**Proposed Action:** South-of-Allston Flow Congestion Relief Pilot Program: Generating Capacity Agreement with Transalta Energy Marketing, Inc.

**Project Manager:** Deb Malin, Customer Account Executive – PTL-5

**Location:** Lewis County, Washington

**Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):** B4.4 – Power marketing services and activities

**Description of the Proposed Action:** As part of a two-year pilot program, BPA proposes to purchase decremental generating capacity from Transalta Energy Marketing, Inc. (Transalta). Upon notice from BPA, Transalta would reduce generation at the Centralia coal-fired plant, which has two generating units and a total net capacity of 1,376 megawatts (MW). To achieve temporary summer-peak congestion relief along BPA’s South-of-Allston (SOA) transmission path during the pilot program, BPA plans to pair these generation reductions with third-party thermal-generation increases, distributed-generation increases, and demand-response load reductions located south of the SOA path.

BPA would provide notice to Transalta to reduce generation at the Centralia coal-fired power plant for up to 200 MW for a maximum of 40 hours during July, August, and September peak-load periods during an agreement term that ends on September 30, 2018.

**Findings:** In accordance with Section 1021.410(b) of the Department of Energy’s (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011), BPA has determined that the proposed action:

1. fits within a class of actions listed in Appendix B of 10 CFR 1021, Subpart D (see attached Environmental Checklist);
2. does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal; and
3. has not been segmented to meet the definition of a categorical exclusion.

Based on these determinations, BPA finds that the proposed action is categorically excluded from further NEPA review.
Jeffrey J. Maslow
Environmental Protection Specialist

Concur:

Sarah T. Biegel
NEPA Compliance Officer

Attachment(s): Environmental Checklist
Categorical Exclusion Environmental Checklist

This checklist documents environmental considerations for the proposed project and explains why the project would not have the potential to cause significant impacts on environmentally sensitive resources and would meet other integral elements of the applied categorical exclusion.


Project Site Description

The Centralia Power Plant is located approximately 5 miles east of Centralia, Washington in Lewis County.

Evaluation of Potential Impacts to Environmental Resources

<table>
<thead>
<tr>
<th>Environmental Resource Impacts</th>
<th>No Potential for Significance</th>
<th>No Potential for Significance, with Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Historic and Cultural Resources</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>Explanation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Because the undertaking does not involve a type of activity with the potential to cause effects on historic properties, there would be no effect on historic and cultural resources.</td>
<td></td>
</tr>
</tbody>
</table>

| 2. Geology and Soils | ✓ | ☐ |
| Explanation:         |   |   |
|                      | Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect geology and soils. |

| 3. Plants (including federal/state special-status species) | ✓ | ☐ |
| Explanation: |   |   |
|              | Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect plants. |

| 4. Wildlife (including federal/state special-status species and habitats) | ✓ | ☐ |
| Explanation: |   |   |
|              | Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect wildlife. |
5. **Water Bodies, Floodplains, and Fish**  
   (including federal/state special-status species and ESUs)  
   **Check Box**: ✓   
   **Explanation**:  
   Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect waterbodies, floodplains, and fish.

6. **Wetlands**  
   **Check Box**: ✓   
   **Explanation**:  
   Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect wetlands.

7. **Groundwater and Aquifers**  
   **Check Box**: ✓   
   **Explanation**:  
   Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect groundwater and aquifers.

8. **Land Use and Specially Designated Areas**  
   **Check Box**: ✓   
   **Explanation**:  
   Because the generation reductions at an existing power plant would not involve an activity with the potential to affect land use and specially designated areas, the proposed action would not affect land use and specially designated areas.

9. **Visual Quality**  
   **Check Box**: ✓   
   **Explanation**:  
   Because the generation reductions at an existing facility would not increase air emissions or solid waste from the facility, the proposed action would not affect visual quality.

10. **Air Quality**  
    **Check Box**: ✓   
    **Explanation**:  
    Because the generation reductions at an existing facility would not increase air emissions from the facility, the proposed action would not cause an adverse effect on air quality. In addition, the facility will comply with all applicable operating requirements under Transalta’s Air Operating Permit (SW98-8-R4-A) issued by the Southwest Clean Air Agency, which expires on September 16, 2019.

11. **Noise**  
    **Check Box**: ✓   
    **Explanation**:  
    Because the generation reductions from an existing facility would not increase noise levels from the facility, there would be no change in noise levels.

12. **Human Health and Safety**  
    **Check Box**: ✓   
    **Explanation**:  
    Because the generation reductions from an existing facility would not involve an activity with the potential to affect human health and safety, the proposed action would not affect human health and safety.
Evaluation of Other Integral Elements

The proposed project would also meet conditions that are integral elements of the categorical exclusion. The project would not:

☑️ Threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders.

Explanation, if necessary:

☑️ Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators) that are not otherwise categorically excluded.

Explanation, if necessary:

☑️ Disturb hazardous substances, pollutants, contaminants, or CERCLA excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases.

Explanation, if necessary:

☑️ Involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those of the Department of Agriculture, the Environmental Protection Agency, and the National Institutes of Health.

Explanation, if necessary:

Landowner Notification, Involvement, or Coordination

No landowner notification, involvement, or coordination will be conducted because the pilot project would occur at an existing facility that will operate within the normal operating limits established under Transalta’s Air Operating Permit issued by the Southwest Clean Air Agency.

Based on the foregoing, this proposed project does not have the potential to cause significant impacts on any environmentally sensitive resources.

Signed: /s/ Jeffrey J. Maslow  Date: December 19, 2016
Jeffrey J. Maslow