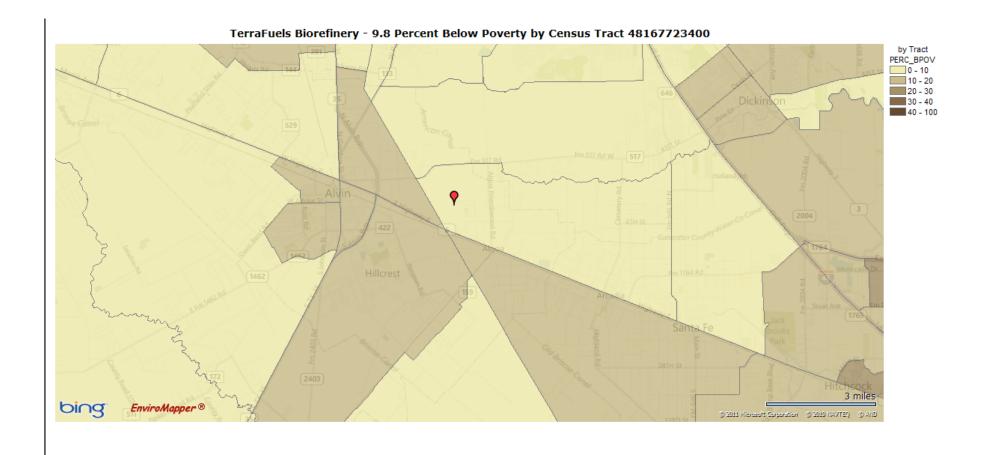


Form RD 2006-38 (Rev. 07-07)

#### Rural Development Environmental Justice (EJ) and Civil Rights Impact Analysis (CRIA) Certification

| 1. Applicant's name and proposed project description: TerraFuels LLC proposes to construct and  |
|---|
| operate a biorefinery which will convert municipal solid waste to green gasoline.   |
| 2. Rural Development's loan/grant program/guarantee or other Agency action: RD provides a loan  |
| guarantee for the construction and operation of the biorefinery   |
| 3. Attach a map of the proposal's area of effect identifying location or EJ populations, location of the proposal, area of impact or  |
| Attach results of EJ analysis from the Environmental Protection Agency's (EPAs) EnviroMapper with proposed project location and impact footprint delineated.  |
| 4. Does the applicant's proposal or Agency action directly, indirectly or cumulatively affect the quality and/or level of services provided to the community?  Yes ✓ No ✓ N/A   |
| 5. Is the applicant's proposal or Agency action likely to result in a change in the current land use patterns (types of land use, development densities, etc)?  Yes  No  N/A  |
| 6. Does a demographic analysis indicate the applicant's proposal or Agency's action may disproportionately affect a significant minority and/or low-income populations?  Yes  No  N/A   |
| If answer is no, skip to item 12. If answer is yes, continue with items 7 through 12.   |
| 7. Identify, describe, and provide location of EJ population  |
| 8. If a disproportionate adverse affect is expected to impact an EJ population, identify type/level of public outreach implemented.   |
| 9. Identify disproportionately high and adverse impacts on EJ populations.  |
| 10. Are adverse impacts appreciably more severe or greater in magnitude than the adverse impacts expected on non-minority/low-income populations?  Yes No N/A   |
| 11. Are alternatives and/or mitigation required to avoid impacts to EJ populations?  Yes No N/A   |
| f yes, describe   |
| 12. I certify that I have reviewed the appropriate documentation and have determined that:  No major EJ or civil rights impact is likely to result if the proposal is implemented.  A major EJ or civil rights impact is likely to result if the proposal is implemented. |
| Juliet Bochicchio 08-30-2011  |
| Name and Title of Certifying Official Date  |
| Juliet Ochichio Environmental Profestion Specialist   |



