



# Higher Blends Infrastructure Incentive Program (HBIP)

*Applicant-Friendly Environmental Review Requirements*

July 16, 2020



*HBIP Applicant-Friendly  
Environmental Review  
Requirements*

Tony Crooks  
Brian Sutherland  
Peggy Wade  
Kelly Bogle  
Jeff Carpenter



# Today's Presenters



**Anthony Crooks**  
Rural Energy Policy Specialist



**Jeff Carpenter, NE**  
Energy Coordinator



**Kelly, Bogle,**  
Supervisor, RBCS  
Program Operation  
Office



**Peggy Wade, Senior**  
Environmental  
Specialist, Program  
Support Staff



**Brian Sutherland, Senior**  
Environmental Specialist  
and Engineer  
Program Support Staff

# Agenda

## Higher Blends Infrastructure Incentive Program (HBIIP)

1. What's changed since last week?
2. Simplified approach to meeting Environmental Review requirements
  - a) Applicant/application requirements
  - b) REC and SEC activities
  - c) National Office responsibilities
3. Environmental Assessments

# Why the rush?

## **May 2020**

- HBIIIP Application Window Opened, 5/15/20, for 90 days. HBIIIP Online Application System Live!

## **August 2020**

- HBIIIP Application Window Closes, 8/13/20, 11:59pm EDT; HBIIIP applications no longer accepted thereafter.
- Agency Reviews for Eligibility and Completeness
- Evaluation Panel and Competition

## **September 2020:**

- Selection, Written Communication to All Participants
- Public Announcement of Awards/Obligation
- Grant Agreements/Contracts Execution
- Project Executions



# Applicant actions

## **While waiting for SAM/CAGE Code:**

1. Sends prepared/signed ENVIRONMENTAL INFORMATION (with supporting information) to the State Rural Energy Coordinator (REC);
  - If Multi-state application, sends to State REC with majority of locations
2. Receives acknowledgement from State;

## **While in the HBIP online application system:**

3. Uploads scan of ENVIRONMENTAL INFORMATION (without supporting information) and State acknowledgement in, "Attachments -- Environmental Review Documents;"



# Higher Blends Infrastructure Incentive Program

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To apply for the Higher Blends Grant program, please review the online application checklist below to determine the important documents you will need. You must also submit your completed [Access Request](#) to [higherblendsgiants-access@usda.gov](mailto:higherblendsgiants-access@usda.gov) to gain access to the online application system.

### Important Documents

- [Checklist for Online Application System](#)
- [HBIIIP EAuthentication](#)
- [HBIIIP Online Access Request](#)
- [HBIIIP Online Application Instructions and Users Guide](#)
  - [Single Point of Contact List for Executive Order 12372 requirements](#) (sec: 7.3.1.)
  - [Dispensers and Fueling Equipment Reference Guide](#) (sec: 7.5.6. and 7.5.7.)
  - [HBIIIP Project Technical Report Guide](#) (sec: 7.8)
  - [Environmental Review Documents Guide](#) (sec: 7.8)
  - [Environmental Checklist](#)
  - [Matching Funds Verification/Certification Guide](#) (sec: 7.7.2 and 7.8)
  - [SF 424 D Assurances - Construction Programs](#) (sec: 7.8)

### Other Resources

- [Fuels Institute Retailing Biofuels Federal Regulations](#)
- [Handbook for Handling, Storing, and Dispensing E85 and Other Ethanol-Gasoline Blends](#)
- [Biodiesel Handling and Use Guide \(Fifth Edition\)](#)
- [FAQs](#)



**U.S. DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT**

**ENVIRONMENTAL INFORMATION**

The purpose of this document is to assist RD staff in collecting adequate information to determine what level of environmental review is necessary. Depending on the information provided, the Agency may request additional information. All answers need to be supported by appropriate documentation, check marks are not sufficient support. Potentially helpful links are provided in blue, these are not an exhaustive or comprehensive list of resources.

