



## **TENNESSEE VALLEY AUTHORITY**

### **Notice of Adoption of Categorical Exclusions Under Section 109 of the National Environmental Policy Act**

**AGENCY:** Tennessee Valley Authority.

**ACTION:** Notice.

**SUMMARY:** The Tennessee Valley Authority (TVA) is adopting three categorical exclusions (CEs) from the U.S. Department of Energy (DOE), pursuant to section 109 of the National Environmental Policy Act for future application to TVA decisions concerning activities that are similar in nature to the activities for which the CEs were established. This notice describes the categories and consultation between the agencies.

**DATES:** TVA adopted the three CEs on October 20, 2025.

**FOR FURTHER INFORMATION CONTACT:** Matthew Higdon, NEPA Compliance Specialist, 400 West Summit Hill Drive #11B, Knoxville, Tennessee 37902; by phone at 865-632-8051; or via email to [mshigdon@tva.gov](mailto:mshigdon@tva.gov).

#### **SUPPLEMENTARY INFORMATION:**

##### **I. National Environmental Policy Act and Categorical Exclusions**

Section 109 of the National Environmental Policy Act (NEPA) (42 U.S.C. 4321–4347), enacted as part of the Fiscal Responsibility Act of 2023, allows a Federal agency to “adopt a categorical exclusion listed in another agency’s NEPA procedures for a category of proposed agency actions for which the categorical exclusion was established.” 42 U.S.C. 4336c. To adopt another agency's CE under section 109, the adopting agency: (1) identifies the relevant CE listed in another agency's (“establishing agency”) NEPA procedures “that covers a category of proposed actions or related actions”; (2) consults with the establishing agency “to ensure that the proposed adoption of the categorical exclusion for a category of actions is appropriate”; (3) “identifies to the

public the categorical exclusion that the [adopting] agency plans to use for its proposed actions”; and (4) “documents adoption of the categorical exclusion.” 42 U.S.C. 4336c.

This notice documents that TVA has complied with the requirements under section 109 of NEPA and is adopting the DOE’s CEs B4.14, B5.5, and B6.9 listed in appendix B of DOE’s NEPA implementing procedures, issued June 30, 2025, and in appendix B of 10 CFR 1021. TVA’s NEPA procedures at 18 CFR 1318 address how TVA determines when it is appropriate to apply a CE for proposed actions. TVA maintains a list of 50 categorical exclusions available at 18 CFR 1318.200; with these adoptions, TVA now may apply 53 CEs, as appropriate.

## **II. Identification of the Categorical Exclusions**

TVA is adopting three CEs listed in appendix B of DOE’s NEPA implementing procedures and in appendix B to 10 CFR part 1021, as follows:

*B4.14 Construction and operation of electrochemical-battery or flywheel energy storage systems.* Construction, operation, upgrade, or decommissioning of an electrochemical-battery or flywheel energy storage system within a previously disturbed or developed area or within a small (as discussed at section 5.4(b)(2)) area contiguous to a previously disturbed or developed area. Covered actions would be in accordance with applicable requirements (such as land use and zoning requirements) in the proposed project area and the integral elements listed at the start of this appendix and would incorporate appropriate safety standards (including the current National Fire Protection Association 855, Standard for the Installation of Stationary Energy Storage Systems), design and construction standards, control technologies, and best management practices.

*B5.5 Short pipeline segments.* Construction and subsequent operation of short (generally less than 20 miles in length) pipeline segments conveying materials (such as air, brine, carbon dioxide, geothermal system fluids, hydrogen gas, natural gas, nitrogen gas, oil, produced water, steam, and water) between existing source facilities and existing

receiving facilities (such as facilities for use, reuse, transportation, storage, and refining), provided that the pipeline segments are within previously disturbed or developed rights-of-way.

*B6.9 Measures to reduce migration of contaminated groundwater.* Small-scale temporary measures to reduce migration of contaminated groundwater, including the siting, construction, operation, and decommissioning of necessary facilities. These measures include, but are not limited to, pumping, treating, storing, and reinjecting water, by mobile units or facilities that are built and then removed at the end of the action.

Each of these DOE CEs also includes conditions referred to as integral elements, also listed in appendix B of DOE's NEPA implementing procedures and in appendix B to 10 CFR part 1021. DOE defines the terms "previously disturbed or developed," "small," and "small-scale" in Section 5.4(b) of DOE's NEPA implementing procedures and in 10 CFR 1021.102(g). TVA will review and apply these integral elements and definitions when using any of the three adopted CEs.

TVA has experience with projects involving each of these categories of actions. Regarding CE B4.14, TVA has recently completed construction of a battery energy storage system (BESS) at a facility near Vonore, Tennessee. Several other TVA projects involve the construction and operation of BESS facilities. Among the reviews cited by DOE to substantiate this CE were several TVA environmental assessments for BESS facilities. Because TVA has identified such systems as an important technology to support its power generation portfolio, the adopted CE will assist TVA in streamlining the environmental review process for these types of facilities, when appropriate.

Regarding CE B5.5, TVA has extensive experience with projects involving the construction and operation of pipelines that convey a variety of materials to support its operations. Based on TVA's experience, proposals for short pipeline segments are

unlikely to result in significant environmental effects. The adopted CE will streamline TVA reviews of these types of projects.

TVA also has extensive experience in implementing measures to address the migration of contaminated groundwater in a variety of settings. Consistent with the definition of the DOE CE B6.9, some measures conducted by TVA to address groundwater issues are small-scale and temporary in nature and do not result in significant effects. TVA's adoption of the CE will streamline TVA environmental reviews when such measures are proposed.

### **III. Additional Considerations**

TVA NEPA regulations state that “an action that would normally qualify as a categorical exclusion must not be so classified if an extraordinary circumstance is present and cannot be mitigated, including through the application of other environmental regulatory processes.” 18 CFR 1318.201. TVA NEPA regulations list resource conditions that are considered in determining whether extraordinary circumstances related to a proposed action warrant further analysis and documentation in an EA or an EIS. 18 CFR 1318.201(a).

For the CEs adopted, as previously noted, TVA will also review the DOE's integral elements (appendix B to DOE's NEPA implementing procedures and appendix B to 10 CFR part 1021) and DOE's definitions of “previously disturbed or developed,” “small,” and “small-scale” (Section 5.4(b) of DOE's NEPA implementing procedures and 10 CFR 1021.102(g)) to ensure it is appropriate to use the CE. When applying these adopted CEs, TVA will document its review for extraordinary circumstances and integral elements in the form of a CE checklist.

### **IV. Consultations on CE Adoptions**

In August 2025, TVA consulted with DOE to discuss the adoption of CEs B4.14 and B5.5. TVA consulted with DOE about CE B6.9 in October 2025. The consultations

included discussion of DOE's experience developing and applying the CEs and of the types of actions for which TVA plans to use the CEs. Through consultation, TVA affirmed that its intended uses of the CEs are consistent with how DOE has applied these CEs. In each case, these types of TVA actions are very similar to DOE actions, and therefore the environmental effects of the TVA actions will be very similar to the impacts of DOE actions, which are not significant, absent the existence of extraordinary circumstances that could involve potentially significant effects.

## **V. Notice of Adoption**

Through consultation, TVA therefore has determined that its proposed uses of the three CEs would be appropriate. This notice serves to document TVA's adoption of DOE's CE B4.14, B5.5, and B6.9, consistent with section 109 of NEPA.

Authority: 42 U.S.C. 4335(c).

**Michael McCall,**

*Vice President, Environment and Sustainability.*

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