

FINDING OF NO SIGNIFICANT IMPACT

Fort Morgan Proposed Solar Farm

Morgan County, Colorado

Rural Utilities Service
U.S. Department of Agriculture

SE Municipal Colorado, LLC

Prepared by:
Rural Utilities Service Staff
United States Department of Agriculture

December 2024

A. INTRODUCTION

SE Municipal Colorado, LLC (SE Municipal Colorado/Applicant) plans to submit a financing request to the U.S. Department of Agriculture, Rural Utilities Service (RUS) to construct the Fort Morgan Proposed Solar Farm Project in Morgan County, Colorado. RUS is considering this financing request. Prior to taking a federal action (i.e., providing financial assistance), RUS is required to complete an environmental analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. §§ 4231–4347), the Council on Environmental Quality’s (CEQ) regulations for implementing NEPA (40 CFR Parts 1500-1508), and RD’s NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970). After completing an independent analysis of an environmental report prepared by SE Municipal Colorado and its consultant, RUS concurred with its scope and content. In accordance with 7 CFR § 1970.102, RUS will adopt the report and issue it as the Agency’s Environmental Assessment (EA) for the proposed Project. RUS finds that the EA is consistent with federal regulations and meets the standards for an adequate assessment. SE Municipal Colorado published a newspaper notice announcing the availability of the EA for public review in accordance with 7 CFR § 1970.102. In addition, RUS considers the proposed Project an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 USC 470(f), and its implementing regulation, “Protection of Historic Properties” (36 CFR Part 800).

B. PROJECT DESCRIPTION AND PURPOSE/NEED

The overall purpose of the Project is to construct a renewable distributed generation facility that will produce and supply Fort Morgan with up to five percent of its annual energy usage, per the existing power purchase agreement with SE Municipal Colorado. The Project will enable Fort Morgan to lock in a competitive price for electricity over the next 25 years. To meet this purpose and need, SE Municipal Colorado proposes to construct a 4.9-megawatt (MW) direct current photovoltaic solar energy power system on a 21-acre site. The solar generation facility would connect to Fort Morgan’s municipal electric distribution system by way of a buried electric cable approximately 250 feet long, adjacent to the north side of County Road R to the substation west of the arrays. RUS has reviewed the purpose and need for the Project and determined that the proposal would meet the RUS purpose and need.

C. ALTERNATIVES EVALUATED

1. No Action

Under the No Action Alternative, RUS would not provide financial assistance to SE Municipal Colorado, and/or the proposed Project would not be constructed. This alternative would not assist SE Municipal Colorado in providing competitively priced electricity to Fort Morgan, Colorado.

2. Action Alternative (Preferred Alternative)

Under the Action Alternative, RUS would consider financing the proposed Project, and SE Municipal Colorado would construct the Fort Morgan Proposed Solar Farm on a 21-acre site. The proposed Project would consist of solar panels that would be ground mounted on a single-axis tracker racking system. The solar modules would be connected to solar inverters that will convert the variable direct current output of the photovoltaic solar panels into a utility frequency alternating current that can be fed into Fort Morgan's municipal electrical grid. The solar panels would reach a maximum height of 10 feet during rotation. The proposed Project includes fencing around the Project area.

3. Alternatives Eliminated from Further Consideration

In addition to the No Action Alternative and Action Alternative, SE Municipal Colorado considered other technology and siting alternatives, which are documented in the Other Alternatives Evaluated and Not Carried Forward section of the EA.

The Action Alternative meets the purpose and need and was selected as the Preferred Alternative.

D. SUMMARY OF ENVIRONMENTAL EFFECTS

The analyses in the EA documented that the proposed Project would have no adverse effects to land use, important farmland, formally classified lands, floodplains, wetlands, water resources, biological resources, cultural resources and historic properties, aesthetics, air quality, socioeconomics and environmental justice, noise, transportation, or human health and safety.

A detailed discussion of the resource categories analyzed and the consequences of the implementation of the proposed Project is presented in Section 3.0 of the EA. A summary of anticipated effects on the human environment for select resources is provided below, including any mitigation measures deemed necessary to avoid or minimize effects. SE Municipal Colorado is responsible for implementing these measures.

Land Use/Farmland

The current and historical land use for the Project area is agricultural crop cultivation. There are no Formally Classified Lands in the vicinity of the Project area, thus none would be affected in the short- or long-term. Approximately 5.9 acres of the Project area are designated as prime farmland if irrigated; however, consultation with the Natural Resource Conservation Service (NRCS) concluded that the site does not require further consideration under the Farmland Protection Policy Act (FPPA) and the Project would not result in an adverse effect to

important farmland. In addition, the Applicant would remove all infrastructure (modules, racking inverters, wiring, etc.) within six months of ceasing operation, and the site would be restored to predevelopment conditions for continued agricultural use with rested and restored soils.

