



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Energy Answers Arcibo, LLC: Notice of Availability of a Final Environmental Impact Statement

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Availability of a Final Environmental Impact Statement.

SUMMARY: The Rural Utilities Service (RUS), an agency within the Department of Agriculture (USDA), has prepared a Final Environmental Impact Statement (FEIS) to meet its responsibilities under the National Environmental Policy Act (NEPA), RUS's implementing regulations, 7 CFR part 1970, and other applicable environmental requirements related to providing financial assistance for Energy Answers Arcibo, LLC's (Energy Answers) proposed (Project) in Arcibo, Puerto Rico. RUS will also use the FEIS to meet its responsibilities under Section 106 of the National Historic Preservation Act, 54 U.S.C. 300101, and its implementing regulations, "Protection of Historic Properties" (36 CFR part 800). The FEIS addresses the construction, operation, and maintenance of Energy Answers' proposed Project, a waste-to-energy generation and resource recovery facility described previously in the Draft Environmental Impact Statement (DEIS). It also addresses the roughly 3,820 comments received during the

comment periods for the DEIS. The overall project area encompasses parts of the Cambalache Ward in Arecibo, Puerto Rico.

DATES: Written comments on the FEIS will be accepted 30 days following the publication of the Environmental Protection Agency's environmental impact statement receipt notice in the Federal Register. Notices of Availability of the FEIS will be published in the local newspapers. After a 30-day public review period on the FEIS, RUS will consider comments and prepare a Record of Decision for its respective action. The environmental review process is expected to conclude in the late winter or spring of 2017.

FOR FURTHER INFORMATION CONTACT: To receive copies of the FEIS or request information on the proposed Project, the FEIS process, and RUS financing, contact Mr. Steven Polacek, Environmental Protection Specialist, Rural Utilities Service, Water and Environmental Programs, 1400 Independence Ave. SW, Mail Stop 1571, Washington, DC 20250, telephone: (202) 205-9805, fax: (202) 690-0649, or email: Steve.Polacek@wdc.usda.gov. Copies of the FEIS will be available for review in the Arecibo Public Library (Nicolas Nabal Barreto), located at: 210 Santiago Iglesias Pantin Ave., Arecibo, Puerto Rico 00612.

SUPPLEMENTARY INFORMATION: Energy Answers plans to request financial assistance for the proposed Project from RUS. Completing the Environmental Impact Statement (EIS) is a precursor requirement to processing a loan application from Energy Answers. Upon completion of the EIS process, RUS would review Energy Answers' application along with other technical and financial considerations. Energy Answers proposes to construct a waste to energy generation and resource recovery facility in the

Cambalache Ward of Arecibo, Puerto Rico. The proposed facility would receive and process approximately 2,300 tons of municipal waste per day and generate a gross capacity of 77 megawatts (MW). The Puerto Rico Electric Power Authority will purchase power generated from the facility. The preferred location of the facility is the site of a former paper mill and would cover approximately 79.6 acres of the 90-acre parcel. The proposal would include the following facility components: a municipal solid waste receiving and processing building; processed refuse fuel storage building; boiler and steam turbine; emission control system; ash processing and storage building; and other associated infrastructure and buildings. Two other connected actions, which would be constructed by other utilities, include installation of an approximately 2.0-mile raw water line and construction of a 115 kilovolt (kV) transmission line approximately 0.8 miles in length. The connected actions will be addressed in the proposed Project's EIS.

In accordance with 7 CFR 1970.15(c)(2) and 40 CFR 1502.18, RUS incorporates as an appendix received on the environmental impact analyses and associated documentation prepared by the Puerto Rico Industrial Development Company (PRIDCO) and the United States Environmental Protection Agency (USEPA) where appropriate. PRIDCO served as a lead agency in preparing an EIS under the Puerto Rico Environmental Public Policy Act, Article 4(B)(3), Law No. 416 (September 22, 2004). The USEPA completed air quality analyses and issued a Prevention of Significant Deterioration (PSD) permit for the proposed Project on June 11, 2013. As applicable, the EIS documents changes in the affected environment and environmental consequences that may have changed since issuance of the PRIDCO-EIS and USEPA PSD permit.