**Yes**    **No**

**1. APPLICANT NAME:**

**2 . ADDRESS: Physical location of the property (include legal description if farmland):**

**3. MAP. Please provide an aerial map showing the building /lot/exact location for all project types, please indicate on map any potential trenching or other ground disturbance. Is map attached?**

**4. DETAILED PROJECT DESCRIPTION (Describe how proposed funds will be used. If project involves construction, whether interior or exterior or renovations, please describe in detail. For renewable energy systems such as solar panels be specific on type of system (fixed tilt, tracking, mounting & structure, i.e. ballasted, 3" pile driven, concrete, screws, etc.):**

**5. SIZE OF THE PROJECT & SITE: Please indicate the size (acres) of your project and how the project will impact the site including roads, right of ways, utilities, or other impacts. Example: Renewable energy solar project should include sq. ft, linear ft, number of installed units/panels/buildings, and details regarding any trenching or ground disturbance to be completed.**

**6. Will the project involve construction without any ground disturbance? (i.e. roof mounted solar)**

**6a. If no ground disturbance, please provide land use, land ownership, & description (i.e. industrial, residential, wooded, grasslands, etc.).**

**6b. If ground disturbance is expected, provide descriptive info, including if the project site was previously disturbed (i.e. previous structure, excavation, cultivation).**





Environmental Review for Extra Fancy Fuels, LLC - Message (HTML)


File Message Help Acrobat Tell me what you want to do

Mark Unread Find Zoom

### Environmental Review for Extra Fancy Fuels, LLC

 Crooks, Anthony - RD, Washington, DC  
To  Bogle, Kelly - RD, Washington, DC

Mon 7/13/2020 3:49 PM

 HBIIIP\_Environmental\_Checklist -- Extra Fancy Fuels LLC.pdf  
210 KB

I am submitting the attached document in partial completion of the Environmental Review requirements for the Higher Blends Infrastructure Incentive Program.

Please advise if additional information is required.



Thank you,  
Tony Crooks

RE: Environmental Review for Extra Fancy Fuels, LLC - Message (HTML)


File Message Help Acrobat Tell me what you want to do

Mark Unread Find Zoom

### RE: Environmental Review for Extra Fancy Fuels, LLC

 Bogle, Kelly - RD, Washington, DC  
To  Crooks, Anthony - RD, Washington, DC

Mon 7/13/2020 3:51 PM

 You replied to this message on 7/13/2020 3:51 PM.

With this email, I acknowledge receipt of the Environmental Information for Extra Fancy Fuels, LLC.

Thank you.

Ms. Kelly S. Bogle  
USDA Rural Development  
Rural Business-Cooperative Service | Program Operations Office  
1400 Independence Ave, SW, Room 5818  
Washington, DC 20250  
Phone: 202.720.4053 | [kelly.bogle@usda.gov](mailto:kelly.bogle@usda.gov)

HOME

Company Information   Application Information   Project Information   Stations   Financial Information   Attachments   Application Overview

- > Signed SF 424 D Certification
- > Signed Matching Funds Certification
- > Loan Delinquency
- > Technical Report
- > Fuel Distribution Facility Feasibility/Business Plan

▼ [Environmental Review Documents](#)

Attach only PDF(no more than 5 MB).

Attachment

 Upload Files   Or drop files



TITLE	FILE TYPE	CREATED BY	SIZE(BYTES)	ATTACHMENT TYPE
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- > Supporting Documents

- > Signed SF 424 D Certification
- > Signed Matching Funds Certification
- > Loan Delinquency
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Environmental Review Documents



Attach only PDF(no more than 5 MB).

