeping Giant Hydroelectric Project (Project) at the existing Helena Valley Pumping Plant site (Pumping Plant) at Canyon Ferry Dam on the Missouri River near Helena, Montana. The District has submitted an interconnection request to Western Area Power Administration (Western) to connect the Project to Western's existing Canyon Ferry to Spokane Bench 100-kV transmission line originating at Canyon Ferry Dam.

Western's Upper Great Plains Region is a member of the Southwest Power Pool (SPP) and is subject to the SPP Open Access Transmission Tariff (SPP Tariff), which is filed with the Federal Energy Regulatory Commission (FERC). The SPP Tariff provides for new interconnections to Western's transmission system by all eligible entities, consistent with and subject to environmental review under the National Environmental Policy Act (NEPA) and other environmental regulations. Under its Tariff, Western must offer access to capacity on its transmission system when capacity is available, on a non-discriminatory basis. Western also needs to ensure that by offering such capacity, existing transmission system reliability and service are not degraded by new interconnections.

In accordance with applicable regulations, Reclamation, with Western participating as a cooperating agency, prepared an environmental assessment (EA), entitled *Final Environmental Assessment Sleeping Giant Hydropower Project*, to determine if the proposed Project or connected actions would have a significant environmental impact. Western has determined that the EA meets Department of Energy (DOE) NEPA review standards and has adopted the EA (DOE/EA-2022) to complete NEPA analysis of its Proposed Action. Western's purpose and need is to consider the interconnection request in accordance with its Tariff. Western's proposed Federal action is 1) to execute an interconnection agreement to connect the proposed Project to Western's Canyon Ferry to Spokane Bench 100-kV transmission line; and 2) to construct and operate a new interconnection tap to which the Project would connect.

Western's Federal action does not include the District's proposed Project, which would be constructed, owned, operated, and maintained by the District and is subject to a Lease of Power Privilege (LOPP) between the District and Reclamation as well as Montana's statewide water appropriator approval. However, the EA analyzed and disclosed the potential environmental impacts of the District's proposed Project including the potential location for the Project substation, access roads, and underground and overhead distribution lines. The EA identified no significant impacts to environmental resources resulting from either Western's Federal action or the District's proposed Project.

Based on the information contained in the EA, Western's Federal action would not result in significant environmental impacts. Western has determined that its action does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA. Preparation of an environmental impact statement is not required, and Western is issuing this finding of no significant impact (FONSI). The final EA is adopted and approved concurrently with this FONSI.

FOR FURTHER INFORMATION, CONTACT: Additional information and copies of the EA and this FONSI are available to all interested parties and the public from the following contact:

Micah Reuber, Upper Great Plains NEPA Coordinator
Western Area Power Administration
Upper Great Plains Customer Service Office
PO Box 35800
Billings, MT 59107-5800
reuber@wapa.gov
Phone: (406) 255-2811 or (800) 358-3415

A copy of the EA and FONSI are also available at the following website:
<http://www.wapa.gov/ugp/Environment/default.htm>.

For further information on the DOE NEPA process, contact:

Ms. Carol M. Borgstrom
Director, Office of NEPA Policy and Compliance, GC-54
U.S. Department of Energy
1000 Independence Avenue, SW. Washington, DC 20585
Phone: (202) 586-4600 or (800) 472-2756

SUPPLEMENTARY INFORMATION: This FONSI was prepared in accordance with Council on Environmental Quality Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act, 40 CFR § 1508.13, and the DOE NEPA Implementing Procedures, 10 CFR § 1021.322. The FONSI briefly presents the reasons why Western's proposal to execute an interconnection agreement for the Sleeping Giant Hydropower Project will not have a significant impact on the human environment within the meaning of NEPA. Execution of the interconnection agreement would allow the District to interconnect its proposed Project to Western's transmission system. Western's EA evaluated the environmental effects of Western's proposed Federal action and also included an analysis and disclosure of the potential environmental impacts of the District's proposed Project.

PROPOSED PROJECT DESCRIPTION: The District proposes to construct and operate a 9.4-MW hydropower facility at the site of the Helena Valley Pumping Plant adjacent to Canyon Ferry Dam in Lewis and Clark County, Montana. A LOPP would be executed between Reclamation and the District to allow the District to use the federally-owned Pumping Plant for hydropower generation. The generator would connect to Western's Canyon Ferry to Spokane Bench 100-kv transmission line originating at Canyon Ferry Dam.