Under NEPA regulations, RUS is required to identify and evaluate reasonable alternatives to the Project, as well as a no-action alternative. Reasonable alternatives are those that are “practical or feasible from the technical and economic standpoint.” In determining reasonable alternatives, RUS considered a number of factors including the proposed action’s size and scope, state of the technology, economic considerations, legal considerations, socioeconomic concerns, availability of resources, and the timeframe in which the identified need must be fulfilled. Alternative site locations, thermal conversion technologies, cooling process water sources, alternative fuels and renewable energy technologies were also considered.

RUS reviewed multiple needs including (1) providing a dispatchable electrical generation resource that adds to Puerto Rico Electric Power Authority’s (PREPA) reserve capacity levels, (2) helping PREPA meet the Renewable Energy Portfolio Standard enacted by Puerto Rico and use cleaner and more environmentally friendly energy resources, and (3) decreasing Puerto Rico’s dependence on imported fossil fuels and contributing to the fuel diversification of the generation both owned and purchased by PREPA.

Of the alternatives considered by RUS, the Arecibo Waste-to-Energy and Resource Recovery Project best minimizes or mitigates the potential impacts on the environment while meeting the proposed purpose and need for the project.

RUS is authorized to make loans and loan guarantees that finance the construction of water lines, electrical transmission lines, Waste-to-Energy and Resource Recovery facilities. RUS is responsible for completing the environmental review process prior to processing Energy Answers’ application.

Completion of the environmental review process allows the project proponents to submit an application for financing to RUS. It does not represent a commitment to fund the project or a determination that the applicant has met the agency's underwriting criteria. All loan applicants are required to demonstrate eligibility, financial feasibility and provide reasonably adequate security for any financing made available from RUS. The proposed Project is subject to the jurisdiction of, and contingent upon, compliance with all relevant presidential executive orders and federal, state, and local environmental laws and regulations in addition to the completion of the environmental review requirements as prescribed in RUS's Environmental Policies and Procedures, 7 CFR part 1970.

RUS has prepared the FEIS to analyze the impacts of its respective Federal actions and the proposed Project in accordance with NEPA, as amended, the Council in Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA (40 CFR parts 1500-1508), and Rural Development's Environmental Policies and Procedures (7 CFR part 1970). RUS has already prepared and published a DEIS which can be found on the Agency website at <http://www.rd.usda.gov/publications/environmental-studies/impact-statements/arecibo-waste-energy-generation-and-resource>.

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RUS has determined that its action regarding the proposed Project would be an undertaking subject to review under Section 106 of the National Historic Preservation Act, 16 U.S.C. 470 and its implementing regulations, ‘‘Protection of Historic Properties’’ (36 CFR Part 800). As part of its broad environmental review process, RUS must take into account the effect of the proposed Project on historic properties in accordance with Section 106. Pursuant to 36 CFR 800.2(d)(3), RUS is using its procedures for public involvement under NEPA to meet its responsibilities to solicit and consider the views of the public during Section 106 review. Accordingly, comments submitted in response to this Notice will inform RUS decision-making in its Section 106 review process.

The Final EIS is available in both Spanish and English for review at the following website: <http://www.rd.usda.gov/publications/environmental-studies/impact-statements/arecibo-waste-energy-generation-and-resource>. The Final EIS will be available for review 30 days after the USEPA’s EIS receipt notice in the Federal Register. Following this review period, RUS will publish a Record of Decision (ROD). Notices announcing the availability of the ROD will be published in the Federal Register and in local newspapers.

This Notice of Availability also serves as a notice of proposed floodplain and wetland action. It is anticipated that Energy Answers would need to fill 2.4 acres

(9,793.4 square meters) of on-site wetlands for proposed Project. Energy Answers will be required to implement mitigation for the wetland conversion, as contained in their Section 404 permit. Additionally, excavation required for the proposed Project is expected to result in a small increase in base flood elevations along predominately undeveloped properties located east and west, as well as immediately upstream, of the Project site.

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Rural Utilities Service

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