

FINDING OF NO SIGNIFICANT IMPACT

Washington County Energy Facility
Dual Fuel Conversion Project

Sandersville, Georgia

RURAL UTILITIES SERVICE
United States Department of Agriculture

Oglethorpe Power Corporation

Prepared by:
Environmental and
Historic Preservation Division
Rural Utilities Service

February 2024

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WASHINGTON COUNTY ENERGY FACILITY
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OGLETHORPE POWER CORPORATION
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FEBRUARY 2024

A. INTRODUCTION

Oglethorpe Power Corporation (Oglethorpe) plans to submit a financing request to the U.S. Department of Agriculture (USDA) Rural Utilities Service (RUS), Rural Development (RD) for financial assistance for a dual fuel conversion project (Project) at an existing natural gas-fired simple cycle electrical power plant located in Washington County, Georgia. 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 Oglethorpe 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. Oglethorpe 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

The plant has four combustion turbines (CTs). Oglethorpe owns two of the CTs (combustion turbine 2 [CT2] and combustion turbine 3 [CT3]), which it acquired from Washington County Power, LLC on December 20, 2022. The remaining two CTs (combustion turbine 1 [CT1] and combustion turbine 4 [CT4]) are under the ownership of Washington County Power, LLC. Oglethorpe’s portion of the plant, consisting of CT2 and CT3, is named the Washington County Energy Facility (Facility). The remaining portion of the plant, consisting of CT1 and CT4, is referred to as Washington County Power, LLC. Together, the entire power plant comprises a single site (the “Site”) with all four CTs within the same fence line. All four CTs are operated through a third-party agreement with Cogentrix.

The Site spans approximately 31 acres and is located on a 407.72-acre single parcel in Washington County near the city of Sandersville, Georgia. The proposed Project involves software and mechanical upgrades as well as the installation of one 2.8 million (MM) gallon demineralized water storage tank and one 2.8 MM gallon No. 2 diesel fuel oil tank to provide dual fuel capability to the Facility's existing two simple-cycle combustion turbines CT2 and CT3. CT1 and CT4, owned by Washington County Power, LLC, are not included in the scope of this Project. The Facility's proposed dual fuel conversion will increase reliability in case natural gas is curtailed or cut-off in times of high demand on the grid, and No. 2 diesel fuel would serve as a backup fuel source to maintain plant operations.

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RUS has evaluated the Project's purpose and need, reasonable alternatives, and potential impacts to the environment, and has concluded that the Project will not have a significant impact on the human environment.

C. PURPOSE AND NEED

Oglethorpe is responsible for providing reliable, efficient, and low-cost power to the 38 Electric Membership Cooperative members of the not-for-profit generation cooperative who provide power to over four million Georgians.

Oglethorpe continues to evaluate methods for increasing the reliability and efficiency of its power generation while continuing to lower costs to its members. The Project will promote those goals. In recent years, the southeast has experienced unexpected cold snaps, resulting in natural gas shortages due to high demand. This pattern of cold weather and curtailed natural gas supplies prompted the need for this Project, specifically the installation of a back-up system.

The Project upgrades will increase power reliability for Oglethorpe's 38 EMC members. While the purpose of this Project is not to expand overall short-term generating capacity, the annual generation of the Facility may subsequently increase as a result of the additional fuel oil capacity, which would extend the run-time capacity during periods of natural gas curtailment or limited gas supply.

D. PROPOSED ACTION

The Project includes infrastructure, software, and mechanical upgrades to the simple-cycle Facility to increase reliability in case natural gas is curtailed, or cut-off, in times of high demand on the power grid. In addition, the Project includes the installation of one 2.8 million (MM) gallon demineralized water storage tank, either one 2.8 MM gallon No. 2 diesel fuel oil tank or two single 1.4 MM gallon No. 2 diesel fuel oil tanks, the dual fuel modules for each unit and associated conversion equipment, and supporting mechanical and software upgrades. A list of infrastructure needed for the Project is included in Section 2.1 of the EA.

The Project's upgrades would be performed during one of the routine major outages at the Facility that occur on a regular basis after a certain number of operating hours, approximately every six years. Grading and other construction activities that would not affect the Facility's ability to function would begin in the Spring of 2024, while software and mechanical upgrades, and the integration of the new infrastructure, would take place during the routine outage scheduled during the Fall of 2025.