TerraFuels Biorefinery - 12.3 Percent Minority Tract ID 48167723400 by Tract
PERC\_MINOR
0 - 10
10 - 20
20 - 30
30 - 40
40 - 100 3 miles bing EnviroMapper® © 2011 Microsoft Corporation © 2010 NAVTEQ © AND

| Census Tract 48167723400 Overview |                  |                              |            |                                     |    |
|-----------------------------------|------------------|------------------------------|------------|-------------------------------------|----|
| <u>Total Persons:</u>             | 131              | Land Area:                   | 100%       | Households in Area:                 | 45 |
| Population<br>Density:            | 166.06 /sq<br>mi | Water Area:                  | 0%         | Housing Units in Area:              | 50 |
| Percent Minority:                 | 23.8%            | Persons Below Poverty Level: | 23 (17.6%) | Households on Public<br>Assistance: | 1  |
| Percent<br>Urban:                 | 0%               | Housing Units Built <1970:   | 14%        | Housing Units Built <1950:          | 5% |

| Race and Age*                                   |             |                              |                |
|---|-------------|------------------------------|----------------|
| (* Columns that add up to 100% are highlighted) |             |                              |                |
| Race Breakdown                                  | Persons (%) | Age Breakdown                | Persons(%)     |
| White:  | 117 (89.9%) | Child 5 years or less:       | 14 (11.0%)     |
| African-American:                               | 2 (1.8%)    | Minors 17 years and younger: | 36 (27.9%)     |
| <u>Hispanic-Origin:</u>                         | 28 (21.4%)  | Adults 18 years and older:   | 94 (72.1%)     |
| Asian/Pacific Islander:                         | 0 (0.0%)    | Seniors 65 years and older:  | 10 (7.9%)      |
| American Indian:                                | 0 (0.0%)    |                              |                |
| Other Race:                                     | 10 (7.6%)   | This space intentional       | lly left blank |
| Multiracial:                                    | 1 (0.7%)    |                              |                |

| Gender           |             |  |  |
|------------------|-------------|--|--|
| Gender Breakdown | Persons (%) |  |  |
| Males:           | 69 (53.1%)  |  |  |
| Females:         | 61 (46.9%)  |  |  |

| Education Level (Persons 25 & older) | Persons (%) |
|--------------------------------------|-------------|
| Less than 9th grade:                 | 6 (7.9%)    |
| 9th -12th grade:                     | 20 (26.5%)  |
| High School Diploma:                 | 32 (41.4%)  |
| Some College/2 yr:                   | 12 (16.2%)  |
| B.S./B.A. or more:                   | 6 (8.0%)    |

| <u>Language</u>            |             |  |
|----------------------------|-------------|--|
| Ability to Speak English   | Persons (%) |  |
| Population Age 5 and Over: | 119         |  |
| Speak only English:        | 103 (86.5%) |  |

| Non-English at Home:          | 16 (13.3%) |
|-------------------------------|------------|
| Speak English very well:      | 15 (12.3%) |
| Speak English well:           | 1 (0.5%)   |
| Speak English not well:       | 1 (0.5%)   |
| Speak English not at all:     | 0 (0.0%)   |
| Speak English less than well: | 1 (0.5%)   |

| <u>Language Spoken</u>           |             |  |  |
|----------------------------------|-------------|--|--|
| <u>Language Spoken</u>           | Persons (%) |  |  |
| Speak only English:              | 228 (94.0%) |  |  |
| Spanish or Spanish Creole:       | 12 (4.8%)   |  |  |
| French (incl. Patois, Cajun):    | 0 (0.1%)    |  |  |
| German:                          | 1 (0.4%)    |  |  |
| Other Slavic Languages:          | 0 (0.1%)    |  |  |
| Chinese:                         | 0 (0.1%)    |  |  |
| Japanese:                        | 0 (0.2%)    |  |  |
| Other and unspecified Languages: | 0 (0.2%)    |  |  |
| Non-English Speaking:            | 14 (6.0%)   |  |  |

| Place of Birth for the Foreign-Born |           |  |
|-------------------------------------|-----------|--|
| Country                             | Persons   |  |
| Foreign-Born Population:            | 5         |  |
| Europe:                             | 1 (28.2%) |  |
| Asia:                               | 0 (5.5%)  |  |
| Americas:                           | 3 (66.4%) |  |
| United Kingdom:                     | 0 (7.3%)  |  |
| Other Northern Europe:              | 0 (8.2%)  |  |
| Germany:                            | 1 (12.7%) |  |
| Thailand:                           | 0 (5.5%)  |  |
| Mexico:                             | 3 (66.4%) |  |

