Categorical Exclusion Determination

Bonneville Power Administration Department of Energy



Proposed Action: PacWave Power Purchase Agreement

Project Manager: Mark Miller, PTL-5

Location: Portland, Oregon

<u>Categorical Exclusion Applied (from 10 C.F.R. Part 1021):</u> B4.1 – Contracts, policies, and marketing and allocation plans for electric power

<u>Description of the Proposed Action:</u> BPA would enter a Power Purchase Agreement (PPA) with Oregon State University (OSU) to purchase up to 20 megawatts (MW) per hour of test energy output from the PacWave Project. The PacWave Project is an open ocean wave energy testing facility located in the Pacific Ocean spanning a 2.65-square-mile area located seven miles off the coast between the cities of Newport and Waldport, Oregon. The Project can accommodate up to four entities, selected and managed by OSU, which would operate and test their specific ocean wave generation technology. BPA would purchase the unscheduled intermittent electrical energy at a point of delivery within a Central Lincoln Public Utility District-owned distribution facility, which would involve only the use of the existing transmission system. The PacWave Project completed construction in 2025 and plans to start operating in 2026.

BPA does not propose installing new equipment or infrastructure as part of this action, nor would BPA be associated with funding or operating the PacWave Project beyond taking unscheduled power under the PPA. Federal agencies responsible for other actions related to the Project—the Federal Energy Regulatory Commission (FERC) for licensing its operation, the U.S. Department of Energy (DOE) for providing funding, and the Bureau of Ocean Energy Management (BOEM) for issuing a research lease—separately completed NEPA reviews to support their respective actions. Accordingly, the project would operate within the normal operating limits established under the applicable state, federal, and local authorizations for OSU to operate the project.

The Administrator is authorized to acquire a resource, other than a major resource, which he determines is an experimental, developmental, demonstration, or pilot project of a type with a potential for providing cost-effective service to the region pursuant to Section 6d(d) of the Pacific Northwest Electric Power Planning and Conservation Act of 1980, 16 U.S.C. 839d(d).

<u>Findings:</u> In accordance with Section 1021.102 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, Jul. 9, 1996; 61 FR 64608, Dec. 6, 1996; 76 FR 63764, Nov. 14, 2011; 89 FR

¹ FERC was the lead federal agency with DOE and BOEM as cooperating agencies in the preparation of an Environmental Assessment titled *PacWave South Project FERC Project No. 14616-001 Oregon* (April 2020). Based on the analysis in this EA, DOE (Golden Field Office) issued a Finding of No Significant Impact (DOE/EA-2117) on July 1, 2020 to support DOE's decision to provide funding for the PacWave Project.

34074, April 30, 2024; 90 FR 29676, July 3, 2025 [Interim Final Rule]) and *DOE National Environmental Policy Act (NEPA), Implementing Procedures* (dated June 30, 2025), BPA has determined the following:

- 1) The proposed action fits within a class of actions listed in Appendix B of 10 CFR 1021;
- 2) The proposal has not been segmented to meet the definition of a categorical exclusion; and
- 3) There are no extraordinary circumstances related to the proposed action that may affect the significance of the environmental effects of the proposal (see attached Environmental Evaluation).

Based on these determinations, BPA finds that the proposed action is categorically excluded from further NEPA review.²

Jeff Maslow Senior Environmental Protection Specialist

Concur:

Katey C. Grange NEPA Compliance Officer

Attachment(s): Environmental Checklist

² BPA is aware that the Council on Environmental Quality (CEQ), on February 25, 2025, issued an interim final rule to remove its NEPA implementing regulations at 40 C.F.R. Parts 1500–1508. Based on CEQ guidance, and to promote completion of its NEPA review in a timely manner and without delay, in this CX BPA is voluntarily relying on the CEQ regulations, in addition to the interim final rule to revise DOE NEPA regulations implementing NEPA at 10 C.F.R. Part 1021 and NEPA Implementing Procedures (dated June 30, 2025), to meet its obligations under NEPA, 42 U.S.C. §§ 4321 et seq.

Categorical Exclusion Environmental Evaluation

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.

Proposed Action: PacWave Power Purchase Agreement

Project Site Description

The PPA would be executed at BPA's Portland headquarters building. The point of interconnection where BPA would integrate the power output from the PacWave project under the PPA is located at a Central Lincoln Public Utility District-owned distribution facility in Lincoln County, Oregon.

Evaluation of Potential Impacts to Environmental Resources

1. Historic and Cultural Resources

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect historic properties and cultural resources from BPA entering the PPA.

2. Geology and Soils

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect geology and soils from BPA entering the PPA.

3. Plants (including Federal/state special-status species and habitats)

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect plants from BPA entering the PPA.

4. Wildlife (including Federal/state special-status species and habitats)

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect wildlife from BPA entering the PPA.

5. Water Bodies, Floodplains, and Fish (including Federal/state special-status species, ESUs, and habitats)

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect water bodies, floodplains, and fish from BPA entering the PPA.

6. Wetlands

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect wetlands from BPA entering the PPA.

7. Groundwater and Aquifers

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect groundwater and aquifers from BPA entering the PPA.

8. Land Use and Specially-Designated Areas

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect land use and specially designated areas from BPA entering the PPA.

9. Visual Quality

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect visual quality from BPA entering the PPA.

10. Air Quality

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect air quality from BPA entering the PPA.

11. Noise

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect noise levels from BPA entering the PPA.

12. Human Health and Safety

Potential for Significance: No

<u>Explanation</u>: Because the PPA would involve BPA taking power output from an already constructed and licensed wave energy testing facility operating within its normal operating limits and using only the existing transmission system, there would be no potential to affect human health and safety from BPA entering the PPA.

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.

<u>Explanation</u>: OSU has obtained and will comply with all appropriate federal, state, and local authorizations required to operate the Proposed Project.

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

Explanation: N/A

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: N/A

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: N/A

Landowner Notification, Involvement, or Coordination

<u>Description</u>: The FERC-led Environmental Assessment process, with DOE and BOEM as cooperating agencies, engaged in public involvement to notify nearby communities of the project proposal and provided opportunities for public review and comment.

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

Signed:

Jeff Maslow Senior Environmental Protection Specialist