

DEPARTMENT OF AGRICULTURE

Rural Development

Dairyland Power Cooperative: Notice of Supplemental Finding of No Significant Impact

AGENCY: Rural Utilities Service, USDA

ACTION: Notice of Supplemental Finding of No Significant Impact.

SUMMARY: The Rural Utilities Service (RUS) has made a Supplemental Finding of No Significant Impact (Supplemental FONSI) with respect to a request for possible financing assistance to Dairyland Power Cooperative (Dairyland) for the construction of the Nemadji Trail Energy Center (NTEC) Project in Douglas County, Wisconsin (Project).

FURTHER INFORMATION: To obtain copies of the Environmental Assessment (EA), Supplemental EA (SEA), Final SEA, and Supplemental FONSI, or for further information, contact: Environmental and Historic Preservation Division, USDA Rural Development, Rural Utilities Service. The EA, SEA, Final SEA and supplemental FONSI are also available for public review at <https://www.rd.usda.gov/resources/environmental-studies/assessment/nemadji-trail-energy-center-wisconsin>. Questions and comments should be emailed to RUS at NTEC.RSEA@usda.gov.

SUPPLEMENTARY INFORMATION: The proposal is for the construction of a one-on-one combined cycle gas turbine (CCGT) NTEC generation plant with an in-service date in 2028. The Project will 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 will 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 will be built by American Transmission Company. 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 occupy approximately 26 acres on the south side of 31st Avenue East, between Grand Avenue and Old 11 Road, near Superior, Wisconsin. The Project will be cooled using dry cooling by finned heat exchangers. The proposed transmission line will require a 130-foot right of way and will extend from the plant generally southeast along existing utility infrastructure to connect to a new switching station. Alternatives considered by RUS and Dairyland include: No action; route alternatives; switching station alternatives. The alternatives are discussed in the Nemadji Trail Energy Center EA. The RUS has reviewed and approved the EA for the proposed Project.

The availability of the Revised SEA for public review was announced via notice in the following newspaper: Superior Telegram on July 28 & August 4, 2023. A public comment period was announced in the newspaper notice, with a 15-day extension. The Revised SEA was also available for public review at the USDA Rural Development website, Dairyland Power

Cooperative website, and the Project website. Comments were received during the public comment period. A draft Supplemental EA (SEA) was prepared in 2021 in response to a petition to consider recently applicable EOs and reinstated CEQ guidance related to greenhouse gases. The SEA was published in June 2022. Following publication of the SEA, comments were received from the U.S. Environmental Protection Agency (EPA), as well as Midcontinent Independent System Operator, Minnesota Center for Environmental Advocacy, Sierra Club, Clean Wisconsin, and the public (Appendix A of the Final SEA). The Revised Supplemental Environmental Assessment was prepared to revise the SEA to address the comments received on the SEA. The Revised SEA was published in July 2023. The Final SEA was published in December 2023 to incorporate edits received after the RSEA was published.

Based on its Final SEA and mitigation commitments made by Dairyland, and comments received, RUS has concluded that the Project will have no significant impact to air quality and greenhouse gases; biological resources; cultural resources; geology and soils; infrastructure, transportation, public health and safety, and hazardous materials; land use, recreation, farmland, and coastal facilities; noise; socioeconomics and environmental justice; visual resources; water resources; and tribal environmental justice.

The proposed Project will have no adverse effect on resources listed or eligible for listing on the National Register of Historic Places. The Agency has also concluded that the proposed Project is not likely to affect federally listed threatened and endangered species or designated critical habitat thereof. The proposed Project will not disproportionately affect minority and/or low-income populations.

No other potential significant impacts resulting from the proposed Project have been identified. Therefore, RUS has determined that this Supplemental FONSI fulfills its obligations under the National Environmental Policy Act, as amended (42 U.S.C. 4321 et seq.), the Council on Environmental Quality Regulations (40 CFR §§ 1500-1508), and USDA Rural Development's Environmental Policies and Procedures (7 CFR Part 1970) for its action related to the Project.

RUS is satisfied that the environmental impacts of the proposed Project have been adequately addressed. RUS's potential federal action will not result in significant impacts to the quality of the human environment, and as such it will not prepare an Environmental Impact Statement for its action related to the proposed Project.

Dated: December 6, 2023