| Income                       |                |  |
|------------------------------|----------------|--|
| Income Breakdown             | Households (%) |  |
| Less than \$15,000:          | 9 (19.2%)      |  |
| \$15,000 - \$25,000 <u>:</u> | 5 (10.4%)      |  |
| <u>\$25,000 - \$50,000:</u>  | 11 (24.8%)     |  |
| \$50,000 - \$75,000 <u>:</u> | 9 (20.1%)      |  |

| Greater than \$75,000:  | 11 (24.0%)     |
|-------------------------|----------------|
| Tenure                  |                |
| Tenure Breakdown        | Households (%) |
| Occupied Housing Units: | 45 (100.0%)    |
| Owner Occupied:         | 35 (77.9%)     |
| Renter Occupied         | 10 (22.1%)     |

http://oaspub.epa.gov/envjust/env\_just\_ejv.get\_geom?report\_type=html&p\_call er=nepa&coords=-95.191383%2C29.421058&feattype=point&radius=0.5

Print As-Is

Last updated on Tuesday, August 30, 2011

-

| Income                       |                |  |
|------------------------------|----------------|--|
| Income Breakdown             | Households (%) |  |
| Less than \$15,000:          | 9 (19.2%)      |  |
| <u>\$15,000 - \$25,000:</u>  | 5 (10.4%)      |  |
| <u>\$25,000 - \$50,000:</u>  | 11 (24.8%)     |  |
| \$50,000 - \$75,000 <u>:</u> | 9 (20.1%)      |  |
| Greater than \$75,000:       | 11 (24.0%)     |  |
| Tenure                       |                |  |
| Tenure Breakdown             | Households (%) |  |
| Occupied Housing Units:      | 45 (100.0%)    |  |
| Owner Occupied:              | 35 (77.9%)     |  |
| Renter Occupied              | 10 (22.1%)     |  |

## DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY

FEDERAL EMERGENCY MANAGEMENT AGENCY

STANDARD FLOOD HAZARD DETERMINATION FORM (SFHDF)

See The Attached Instructions O.M.B No.1660-0040 Expires December 31, 2011

| SECTION I I CAN INCODMA | TIO |
|-------------------------|-----|

1. LENDER NAME AND ADDRESS

Compass Bank

15 20th Street South

2nd Floor

Birmingham, AL 35233

Branch: 21663

Attn: Sheree Reeves

2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached)

PLEASE SEE THE ATTACHED LEGAL DESCRIPTION GALVESTON COUNTY, TX 77511

Legal Description: ABST 617 PAGE 1 E 1/2 OF LOT 7

(7-1) I & GN RR SUR SUB SEC 26

Borrower: TerraFuels LLC

| 3. LENDER ID. NO.<br>19048-9  | 4. LOAN IDENTIFIER 5. AMOUNT available \$ |                      |              | JNT OF FLOOD IN          | ISURANCE REQ      | UIRED |  |  |
|---|---|----------------------|--------------|--------------------------|-------------------|-------|--|--|
| SECTION II  |   |                      |              |                          |                   |       |  |  |
| A. NATIONAL FLOOD INSURANCE PROGRAM   | (NFIP) CO                                 | MMUNITY JURISDICTION |              |                          |                   |       |  |  |
| 1. NFIP Community Name  | 2. County(ies)                            |                      | 3. State     | 4. NFIP Community Number |                   |       |  |  |
| GALVESTON COUNTY  | UNINCORPORATED A                          | TX                   | 485470       |                          |                   |       |  |  |
| B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME  |   |                      |              |                          |                   |       |  |  |
| NFIP Map Number or Community Panel N     (Community name, if not the same as "A   | NFIP Map Panel Effect<br>Revised Date     | ctive/               | 3. LOMA/LOMR | 4. Flood Zone            | 5. No NFIP<br>Map |       |  |  |
| 485470 0140C  | 12/06/02                                  | Yes Date             |              | С                        |                   |       |  |  |
| C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)  |   |                      |              |                          |                   |       |  |  |
| 1. X Federal Flood Insurance is available (community participates in NFIP). X Regular Program Emergency Program of NFIP |   |                      |              |                          |                   |       |  |  |

3. Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood Insurance may not

### D. DETERMINATION

be available

# IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONE CONTAINING THE LETTERS "A" OR "V") ? YES X NO

2. Federal Flood Insurance is not available because community is not participating in the NFIP.

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973. If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

CBRA/OPA designation date:

#### E. COMMENTS (Optional):

1. Determination based on legal description provided.

THIS FLOOD DETERMINATION IS PROVIDED TO THE LENDER PURSUANT TO THE FLOOD DISASTER PROTECTION ACT. IT SHOULD NOT BE USED FOR ANY OTHER PURPOSE.

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

#### F. PREPARER'S INFORMATION

FEMA Form 81-93, DEC 08

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender)

CoreLogic Flood Services 11902 Burnet Road Austin, TX 78758 1-800-447-1772 DATE OF DETERMINATION

08/08/11 at 12:11 PM CDT

FloodCert #: 1108187179

\*\*\* LIFE-OF-LOAN \*\*\*

1108187179 / COB-001UA

Produced on 08/08/11 at 12:11 PM CDT



101 S. Main Street Temple, TX 76501-6624 Phone: 254-742-9861 FAX: 254-742-9859

August 25, 2011

Rural Development U.S. Department of Agriculture 1400 Independence Avenue, SW Washington, D.C. 20250

Attention: Juliet Cartron Bochicchio, Environmental Protection Specialist

Subject: Land Use (LNU)--Farmland Protection
Proposed Post-Sorted Municipal Solid Waste Biorefinery
Colvector County Toyan

Galveston County, Texas

We have reviewed the information provided concerning the proposed Post-Sorted Municipal Solid Waste Biorefinery in Galveston County, Texas, in correspondence dated July 11,2011. This is part of the National Environmental Policy Act (NEPA) evaluation for USDA Rural Development, Rural Business-Cooperative Service. We have evaluated the proposed area as required by the Farmland Protection Policy Act (FPPA).

The proposed project does contain soils classified as Important Farmland. We have completed Parts II, IV, V and VI of the Farmland Conversion Impact Rating form (AD-1006) you sent to us. The combined rating of the proposed site is 114. The FPPA states that sites with a rating less than 160 will need no further consideration for protection and thus are not subject to the FPPA. During the work on this project we would encourage you to use accepted erosion control methods.

We have attached the completed AD-1006 form. Thank you for the resource materials you submitted to help in our evaluation. If you have any questions please call Laurie Kiniry at (254) 742-9861, Fax (254)-742-9859.

