DATE: August 9, 2013

REPLY TO ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Robert Trismen
Project Manager – TEP-CSB-1

Proposed Action: Paisley Geothermal Integration

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):
B1.7 Electronic Equipment

Location: Lake County, Oregon

Proposed by: Bonneville Power Administration (BPA)

Description of the Proposed Action: BPA proposes to integrate Surprise Valley Electrification Corporation’s (SVEC) 3.65-megawatt Paisley Geothermal Project into BPA’s balancing authority (BA) in response to a SVEC small generator interconnection request. The proposed point of interconnection would be at SVEC’s existing Paisley Substation. In order to integrate the proposed geothermal generation project, BPA would provide and review metering drawings, inspect SVEC’s metering support installations, and install and test a new revenue meter. The new revenue meter would be installed in a fiberglass enclosure and would be wired with a cellular modem to transmit data. All new meter equipment would be installed on an outdoor steel support structure installed by SVEC. No ground disturbance would be required for the installation of BPA meter equipment. BPA would own, operate, and maintain the metering materials and equipment installed in SVEC’s facility.

Findings: BPA has determined that the proposed action complies with Section 1021.410 and Appendix B of Subpart D 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). The proposed action does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal. The proposal is not connected [40 C.F.R. 1508.25(a)(1)] to other actions with potentially significant impacts, has not been segmented to meet the definition of a categorical exclusion, is not related to other proposed actions with cumulatively significant impacts [40 C.F.R. 1508.25(a)(2)], and is not precluded by 40 C.F.R. 1506.1 or 10 C.F.R. 1021.211. Moreover, the proposed action would not (i) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, (ii) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities, (iii) disturb hazardous substances, pollutants, contaminants, or Comprehensive Environmental Response, Compensation and Liability Act-excluded petroleum and natural gas products that pre-exist in the environment such that there would be uncontrolled...
or unpermitted releases, (iv) have the potential to cause significant impacts on environmentally sensitive resources, or (v) 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.

Based on the provisions identified on the attachment, this proposed action meets the requirements for the Categorical Exclusion referenced above. We therefore determine that the proposed action may be categorically excluded from further NEPA review and documentation.

/s/ Katey Grange
Katey Grange
Environmental Project Manager

Concur:

/s/ Katherine S. Pierce          Date: August 9, 2013
Katherine S. Pierce
NEPA Compliance Officer

Attachment:
Environmental Checklist for Categorical Exclusions
Environmental Checklist for Categorical Exclusions

Name of Proposed Project: Paisley Geothermal Integration

Work Order #: 00 336027

This project does not have the potential to cause significant impacts on the following environmentally sensitive resources. See 10 CFR 1021, Subpart D, Appendix B for complete descriptions of the resources. This checklist is to be used as a summary – further discussion may be included in the Categorical Exclusion Memorandum.

<table>
<thead>
<tr>
<th>Environmental Resources</th>
<th>No Potential for Significance</th>
<th>No Potential, with Conditions (describe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Historic Properties and Cultural Resources</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2. T &amp; E Species, or their habitat(s)</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>3. Floodplains or wetlands</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>4. Areas of special designation</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>5. Health &amp; safety</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>6. Prime or unique farmlands</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>7. Special sources of water</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>8. Other (describe)</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

Signed: /s/ Katey Grange  Date: August 9, 2013