Attachment

Upload Files Or drop files

TITLE	FILE TYPE	CREATED	ATTACHMENT TYPE
> Supporting Documents			

### UPLOAD FILES

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1 of 1 file uploaded

Done



# RD State HBIIP activities

1. RD State Energy Coordinator (REC) **receives** Environmental Information (with supporting information) from HBIIP Applicant; REC **acknowledges** receipt of Environmental Information with email response to applicant;
2. Prepares USDA Rural Development Environmental Checklist (1970-1) with supporting documents;
  - If Multi-state application, coordinates with other State REC;
3. REC signs 1970-1 for Categorical Exclusions listed under 1970.53 (minimal or no disturbance) and forwards with supporting information to [Jeff.Carpenter@usda.gov](mailto:Jeff.Carpenter@usda.gov);
4. State Environmental Coordinator (SEC) signs 1970-1 for Categorical Exclusions issued under 1970.54 (environmental report needed) and forwards with supporting information to [Jeff.Carpenter@usda.gov](mailto:Jeff.Carpenter@usda.gov);

# National Office responsibilities

1. Jeff Carpenter receives signed 1970-1 Categorical Exclusions with supporting information, reviews and forwards (without supporting information) to Administrator's Office for signature;
2. Administrator approves 1970-1 Categorical Exclusions;
3. Applicant/Candidate REC/SEC notified that Environmental review requirements are complete;

# Categorical Exclusion (Cat Ex) – With Report

1. Applicant actions remain the same;
2. If Selected, Letter of Conditions issued subject to completion of Cat Ex with Report;
3. State/National Office coordinate until report (SHPO, THPO, etc.) is completed;
4. Administrator approves 1970-1;
5. Candidate, REC/SEC notified that Environmental review requirements are complete.