Sincerely,

Laurie N. Kiniry Soil Scientist

Laurie Kening

Attachment

| U.S. Department of Agriculture FARMLAND CONVERSION IMPACT RATING   |  |                       |   |                     |                 |  |                            |  |  |
|--|--|-----------------------|---|---------------------|-----------------|--|----------------------------|--|--|
| PART I (To be completed by Federal Agency)   |  |                       | Date Of Land Evaluation Request July 11, 2011 |                     |                 |  |                            |  |  |
| Name of Project TerraFuels   | Federal Agency Involved RD-RBCS  |                       |   |                     |                 |  |                            |  |  |
| Proposed Land Use PSMSW Biorefin   | County and State Galveston County Texas                                      |                       |   |                     |                 |  |                            |  |  |
| PART II (To be completed by NRCS)  | Date Request Received By NRCS July 12, 2011 Person Completing Form: L.Kiniry |                       |   |                     |                 |  |                            |  |  |
| Does the site contain Prime, Unique, Statew  |  | Y                     | ES NO   | Acres               | Irrigated       | 1  | Farm Size                  |  |  |
| (If no, the FPPA does not apply - do not con   |  |                       |   | 1,703               |                 | 192 acı  |                            |  |  |
| Major Crop(s)  grain sorghum   | Farmable Land In Govt. J<br>Acres: 58% % 14                                  | urisdiction<br>14,791 | arrae   | Amount of Acres: 46 | Farmland As     | Defined in FP<br>15,815 a                      |                            |  |  |
| Name of Land Evaluation System Used  | Name of State or Local Si  | •                     |   |                     | Evaluation Re   |  |                            |  |  |
| LESA   | n/   |                       | nem cyclem                                    | 8/25/20             |                 | VIG.1.10 2 2 7 1 11                            |                            |  |  |
| PART III (To be completed by Federal Agen  | cy)  |                       |   | Site A              | Alternative     | Site Rating<br>Site C                          | Site D                     |  |  |
| A. Total Acres To Be Converted Directly  |  |                       |   | 10                  | Oile D          | J Oile C                                       | ORE D                      |  |  |
| B. Total Acres To Be Converted Indirectly  | *  |                       |   | 21                  | <del> </del>    |  |                            |  |  |
| C. Total Acres In Site   |  |                       |   | 31                  | <u> </u>        |  |                            |  |  |
| PART IV (To be completed by NRCS) Land   | Evaluation Information   |                       |   | <del>  3!</del>     |                 |  |                            |  |  |
| A. Total Acres Prime And Unique Farmland   |  |                       |   | 31                  |                 |  |                            |  |  |
| B. Total Acres Statewide Important or Local I  | mportant Farmland  |                       | **************************************        | "                   | <u> </u>        |  |                            |  |  |
| C. Percentage Of Farmland in County Or Loc   |  |                       | -   | .02                 | İ               | Assertation description of the second          |                            |  |  |
| D. Percentage Of Farmland in Govt. Jurisdict   |  | e Value               | <u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>  | ~30                 | ***             |  |                            |  |  |
| PART V (To be completed by NRCS) Land I<br>Relative Value of Farmland To Be Cor  | Evaluation Criterion   | ·                     |   | 80                  |                 | Anangi sur |                            |  |  |
| PART VI (To be completed by Federal Agen   | cy) Site Assessment Criteria   |                       | Maximum<br>Points                             | Site A              | Site B          | Site C   | Site D                     |  |  |
| (Criteria are explained in 7 CFR 658.5 b. For C  | orridor project use form NRCS-C  | PA-106)               | (15)  | 12                  |                 |  |                            |  |  |
|  |  | ····                  | (10)  | 8                   |                 |  |                            |  |  |
| 2. Perimeter in Non-urban Use  |  |                       | (20)  | 0                   |                 |  |                            |  |  |
| 3. Percent Of Site Being Farmed  |  |                       | (20)  | 0                   |                 |  |                            |  |  |
| Protection Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State and Local Grant Control of the Provided By State Control of the Provided | overnment  |                       | (15)  | 3                   |                 |  |                            |  |  |
| Distance From Urban Built-up Area  | · · · · · · · · · · · · · · · · · · ·  |                       | (15)  |                     |                 |  |                            |  |  |
| 6. Distance To Urban Support Services  |  |                       | (10)  | 0                   |                 |  |                            |  |  |
| 7. Size Of Present Farm Unit Compared To A   | verage   |                       | (10)  | 0<br>3              |                 |  |                            |  |  |
| 8. Creation Of Non-farmable Farmland   |  |                       | (5)   |                     |                 |  |                            |  |  |
| Availability Of Farm Support Services  |  |                       | (20)  | 5                   | Man Jan Comment |  |                            |  |  |
| 10. On-Farm Investments  |  |                       | (10)  | 3                   |                 |  |                            |  |  |
| 11. Effects Of Conversion On Farm Support S  |  |                       | (10)  | 0                   |                 |  |                            |  |  |
| 12. Compatibility With Existing Agricultural Us  | è  |                       |   | 0                   |                 |  |                            |  |  |
| TOTAL SITE ASSESSMENT POINTS   |  |                       | 160   | 34                  |                 |  |                            |  |  |
| PART VII (To be completed by Federal Age   | ency)  |                       |   |                     |                 |  |                            |  |  |
| Relative Value Of Farmland (From Part V)   |  |                       | 100   | 80                  |                 |  |                            |  |  |
| Total Site Assessment (From Part VI above or   | local site assessment)   |                       | 160   | 34                  |                 |  |                            |  |  |
| TOTAL POINTS (Total of above 2 lines)  |  |                       | 260   | 114                 | Site Assessn    | nent Head?                                     |                            |  |  |
| Site Selected: Date Of Selection   |  |                       |   |                     | Sille Assessii  | NO   | Port community or constant |  |  |
| Reason For Selection:  | . I  |                       |   |                     |                 |  |                            |  |  |
| This rating is less than   | 160 points, there  | fore                  | accord  | ling to             | the F           | FPPA A   | ule,                       |  |  |
| This rating is less than 160 points, therefore according to the FPPA rule, it may be concluded the area is already committed to urban Development.   |  |                       |   |                     |                 |  |                            |  |  |
| Name of Federal agency representative completing this form: Juliet Bochichio Date: August 29, 20, See Instructions on reverse side) Form AD-1006 (03-02)   |  |                       |   |                     |                 |  |                            |  |  |
| See Instructions on reverse side)  |  |                       |   |                     |                 | Form XD-100                                    | )6 (03-Ó2)                 |  |  |
|  | relect Bochechio  Environmental Protection Specialist USDA-RBS               |                       |   |                     |                 |  |                            |  |  |