During a major outage, the Facility is shut down for a period of time and a number of contractors and personnel are brought to the Facility to perform maintenance and, if needed, upgrades. The contractors performing maintenance during the planned outage in the Fall of 2025 will also perform the infrastructure, software, and mechanical upgrades for the Project. The Project will not require a permanent increase in personnel at the Facility. In connection with the Project, multiple one-time shipments of materials and equipment may be required to install the infrastructure and mechanical upgrades, but no significant increase in traffic is proposed.

E. ALTERNATIVES EVALUATED

Oglethorpe considered the following Project alternatives: construction of a new facility, use of an existing facility, use of an existing natural gas-fired facility or coal-fired facility, use of firm gas, and construction of a renewable energy resource. Oglethorpe determined the environmental and/or financial costs of those alternatives were too significant to be considered feasible alternatives to the Project, as outlined in Section 2.2 of the EA.

Under the No Action Alternative, RUS will not provide financial assistance to Oglethorpe, and the proposed Project will not be constructed. Oglethorpe will not construct the necessary infrastructure, software, and mechanical upgrades associated with the Project, and the Facility will continue to operate in its current state. Under those conditions, the Facility will not maintain reliability during times of heavy loads and when natural gas supply is curtailed or cut off. This will result in potentially inadequate power supply to the grid and disruptions in meeting customer needs during peak demand. For these reasons, the No Action Alternative is not the preferred action as it does not provide a significant environmental advantage over the proposed action, and therefore, it is not recommended.

F. SUMMARY OF ENVIRONMENTAL IMPACTS

The Project involves software and mechanical upgrades to the two existing CTs (CT2 and CT3) at the Facility and construction of new infrastructure. No new ground-disturbing activities and no new facilities, equipment, or buildings will be constructed outside the current Site footprint.

As a result, the Project would have no significant impact, either directly, indirectly, or cumulatively, on aesthetics, floodplains, geology, soils, farmland, historic properties and cultural resources, human health and safety, land use, noise, socioeconomics, threatened and endangered species, transportation, vegetation, water resources and wetlands, and/or wildlife, because no construction or land disturbance activities will occur outside of the existing Site footprint as part of the Project. In addition, floodplains, historical and cultural resources, water resources and wetlands, and potential habitats for threatened and endangered species are not present within the existing Site footprint. The Project will not result in any significant adverse impacts on minority or low-income populations in the area because the Project involves only infrastructure, software and mechanical upgrades inside the existing Site. The Project's impacts on air quality and utilities are further discussed below.

Air Quality

New Source Review (NSR) is a pre-construction permitting program designed to protect air quality when air pollutant emissions are increased either through the major modification of existing sources or through the construction of a major new source of air emissions. In areas with good air quality, NSR ensures that the new emissions do not significantly degrade the air quality through the Prevention of Significant Deterioration (PSD) permitting program.

The proposed dual fuel conversion to the simple-cycle CTs is already authorized by a PSD major source construction air permit along with a significant modification to the Site's Title V Operating Permit. Washington County Power, LLC, then the owner of all four of the CTs at the Site, prepared and submitted to the Georgia Environmental Protection Division (GEPD) in February 2019 a PSD and major source modification permit application to perform dual fuel conversions for all four of the Site's existing CTs. The GEPD issued a PSD permit for the construction and operation of the dual fuel conversions for all four existing CTs at the Site on November 17, 2021 (refer to Appendix A of the EA). The Project would result in increases in projected actual annual emissions from the dual fuel conversion on the simple-cycle CTs. Annual emission increases from the Project were evaluated during the PSD application submittal using the actual-to-projected actual applicability test defined in the federal PSD regulations. In the PSD analysis, each pollutant regulated under the PSD program was evaluated for potential emissions increases, and the calculated emissions increases for particulate matter (PM), PM less than 10 microns in diameter (PM₁₀), PM less than 2.5 microns in diameter (PM_{2.5}), nitrogen oxides (NO_x), carbon monoxide (CO), and volatile organic compounds (VOC) exceeded their respective PSD Significant Emission Rates (SER). Consequently, the calculated emissions increase for these pollutants triggered PSD review. PSD review

was also required for greenhouse gases because PSD permitting was otherwise triggered and calculated emission increase for carbon dioxide equivalent (CO_{2e}) exceeds the applicable PSD SER (refer to Table 3.2-2 of the EA).

Construction activities are expected to have transient effects on air quality; therefore, no mitigation is proposed in connection with construction of the Project.