Water Resources

Implementation of the Proposed Action would result in no direct effects to surface waters associated with construction and operation of the facility, as no surface waters are within the Project area. The proposed action would require authorization under the Colorado Department of Public Health and Environment (CDPHE) COR400000 Construction Stormwater Discharge Permit for soil disturbance, which necessitates the preparation of a Stormwater Pollution Prevention Plan (SWPPP).

Biological Resources

Two invasive plants, field bindweed and kochia, are the dominant plants across much of the Project area. The site has been previously disturbed and is frequently tilled to stop invasive plants from growing, which also precludes native plant growth. Native wildlife would largely be limited to disturbance-tolerant species of small mammals and larger species tolerant of human activity, such as coyotes or whitetail deer that may occasionally be present in the Project area. A weed management plan would be developed by the applicant that specifies post-construction measures to be taken to identify and manage noxious weed species until the site is revegetated with the desirable species. The following Listed Threatened and Endangered Species were identified by the US Fish and Wildlife Service Information for Planning and Conservation (IPaC) tool as having the potential to occur within the Project area: Gray Wolf, Tricolored Bat, Piping Plover, Whooping Crane, Pallid Sturgeon, Monarch Butterfly, Ute Ladies'-tresses, and Western Prairie Fringed Orchid. The Proposed Action would have no effect on federally listed threatened, endangered, or proposed species or critical habitat, as suitable habitat for listed species is not available within the Project area. The current land use is cultivation and the ongoing disturbance resulting from annual planting and harvesting makes use by listed species unlikely. The potential for migratory birds to utilize the Project area is low because the site is cultivated.

Cultural Resources and Historic Properties

A Class I Records Search and a Class III Cultural Resource Inventory report were conducted for the Project area. Based on the results of the background research, there are four previously recorded archaeological resources within a one-mile radius of the Project area. These resources were determined ineligible for listing in the National Register of Historic Places. None of these resources are within the approximately 21-acre direct area of potential effect or the half-mile visual buffer. Because no historic properties are present, analysis of the Project resulted in a "no

historic properties affected” determination. The Project does not include any federal or tribal lands.

SE Municipal Colorado is not proposing environmental mitigation action related to the Fort Morgan Proposed Solar Farm Project as no adverse environmental effects are anticipated. The Project has been sited on land owned by the City of Fort Morgan and avoids floodplains and wetlands. Best Management Practices (BMPs) would be implemented to decrease sedimentation and erosion, such as limiting the stockpiling of materials on-site and installing stormwater drainage routes. Surveys for active nests of migratory birds, including raptors and ground nesters would take place before any construction activities for the proposed action. If active nests are located within the Project boundary during the pre-construction bird nesting surveys, no-disturbance buffer zones shall be established around nests with a buffer size established by a qualified biologist. After construction, the Project area would be reseeded with native vegetation to prevent the establishment of invasive species and assist with soil stabilization.

E. PUBLIC AND AGENCY INVOLVEMENT

A local newspaper advertisement announcing the availability of the EA and participation under Section 106 of the National Historic Preservation Act was published on December 5, 2024 and December 12, 2024 in The Morgan County Times, Fort Morgan, Colorado. A copy of the EA was available for public review at <https://www.rd.usda.gov/resources/environmental-studies/assessment/fort-morgan-proposed-solar-farm>. The 14-day comment period ended on December 19, 2024. RUS received no comments.

F. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed Project will have no significant effects to land use, important farmland, formally classified lands, floodplains, wetlands, water resources, biological resources, cultural resources and historic properties, aesthetics, air quality, socioeconomics and environmental justice, noise, transportation, or human health and safety. The proposed Project will have no effects on historic properties listed or eligible for listing on the National Register of Historic Places and no effects to federally listed species or designated critical habitat. The proposed Project will not disproportionately affect minority or low-income populations.

In accordance with the National Environmental Policy Act, as amended, the Council on Environmental Quality Regulations, and RD’s Environmental Policies and Procedures, RUS has determined that the environmental impacts of the proposed Project have been adequately addressed and that no significant impacts to the quality of the human environment will result from construction and operation of the proposed Project. Any final action by RUS related to the proposed Project will be subject to, and contingent upon, compliance with all relevant federal

and state environmental laws and regulations. Because RUS's action will not result in significant impacts to the quality of the human environment, RUS will not prepare an Environmental Impact Statement for its potential federal action associated with the proposed Project.

G. RUS LOAN REVIEW AND RIGHT OF ADMINISTRATIVE REVIEW

This FONSI is not a decision on a loan application and therefore not an approval of the expenditure of federal funds. Issuance of the FONSI and its notices concludes RUS's environmental review process. The ultimate decision on loan approval depends upon conclusion of this environmental review process in addition to financial and engineering reviews. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. The decision to provide financial assistance also is subject to the availability of loan funds for the designated purpose in RUS's budget. There are no provisions to appeal this FONSI or the agency's other environmental determinations. Legal challenges to the FONSI may be filed in Federal District Court under the Administrative Procedures Act.

H. APPROVAL

This Finding of No Significant Impact is effective upon signature.

Dated: December 27, 2024

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For additional information on this FONSI and EA, please contact RUS.EHPD.IRA@usda.gov.