#### United States Department of Agriculture Rural Development

Rural Business-Cooperative Service, Program Support Staff 1400 Independence Avenue, SW Stop 0761, Room 6900 Washington, DC 20250

July 5, 2011

Michelle Lira City of Alvin Director of Community Development, 1100 West Highway 6 Alvin, Texas 77511

Subject:

Intergovernmental Review

Review of Proposed TerraFuels Green Gasoline Biorefinery

Dear Ms. Lira

We are initiating the Executive Order 12372, "Intergovernmental Review of Federal Programs" process on behalf of the U.S. Department of Agriculture, Rural Development (RD). The Agency is being asked to consider providing financial assistance for the proposal described below and your comments are invited on this proposal regarding

- 1) Consistency with State and local government planning goals;
- Extent to which the proposal duplicates, runs counter to, or needs to be coordinated with other activities, or might be revised to increase its effectiveness:
- 3) Contribution to achieving State or local government goals relating to natural and human resources, or economic and community development;
- 4) Extent of environmental impacts and alternatives that should be considered in the Agency's environmental review;
- 5) Influence on area growth or delivery of services, including any disproportionate effects on minority groups;
- 6) Impacts on energy resource supply and demand;
- 7) Possible displacement of people or businesses; and
- 8) Location in a Coastal Zone or Coastal Barrier Resource Area and consistency with any State coastal management plan.

If you choose not to respond within 60 days of this correspondence, the Agency will assume that you have chosen not to respond and may proceed with a decision on this proposal. Please feel free to contact me with any comments or questions at <a href="mailto:juliet.bochicchio@wdc.usda.gov">juliet.bochicchio@wdc.usda.gov</a> or at 202.205.8242. Thank you for forwarding all correspondence to me via email or to my attention at the address above.

Committed to the future of rural communities.

Michelle Lira, City of Alvin July 5, 2011 Page 2.

Sincerely,

Juliet Bochicchio

**Environmental Protection Specialist** 

CC:

Danny Torres, USDA RBCS

John Broussard, USDA RBCS

Attachments:

1) Project Description

2) General vicinity map

3) Aerial Photograph with Project Location

4) Environmental analysis excerpted from application

Rural Development U.S. Department of Agriculture Rural Business-Cooperative Service, Program Support Staff 1400 Independence Ave., S.W. | Washington, D.C. 20250 Mail Stop 0761

Phone: 202.720.9653 | Fax: 202.690.4335

www.rurdev.usda.gov

# Generalized Project Description Proposed Post Sorted Municipal Solid Waste Biorefinery TerraFuels Alvin, Texas July 2011

