DATE: August 14, 2012

REPLY TO ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Virgil Lee Watts

Project Manager – KEWM-4

**Proposed Action:** Indian Creek Property Funding.

**Fish and Wildlife Project No.:** 1992-061-00

**Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):**

B 1.25 Real property transfers for cultural resources protection, habitat preservation, and wildlife management.

**Location:** Pend Oreille County, Washington

**Proposed by:** Bonneville Power Administration (BPA)

**Description of the Proposed Action:** BPA proposes to fund the Kalispel Tribe of Indians’ (Kalispel Tribe) purchase of a 556-acre parcel of land in Pend Oreille County, Washington. The Kalispel Tribe would own and manage the land and BPA would be granted a perpetual conservation easement over the entire 556 acres to ensure that the habitat is protected in perpetuity.

The property is located adjacent to the Pend Oreille River and is crossed by Indian Creek, a tributary to the Pend Oreille River. The Pend Oreille River watershed supports populations of resident fish, migratory waterfowl, neotropical birds, raptors, elk, deer and moose. The property would be restored to forested and grassland habitats that would benefit many of these species. Fish habitat in Indian Creek would also benefit from the restoration actions. Funding this purchase would provide BPA with credits for partial mitigation for the construction and operation of the Albeni Falls Dam.

The Kalispel Tribe would provide long-term stewardship and develop a management plan to guide the protection and enhancement of habitat on the property. The management plan would be developed in coordination with BPA. Prior to any management activities, BPA would conduct further environmental review.

**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/ Katey Grange  
Katey Grange  
Environmental Project Manager

Concur:

/s/ Stacy Mason  
Stacy Mason  
NEPA Compliance Officer

Date: August 14, 2012

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

Name of Proposed Project: Indian Creek Property Funding

Work Order #: BPA- 006471

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>
</tbody>
</table>

Signed: /s/ Katey Grange  Date: August 14, 2012