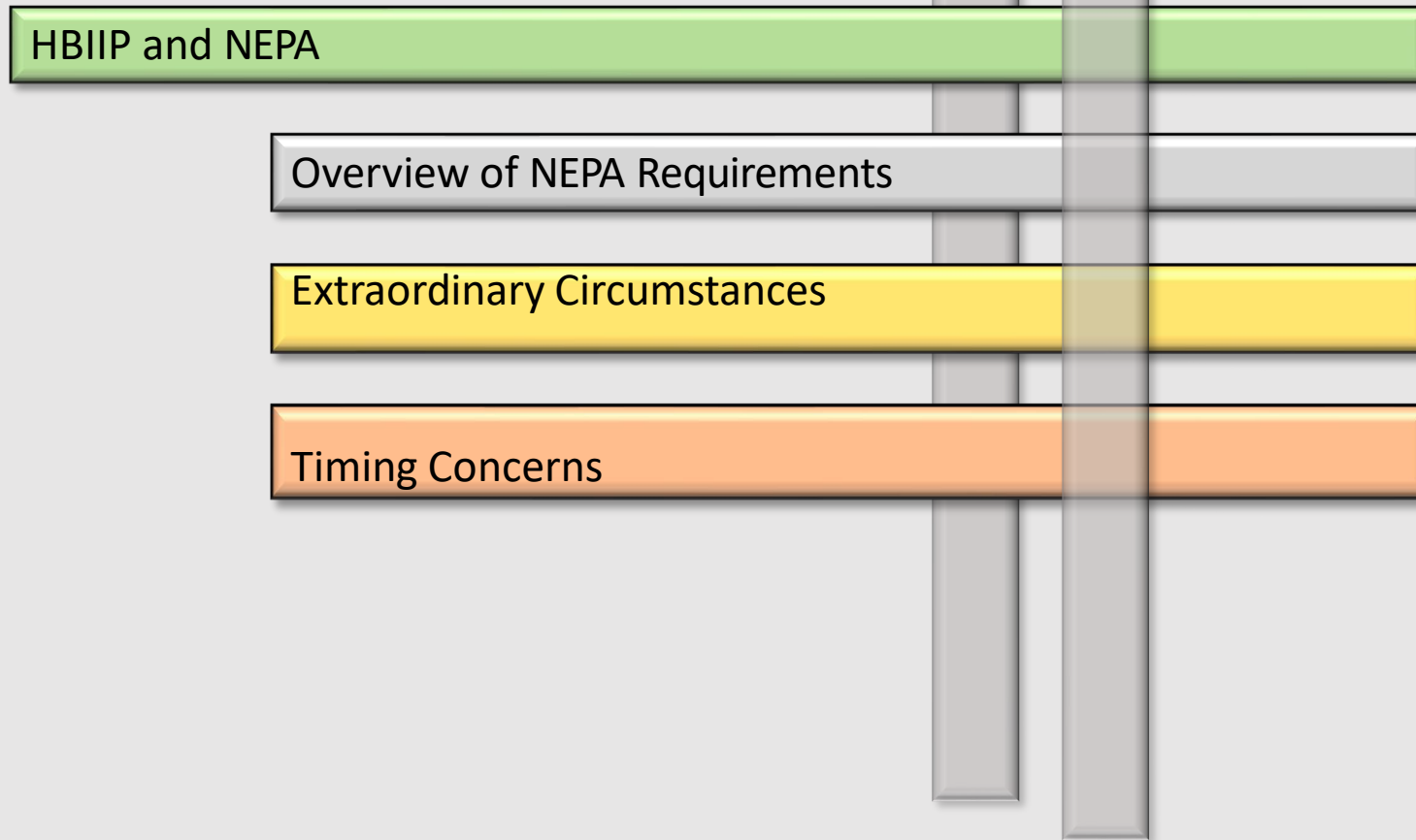
# Environmental Assessments

1. Applicant actions remain the same;
2. If Selected, Letter of Conditions issued subject to completion of and EA;
3. Applicant/State/National Office continue in coordination until Section 106 is completed, EA is accepted and public comment phase is completed;
4. Administrator signs Finding of No Significant Impact (FONSI) and FONSI is published;
5. Candidate, REC/SEC notified that Environmental review requirements are complete.

# Questions



# Environmental



HBIIP and NEPA

Overview of NEPA Requirements

Extraordinary Circumstances

Timing Concerns



# Environmental

## NEPA in a Nutshell

- Applies to all Federal actions, including direct loans, guaranteed loans and grants.
- All Federal agencies are required to promulgate environmental rules in compliance with NEPA.
- RD Environmental Policy and Procedures: 7 CFR 1970.

# Environmental Levels

## Levels of NEPA Classification

- Categorical Exclusions (CE) or (Cat. Ex)
- Environmental Assessments (EA)/Finding of No Significant Impact (FONSI)
- Environmental Impact Statement (EIS)/Record of Decision (ROD)

# Environmental Levels, What to Expect

## What to Expect

- **Tanks** – Categorical Exclusion with report (likely).  
*Please remember HBIIP is not supporting tank installations at new construction sites.*
- **Dispenser Only** – Categorical Exclusion without report (likely).
- **New construction** – likely much more extensive, even considering HBIIP is not supporting tanks in new construction.

### California specific

- **Install E85 Dispensers for California Low Carbon Fuel Standard requirements and tanks (only). No E15 dispensers will be supported.**
- **CEQA** – Only applicable if City or County require it. Not likely in most cases.

# Environmental Determination of Classification

## Determination of Classification

RD staff determines, based on project description, the appropriate classification

- Usually the State Environmental Coordinator

Most of the HBIIP projects will likely be classified as a Categorical Exclusion

All Categorical Exclusions must undergo a review for Extraordinary Circumstances

# Environmental

## Likely CEs for HBIP Projects

- Projects where existing tanks/piping/pumps, etc., are being replaced or modified to allow for a higher ethanol content fuels.
- No Environmental Report required but additional documentation may be needed.
- SEC and Program can advise applicants on specific requirements

New installation of tanks on existing sites (no new construction) to accommodate a higher blend fuel.

- Requires Environmental Report.
- RD has an Applicant Guide for Preparing Environmental Reports (1970 Subpart B Exhibit C).



# Environmental Extraordinary Circumstances

## Extraordinary Circumstances

- Listed in 7 CFR 1970.52
- Impact to a listed resource may elevate level of NEPA review to an Environmental Assessment.
- All projects are subject to an extraordinary circumstance review.

# Environmental Extraordinary Circumstances

## Extraordinary Circumstances, continued

### Three to watch out for:

- Impact to historic properties
- Impact to threatened and endangered species
- Violations of permit conditions

- Even CEs issued under 1970.53 might need additional documentation.
- CEs issued under 1970.54 will include this documentation in the ER.