As mitigation during the operational lifetime of the Project, the Facility would utilize air emission control measures, including dry low-NO_x combustors on the turbines during periods of natural gas combustion, water injection for NO_x emissions control during periods of fuel oil firing, and the use of low-sulfur fuels (natural gas and ultra-low sulfur diesel) in accordance with the Facility's existing air permits.

For air quality, the distance used to establish a geographic scope was derived from the EPA's cumulative modeling of large PSD sources during permitting and follows 40 CFR 51, Appendix W, Section 4.1, which references a 31-mile (50-kilometer) radius of current or proposed sources of operational emissions. Oglethorpe is unaware of any newly proposed or pending power generating facilities within that geographic scope; therefore, this Project is unlikely to contribute toward a cumulative impact on air quality.

Utilities

The Project would not result in any changes or impacts to sanitary sewers, electricity, solid waste services, and gas supply line infrastructure. The Project would result in a small increase in the water usage for the Facility's operations. The Facility's current maximum water usage and current normal water usage when the evaporative coolers are in operation were calculated under the assumption that the evaporative coolers would be functioning at 100 percent and 75 percent capacity, respectively. Estimates show that the Project would increase the annual average water usage by 60 gallons per minute (gpm) under maximum usage and 5 gpm under normal usage when evaporative coolers are operating, and 61 gpm and 5 gpm, respectively, when evaporative coolers are not operating. This minimal increase in water usage would not affect the existing water supply and would remain within the Site's withdrawal permit limit of 0.331 million gallons per day (mgd) (equivalent to a daily average withdrawal rate of 230 gpm).

The Project would not affect either the effluent composition of or the volume of the Site's water discharge. There are two ponds located at the Site – an unlined stormwater pond and a lined National Pollutant Discharge Elimination System (NPDES) detention pond that collects evaporative cooler blowdown and low volume wastewater from the Site. The industrial NPDES discharge permit for the Site does not have a limit on the quantity of water discharged. The increased water usage as described above would largely evaporate during combustion, and a significant increase in water discharge volume is not anticipated. As such, no modifications to either the groundwater withdrawal permit or the industrial NPDES discharge permit are anticipated as a result of the Project.

The Project would result in only minor increases in water usage levels. The increased usage and discharge would remain within the limits of the current groundwater withdrawal and NPDES discharge permits for the Site. Therefore, no mitigation measures for the increased withdrawals or discharges are proposed.

G. PUBLIC INVOLVEMENT

The availability of the EA for public review was announced in the *Sandersville Progress* newspaper on January 10, 2024, and January 17, 2024. The EA was made publicly available on the RUS project website, [Washington County Energy Facility Dual Fuel Conversion Project | Rural Development \(usda.gov\)](https://www.usda.gov/energy-facility-dual-fuel-conversion-project), and at the headquarters of Oglethorpe at 2100 E Exchange Pl., Tucker, GA 30084. The fourteen (14) day public comment period concluded on January 24, 2024, during which time no public or agency comments were received.

H. FINDING OF NO SIGNIFICANT IMPACT

Based on the EA, RUS has concluded that the Project would have no significant impacts to the human environment. RUS has concluded that the Project would have no effect to federally listed threatened and endangered species or critical habitat. RUS has concluded that the Project would not disproportionately affect minority or low-income populations and that no historic properties would be affected by the proposed Project.

In accordance with NEPA, as amended, the Council on Environmental Quality Regulations, and RD's Environmental Policies and Procedures, RUS has determined that the environmental impacts from the proposed Project have been adequately addressed and that no significant impacts to the quality of the human environment would result from completion of the proposed Project. Any final action by RUS related to the Project will be subject to, and contingent upon, compliance with all relevant federal and state environmental laws and regulations. RUS's action will not result in significant impacts to the quality of the human environment; therefore, an Environmental Impact Statement will not be prepared.

I. RUS LOAN REVIEW AND RIGHT OF ADMINISTRATIVE REVIEW

This FONSI is not a decision on Oglethorpe's expected 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 in accordance with NEPA and RUS's Environmental Policies and Procedures (7 CFR Part 1970); however, engineering and financial analysis must also be concluded prior to the approval of the loan. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. 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.

J. APPROVAL

This Finding of No Significant Impact is effective on signature.

Dated:

CHRISTOPHER A. McLEAN
Assistant Administrator
Electric Programs
Rural Utilities Service

Contact Information

For additional information on this FONSI and EA, please contact Ms. Suzanne Kopich, Environmental Protection Specialist, at USDA, Rural Utilities Service at: suzanne.kopich@usda.gov