The USDA, Rural Business-Cooperative Service (RBCS) is considering an application for loan guarantee pursuant to Section 9003 of the Food, Conservation, and Energy Act of 2008 received from BBVA Compass Bank, for TerraFuels, LLC to construct and operate a Post Sorted Municipal Solid Waste (PSMSW) Biorefinery to be located in Alvin, Galveston County, Texas. The proposal would include the construction of the biorefinery and its related infrastructure to be located on approximately 10 acres of land located directly south and adjacent to Waste Management's Coastal Plains Recycle and Disposal Facility in Alvin, TX.

The purpose of the proposed biorefinery is to produce drop-in green gasoline that will contribute to meeting the requirements of the Renewable Fuel Standard established in the Energy Independence and Security Act of 2007. At the same time the biorefinery will be recycling, and reducing the need to place in the landfill, a significant quantity of organic wastes. The biorefinery proposes the use of approximately 240 dry tons per day of PSMSW (primary food waste, cardboard and waste/contaminated paper) for production of an estimated 5.2 million gallons of green gasoline per year. **Attachments 2 and 3** show the location of the proposed facility.

The Coastal Plains facility is a large landfill that currently services the larger Houston and Galveston metropolitan area. This landfill, that processes approximately 1,600 tons per day of municipal solid waste, was chosen due to its size and ability to gather significant quantities of organic municipal waste as well as its close proximity (less than 30 miles) to Valero's Texas City refinery, which will purchase 100 percent of the plant's output.

Historically, the subject property has been used for agriculture, oil and gas exploration and production, and residential purposes. Transportation corridors to the landfill currently exist and infrastructure, including water, sewer, electricity, natural gas, and hydrogen is available close to the proposed biorefinery location. The main method of transportation for both feedstock supply and fuel off-take will be by truck, using existing roads and highways. Highway 6 is the main road near the Facility, and it can handle large quantities of vehicles on a daily basis. The number of feedstock and product off-take trucks is not expected to cause a major safety concern or require any additional traffic control devices.

**Attachment 4** provides excerpts from the environmental analysis which was submitted for completion of the environmental assessment for this proposal. TerraFuels, LLC requests that the information included in this enclosure be given confidential treatment to the extent possible under Texas law.

This page contains proprietary information that TerraFuels and Terrabon request not to be released to persons outside the Government, except for purposes for review and evaluation under obligation of confidentiality.