The proposed Project would enclose two 4.7-MW variable speed generators directly coupled to the existing turbine runner within the existing steel frame of the Pumping Plant. Proposed operation of the generators would use river flows that otherwise would have been released through the river outlet or spillway gates on Canyon Ferry Dam and would not alter timing or quantity of releases from the dam. Two 5MVA pad-mounted transformers filled with biodegradable vegetable oil in lieu of mineral oil

would be installed outside the Pumping Plant to step the produced voltage up to 12.5-kV. A power line to carry the produced electricity would run underground 850 feet to the northwest adjacent to the service road, and then daylight to cross the river in a 570 foot span between two 70 to 75 foot tall steel poles. On the east side of the river, a Project substation approximately 0.34 acres in size would step the voltage up to 100-kV for injection into Western's transmission system. The stepped-up voltage would be transmitted from the substation to an interconnection on Western's Canyon Ferry to Spokane Bench transmission line by 400 feet of overhead line. A full and complete Project description is included in the EA.

ALTERNATIVES: DOE's NEPA regulations require that an EA include the Proposed Action and the No Action Alternative (10 CFR § 1021.321(c)). Under the No Action Alternative, Western would not execute an interconnection agreement or construct a new interconnection tap. Although a decision not to execute an interconnection agreement would not necessarily stop construction of the District's proposed Project, Western's No Action Alternative assumes that the District's proposed Project would not be constructed.

PUBLIC INVOLVEMENT: The EA contains specific information on notifications to tribes, landowners, members of the public, and various local, state, and Federal agencies. A public scoping meeting was held in Helena, Montana, on October 22, 2015, to discuss the proposed Project, help determine important issues, and obtain local information relevant to the proposed Project. Summaries of the meetings and copies of correspondence received are included as appendices to the EA. All correspondence is available for review at Western's Upper Great Plains Regional Office.

COMMENTS RECEIVED ON THE PRE-APPROVAL EA: The Draft Final EA was distributed to interested agencies, tribes, groups, and individuals on October 13, 2015. The public comment period ended on November 13, 2015. Six response letters were received from: U.S. Army Corps of Engineers; Montana Department of Natural Resources and Conservation, Water Resources Division; Montana Department of Environmental Quality, Energy Bureau; Montana Fish, Wildlife, and Parks; and two private citizens. The letters included numerous comments regarding the Project's potential impacts on the Missouri River, the local fishery, and a local access road. Comments and responses are included in the EA in Chapter 4. The Project has been designed to avoid impacts to the Missouri River, the local fishery, and the local access road as noted in the EA.

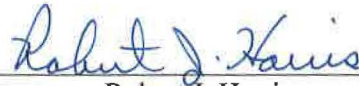
ENVIRONMENTAL IMPACTS OF WESTERN'S ACTION: The execution of an interconnection agreement with the District to connect the proposed Project to Western's Canyon Ferry to Spokane Bench transmission line and construction of a new interconnection tap will have no significant impacts to environmental resources.

ENVIRONMENTAL IMPACTS OF THE DISTRICT'S PROPOSED PROJECT: The EA evaluated the potential for the District's proposed Project to impact environmental resources found in the Project area. The District has incorporated Western's standard construction practices and best management practices into the description of its proposed Project. The analysis of environmental impacts identified no potential impacts that would be considered significant and no mitigation measures that should be implemented in addition to those already embedded within the proposed Project description. The principal reasons for the lack of significant environmental impact include the avoidance of sensitive resources during siting of the hydropower facility, the minor amount of disturbance at structure locations, and the District's efforts to work cooperatively with the affected public.

DETERMINATION: Based on the information contained in the EA, Western's Federal action would not result in significant environmental impacts. Western has determined that its action to execute an interconnection agreement to connect the proposed Project to Western's Canyon Ferry to Spokane Bench transmission line and to construct and operate a new interconnection tap does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA.

Therefore, considering the Project's avoidance and minimization measures and best management practices that are to be implemented over the course of the proposed Project, as described in the EA, preparation of an environmental impact statement is not required and Western is issuing this FONSI.

Issued at Billings, Montana on January 11, 2016

A handwritten signature in blue ink that reads "Robert J. Harris". The signature is written in a cursive style and is positioned above a horizontal line.

Robert J. Harris
Senior Vice President & UGP
Regional Manager