



**Department Of Energy Webinar
Loan Guarantees and
National Environmental Policy Act
Compliance
September 23, 2009**



Agenda

Introduction
NEPA Compliance
Q&A



What is NEPA?

National Environmental Policy Act of 1969

- Viewed as the cornerstone of environmental statutes in the U.S.
- NEPA requires that federal agencies consider the environmental consequences of a decision to undertake a proposed major action.
- NEPA is implemented through regulations
 - CEQ, 40 CFR 1500-1508
 - DOE, 10 CFR 1021



How does NEPA apply to the Loan Guarantee Program?

- Loan Guarantees are major federal actions.
- DOE must consider environmental impacts of proposed loan guarantee projects.
- NEPA integrated into loan guarantee process.
 - Environmental information is included in the applicant's Environmental Report with their application



What are the levels of review for NEPA?

- Environmental Impact Statement (EIS) – for projects with the potential for significant effects on the quality of the human environment.
 - Determination of significance – context and intensity.
 - Resource impacts, e.g., wetlands, species, cultural.
 - Environmental controversy.
- Environmental Assessment (EA) – assess the potential impacts to biological, physical, and sociocultural resources.
 - Finding of no significant impact or EIS determination.
- Categorical Exclusion (CX) – e.g., reequipping and retooling within existing facilities, expansion within preexisting facilities, or minor modifications or energy efficiency upgrades to existing buildings.



What consultations are required?

Concurrent consultation, as appropriate, including:

- American Indian Tribes (Executive Order 13175).
- State Historic Preservation Officer (National Historic Preservation Act).
- U.S. Fish and Wildlife Service (Endangered Species Act).



What is required in the Applicant's Environmental Report?

- Part I applications should include a description of the proposed action, site information, and enough detail to clarify the scope and nature of the project.
- Part II applications should provide detailed information on potential environmental impacts per Attachment B of the Solicitation.
 - Facility location and description
 - Selecting a NEPA contractor
 - Status of permitting



When does DOE start the formal NEPA process?

- DOE begins the formal NEPA process when:
 - The application is deemed substantially complete.
 - The applicant's financial and technical abilities have been established.
 - An invitation for further negotiation has been extended to the applicant.
 - DOE has begun due diligence review.
- At this point Loan Guarantee Program Office determines the level of NEPA review required.



Key points for Applicants

- Project planning should consider environmental impact and related requirements.
- Mitigation, if necessary, should be integrated into the proposed action.
- Applicants should consider past NEPA documents and environmental permits in developing their ERs.
- Early communication with States, Tribes, Fish and Wildlife Service, State Historic Preservation Officer, etc., is advisable.



For More Information Go To:

www.lgprogram.energy.gov

www.nepa.gov

www.gc.energy.gov/NEPA/

DOELoanQuestions@usaea-connect.com

DOEHelpDesk@usaea-connect.com



Question and Answer Period