

U.S. DEPARTMENT OF AGRICULTURE

Rural Development

Dairyland Power Cooperative: Notice of Revised Supplemental Environmental Assessment

AGENCY: Rural Utilities Service, USDA

ACTION: Notice of Revised Supplemental Environmental Assessment

SUMMARY: Notice is given that the Rural Utilities Service (RUS), as required by the National Environmental Policy Act of 1969 (NEPA), is issuing a revised supplemental environmental assessment (RSEA) in connection with possible impacts related to the Nemadji Trail Energy Center (NTEC) Project in Douglas County, Wisconsin. The proposal is for the construction of a one-on-one combined cycle gas turbine (CCGT) Nemadji Trail Energy Center (NTEC) generation plant with a capacity of approximately 625 megawatts with an in-service date in 2027 in the City of Superior, Wisconsin. The Project would be owned by Dairyland, South Shore Energy, LLC (SSE), a subsidiary of ALLETE, Inc., and Nemadji River Generation, LLC, a subsidiary of Basin Electric Power Cooperative (Basin Electric) (together the “Owners”). The project would also include the construction of approximately 4 miles of 345-kV transmission line from the generation plant to a new switching station in Parkland, Wisconsin. The switching station would be built by American Transmission Company. Dairyland will be seeking financing from RUS for its portion of the project development.

SUPPLEMENTARY INFORMATION: The Project includes a fired output of approximately 625 megawatt 1x1 CCGT electric generating unit consisting of one H-Class gas turbine generator, one heat recovery steam generator with duct firing, and one steam turbine generator. NTEC will burn natural gas with the capability to be retrofitted to use fuel oil as a backup fuel. NTEC will be between approximately 26 acres to 75 acres, depending on the site selected for the Project. The Project will be cooled using dry cooling by finned heat exchangers. The proposed transmission line would require a 130-foot right of way and would extend from the plant generally southeast along existing utility infrastructure to connect to a new switching station.

Consistent with 7 CFR §1970.3(b)(iv)(C), Dairyland prepared environmental documentation that described the Project in detail and discussed its anticipated environmental impacts. RUS concurred with its scope and content. In accordance with 7 CFR § 1970.102(6), RUS adopted the report and issued it as the agency’s Environmental Assessment (EA) for the proposed Project (NTECEA). In accordance with NEPA, as amended (42 U.S.C. 4321 et seq.), the CEQ Regulations (40 CFR 1500–1508), and RD’s Environmental Policies and Procedures (7 CFR Part 1970), RUS determined that the environmental effects of the proposed Project had been adequately addressed and that no significant impacts to the quality of the human environment would result from construction and operation of the proposed Project. A FONSI was published in June 2021 which concluded RUS’ environmental review process in accordance with NEPA and RD’s Environmental Policies and Procedures (7 CFR Part 1970). Subsequently, RUS prepared a Supplement EA (SEA) to include an analysis of GHG emissions, climate change, and tribal environmental justice. The SEA was published in June 2022. Following publication of the SEA, RUS revised the SEA (RSEA) in response to comments received.

Further, at the time of the SEA publication, the document was prepared following the CEQ Final Guidance for Federal Departments and Agencies on Consideration of Greenhouse Gas Emissions and the Effects of Climate Change in National Environmental Policy Act Reviews (August 2016). In January 2023 CEQ issued revised interim guidance with the messaging that the guidance was effective immediately. As such, and consistent with discussions with EPA during this NEPA process, this RSEA

specifically to consider the National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions and Climate Change (CEQ 2023; referred to herein as the 2023 Interim CEQ GHG Guidance).

RUS has conducted an independent evaluation of the environmental assessment and believes that it accurately assesses the impacts of the proposed project. No significant impacts are expected as a result of the construction of the project.

RUS will accept questions and comments on the RSEA for 30 days from the date of initial publication of this notice. All comments must be provided electronically. Questions and comments should be sent to RUS at: NTEC.RSEA@usda.gov

Copies of the RSEA and supporting documentation will be available for public review at the following websites: Rural Utilities Service at <https://www.rd.usda.gov/resources/environmental-studies/assessment/nemadji-trail-energy-center-wisconsin>, the Dairyland Power Cooperative website at <https://www.dairylandpower.com/NTEC/EA>, and the Project website at <https://nemadjitrailenergycenter.com/project-documents/>, as well as at the following libraries:

- Superior Public Library, 1530 Tower Avenue, Superior, WI 54880 (715-394-8860)
- La Crosse Public Library, 800 Main Street, La Crosse, WI 54601 (608-789-7100)
- Murphy Library Resource Center, University of Wisconsin – La Crosse, 1631 Pine Street, La Crosse, WI 54601 (608-785-8505)

Any final action by RUS related to the proposed project will be subject to, and contingent upon, compliance with all relevant Federal environmental laws and regulations and completion of environmental review procedures as prescribed by 7 CFR Part 1970, Environmental Policies and Procedures.

Dated: July 28, 2023