DATE: September 24, 2012

REPLY TO: KEP-4

SUBJECT: Environmental Clearance Memorandum

TO: Brett Sherer
Project Manager – KEP-4

Proposed Action: Ross Transformer Oil Terminal Upgrade

Work Order #: 00298659

Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021): B4.6, Additions or modifications to electric power transmission facilities

Location: Ross Complex, Township 2 North, Range 1 East, Section 14 of Clark County, Washington

Proposed by: Bonneville Power Administration (BPA)

Description of the Proposed Action: BPA proposes to install four new horizontal, double walled, 20,000 gallon insulating oil storage tanks at BPA’s Ross Complex. In addition, BPA would install a railcar oil pumping and transfer system as well as a truck oil transfer pad. Both the new railcar and truck pad would be equipped with oil water separation secondary containment. Lastly, the existing oil cleaning system and six horizontal 25,000 gallon oil storage tanks would be retired. The purpose of this project is to bring BPA’s oil storage facility into regulatory compliance regarding spill prevention, spill control and secondary containment systems.

The existing Ross tank farm complex is adjacent to Cold Creek and its watershed. When constructed, the initial Ross complex tank farm funding proved insufficient and the installation was not fully completed. The proper valves and instrumentation were not installed which resulted in the on hand oil volume being determined by estimation. Years later, the original system to monitor internal pressure malfunctioned and its repair was not funded. Without this alarm function, improper internal pressure equalization occurred without warning and resulted in the physical contraction of one of the six 25,000 gallon tanks upper structures.

In addition, following two inspections conducted at the Ross Complex by Washington’s Department of Ecology, BPA was issued a notice of non-compliance for oil storage facilities not meeting regulatory requirements for spill prevention, control and secondary containment system requirements. A BPA cross organizational team has also concluded that BPA’s oil storage/processing facilities did not meet current regulatory standards and posed an environmental compliance and spill risk. To address this problem, an Electrical Insulating Oil Supply/Storage Agency Decision Framework (ADF) was prepared with the recommendation for the construction of a similar, albeit smaller, electrical insulating oil tank farm on the Ross Complex to ensure an immediate, reliable source of BPA electrical insulating oil to support Power operations.
All construction activities would occur within the previously developed areas within BPA’s existing facility boundaries.

**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.

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\_/ Michael Henjum
Michael Henjum
Environmental Engineer

Concur: /\_s\_/ Katherine S. Pierce Date: **September 24, 2012**
Katherine S. Pierce
NEPA Compliance Officer

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

Name of Proposed Project: Ross Transformer Oil Terminal Upgrade

Work Order #: 00298659

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>Work is to be restricted to the existing prism of the facility. Full time COTR will cease operations if potential cultural resources encountered during any portion of work.</td>
<td></td>
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<tr>
<td>2. T &amp; E Species, or their habitat(s)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>All work will be conducted within the substation yards and facilities. No T &amp; E species or their habitat will be affected by these stormwater improvements.</td>
<td></td>
<td></td>
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<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>
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<tr>
<td>Construction best management practices with respect to erosion and sediment control will be employed to prevent offsite migration of polluted stormwater.</td>
<td></td>
<td></td>
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<tr>
<td>8. Other (describe)</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

List supporting documentation attached (if needed):

Signed: /s/ Michael Henjum Date: September 20, 2012