

**FINDING OF NO SIGNIFICANT IMPACT
FOR THE
VIRGINIA STATE ENERGY PROGRAM'S CEPHAS C&D WASTES BIOMASS
PROJECT,
RICHMOND, VIRGINIA**

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

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: DOE completed the *Final Environmental Assessment for Virginia State Energy Program's Cephas C&D Wastes Biomass Project, Richmond, VA* (DOE/EA-1767). Based on the analyses in the Environmental Assessment (EA), DOE determined that its proposed action, allowing Virginia to use some of its State Energy Program (SEP) funds, as a grant, to assist in the funding of the Cephas biomass project, would result in no significant adverse impacts. DOE further determined that there could be beneficial impacts as the proposed facility would manufacture biomass to provide local industries with an alternative energy source that, when consumed, would result in less environmental impact by releasing lower concentrations of greenhouse gasses. Furthermore, recycled construction and demolition (C&D) debris would be sold as a commodity to recycling facilities thereby strengthening the market for recycled materials. In addition, beneficial local socioeconomic impacts would occur from increased employment opportunities and spending in the affected communities.

BACKGROUND: Under the American Recovery and Reinvestment Act (Recovery Act) of 2009 (Public Law 111-5, 123 Stat. 115), DOE's National Energy Technology Laboratory (NETL), on behalf of the Office of Energy Efficiency and Renewable Energy, is providing federal funding to states for the development of projects that further the objectives of the SEP. In Virginia, the state agency that selects projects for funding is the Department of Mines, Minerals, and Energy (DMME). DOE must comply with the National Environmental Policy Act of 1969 (NEPA; 42 U.S.C. §§4321 et seq.), Council on Environmental Quality regulations (40 CFR Parts 1500 to 1508), and DOE NEPA implementing procedures (10 CFR Part 1021) in deciding whether to allow states to use SEP funds for selected projects. DOE prepared an EA to evaluate the potential environmental consequences of allowing DMME to provide a grant to this project.

PURPOSE AND NEED: The purpose and need for DOE action is to ensure that SEP funds are used for activities that meet the statutory aims of Congress to improve energy efficiency, reduce dependence on imported oil, decrease energy consumption, and promote renewable energy. However, DOE's role is not to dictate how Virginia should allocate its funds among these objectives or to select the projects the state pursues. The proposed project will 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 allow Virginia to use some of its SEP funds, as a grant, to assist in the funding of the Cephas biomass project. The Cephas Open Loop Biomass Manufacturing Facility is a shovel-ready biomass

project that would support the C&D and recycling industries in metropolitan Richmond. The proposed facility would be located on approximately 5.2 acres within the Broad Rock Industrial Park, which is located within the Richmond City limits south of the James River. Development of the facility would include constructing an approximately 33,000 square foot metal building from recycled materials that would house the operational equipment. The facility would have the capacity to accept and process 250-500 tons of C&D debris on a weekly basis, of which approximately 35% is expected to be converted to biomass. DOE would allow Virginia to provide \$500,000 in financial assistance in the form of a grant to Cephass Industries. The cost of the project is estimated at \$1.26 million.

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 proposed project. For the purposes of the EA, DOE assumed that the project would not proceed without SEP 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 Cephass Industries rather than the Recovery Act.

DOE considered seventeen 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; and noise. For these areas, DOE determined there would be minimal potential adverse environmental impacts, generally during the construction phase.

The other environmental areas DOE evaluated for potential impacts were: geology; topography and soils; vegetation and wildlife; visual resources; archeological and historic resources; land use, planning policies and controls; demographics and environmental justice; roadways and traffic; potable water; storm water management; sanitary sewer; energy systems; solid waste; and hazardous waste. DOE determined that there would be no potential for adverse impacts for these resource areas, or that the impacts would be minimal, temporary, or both.

Under the No-Action Alternative, the project would either be delayed, as Cephass 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 July 20, 2010, and advertised its release in the *Times Dispatch* on July 20, 23, and 26. In addition, DOE sent copies for public review to the City of Richmond Main Public Library and Broad Rock Branch Library in Richmond, Virginia. DOE established a 15-day public comment period that began July 20, 2010 and was scheduled to end August 3, 2010. A comment was received from Virginia Department

Department of Environmental Quality (VDEQ) requesting a 15-day extension to the public comment period. This request was granted and the public comment period ended August 18, 2010. DOE announced it would accept comments by mail, e-mail, and facsimile.

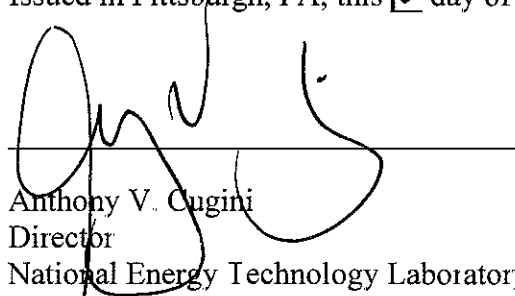
Two additional comments were received during the extended public comment period. One commenter drew attention to the presence of three C&D waste recycling facilities in the Richmond Metropolitan area as a matter of offering clarification to Section 1.2 of the EA. While this statement is true, the stated use of the Cephas facility is not formally a C&D waste recycling facility; rather, the Cephas facility will support the C&D industry by converting woody debris to biomass, which will be unique to the Richmond area. The VDEQ provided another comment letter which indicates the Commonwealth has no objection to the proposed action provided that all applicable state and federal law and regulations are followed. The VDEQ response does highlight comments from Department of Conservation and Recreation (DCR) and the City of Richmond concerning the potential presence of a resource protection area (RPA) around the stream that transects the eastern area of the site. Accordingly, a perennial stream assessment (PSA) was completed for the site and submitted to DCR on August 20, 2010. The PSA is currently being jointly reviewed by DCR and the City of Richmond. Proponents of the project must comply with all applicable local, state, and/or federal regulations prior to project implementation.

The draft EA was distributed to various federal, state, and local agencies. DOE conducted formal consultations by mail with the responsible U.S. Fish and Wildlife Service (USFWS) field office and the State Historic Preservation Officer (SHPO) in Virginia. DOE received correspondence supporting a determination of no potential impacts to properties listed on or eligible for inclusion to the *National Register of Historic Places* from the SHPO. No response was received from USFWS.

Copies of the final EA and this FONSI have been sent to stakeholders that provided comments or consultation, and will be available at DOE's NETL web site at <http://www.netl.doe.gov/publications/others/nepa/ea.html>.

DETERMINATION: On the basis of the evaluations in the final EA, DOE determined that its proposed action, to allow Virginia to use \$500,000 of its SEP funds to assist in the funding of the Cephas biomass project, would have no significant impact on the human environment. The potential environmental impacts identified and analyzed in the EA would be negligible. Therefore, preparation of an environmental impact statement is not required and DOE is issuing this FONSI.

Issued in Pittsburgh, PA, this 13th day of September, 2010.



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