# Environmental CE Documentation

## CE Documentation

- 1970 B Exhibit C (1970-1) documents that RD has done an extraordinary circumstance review.
  - This is our NEPA decision document and must be included in RD's environmental file, with supporting documentation, for all HBIIP projects.
  - This is an INTERNAL form and cannot be shared outside of RD.
  - This form cannot be completed by HBIIP applicants or their consultants.
-

# HBIIIP Environmental Review Process, What to Expect

## What to Expect

### What to expect:

- **Tanks** – Categorical Exclusion with report (likely).  
*Please remember HBIIIP is not supporting tank installations at new construction sites.*
- **Dispenser Only** – Categorical Exclusion without report (likely).
- **New construction** – likely much more extensive, even considering HBIIIP is not supporting tanks in new construction.
- Some proposals will have multiple classifications based on scope

### California specific

- **Install E85 Dispensers for California Low Carbon Fuel Standard requirements and tanks (only). No E15 dispensers will be supported.**
- **CEQA** – Only applicable if City or County require it. Not likely in most cases.

# Environmental Intergovernmental Review

## Timing Issue: Intergovernmental Review

Executive Orders 12372/12416 require intergovernmental review of Federal projects.

Some states have semi-automated Single Point of Contact (SPOC) systems.

- Regulatory review period is up to 60 days.

In non-SPOC states, SEC can determine stakeholders with interest in the project.

- Every state will be different.

SPOC list can be found here: [https://www.whitehouse.gov/wp-content/uploads/2020/01/spoc\\_1\\_16\\_2020.pdf](https://www.whitehouse.gov/wp-content/uploads/2020/01/spoc_1_16_2020.pdf)



# Environmental Historic Properties

## Timing Issue: Historic Properties

- Extraordinary Circumstance: Adverse Effect on Historic Properties
  - Can be buildings, traditional cultural properties or archeological deposits
- Potential adverse impact requires coordination with State Historic Preservation Officers and Tribes per Section 106 of the National Historic Preservation Act.
  - Any ground disturbance has the potential to impact archeological deposits.
  - RD's Template coordination letter must be used
- The Advisory Council on Historic Preservation has paused the regulatory 30-day response timeline for 106 consultations.
  - The pandemic has forced closures of many of our consultations partners.
  - 30d response is paused until the offices re-open.

# Environmental Historic Properties

## Historic Properties, continued

- RD may not advance a project until 106 consultation is complete, unless the Nationwide Programmatic Agreement is invoked
  - Limited to when all other NEPA requirements have been met;
  - Limited to when driven by financial deadlines;
  - Allows obligation of funds pending 106 completion;
  - Funds may not be released to applicant until 106 is complete;
  - Construction may not begin until 106 is complete.

# Questions



# Environmental Contacts

- RD SECs will be the primary resource.
- Peggy Wade and Brian Sutherland RD NO will assist and advise SECs.
  - Peggy: Midwest (orange) and Southern (yellow) states.
  - Brian: Northeast (red) and Western (blue) states.



# Wrap up

## Contacts/Links

**Kelly, Bogle,**  
Supervisor, RBCS Program Operation Office

[Kelly.Bogle@usda.gov](mailto:Kelly.Bogle@usda.gov)

**Jeff Carpenter**  
Energy Coordinator

[Jeff.Carpernter@usda.gov](mailto:Jeff.Carpernter@usda.gov)

**Anthony Crooks**  
Rural Energy Policy Specialist

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**Brian Sutherland, Senior Environmental Specialist and Engineer**  
Program Support Staff

[Brian.Sutherland@usda.gov](mailto:Brian.Sutherland@usda.gov)

**Peggy Wade, Senior Environmental Specialist**  
Program Support Staff

[Peggy.Wade@usda.gov](mailto:Peggy.Wade@usda.gov)

Application <https://www.rd.usda.gov/programs-services/higher-blends-infrastructure-incentive-program>



*Thank you!*

Tony Crooks  
Brian Sutherland  
Peggy Wade  
Kelly Bogle  
Jeff Carpenter