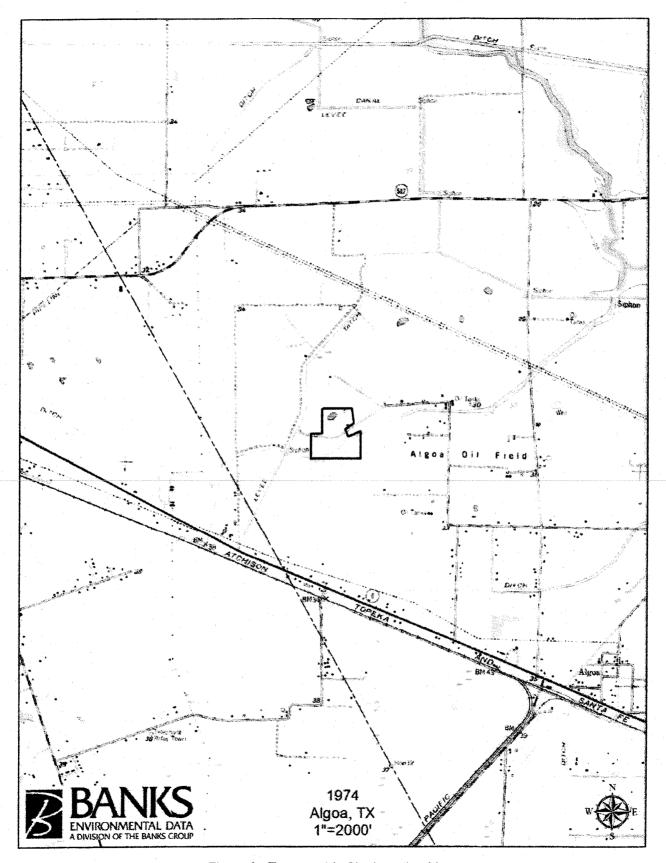
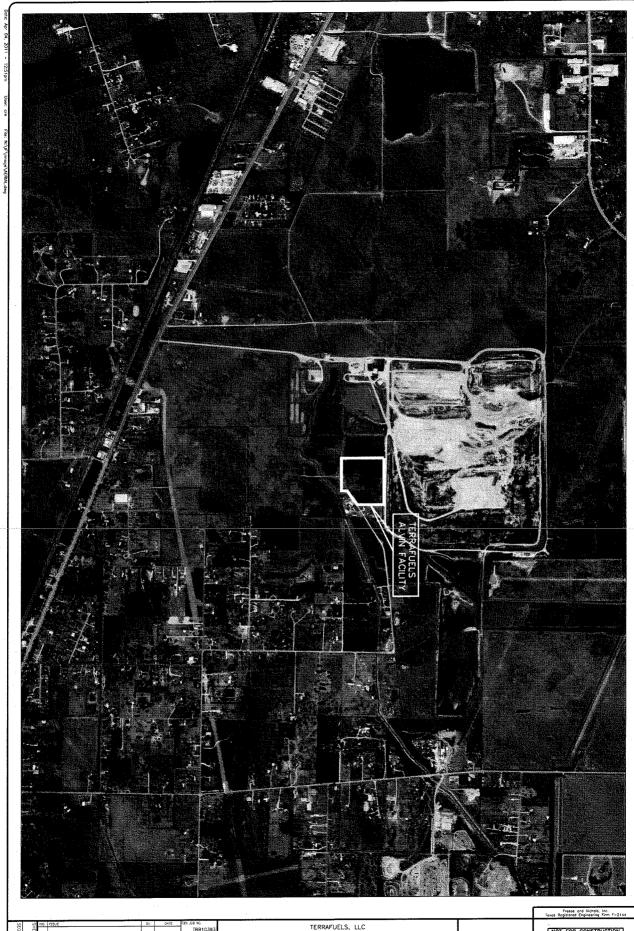


Figure 3. Topographic Site Location Map



| S    | S   | NO. | YSSAIC .  |                     | By       | DATE      | F&N JOB NO.   |
|------|-----|-----|-----------|---------------------|----------|-----------|---------------|
| SEO. | 33  |     |           |                     |          |           | TRB10393      |
|      | - 4 | П   |           |                     |          | 1         | 04NL APR 2011 |
|      |     |     |           |                     |          |           | DÉSIGNEO      |
|      |     | Н   | -         |                     |          |           | CRAWN         |
|      |     |     |           | <del></del>         |          |           | REVISEO       |
|      |     | MEE | HEY SCALE | Bar is one inch ar  | original |           | CHECKED       |
|      |     | ٧., | III SCALE | drawing, if not one | inch on  | FILE NAME |               |

ALVIN BIOREFINERY

SITE LOCATION MAP

FREESE NICHOLS

4040 Braceway Street, Suite 600
San Antonio, Taxos 78209-6350
Phone - (210) 298-390

NOT FOR CONSTRUCTION

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#### United States Department of Agriculture Rural Development

Rural Business-Cooperative Service, Program Support Staff 1400 Independence Avenue, SW Stop 0761, Room 6900 Washington, DC 20250

July 5, 2011

Kelly Hamby, Floodplain Director County of Brazoria 451 North Velsaco Avenue, Suite 210 Angelton, TX 77515

Subject:

Intergovernmental Review

Review of Proposed TerraFuels Green Gasoline Biorefinery

Dear Ms. Hamby,

We are initiating the Executive Order 12372, "Intergovernmental Review of Federal Programs" process on behalf of the U.S. Department of Agriculture, Rural Development (RD). The Agency is being asked to consider providing financial assistance for the proposal described below and your comments are invited on this proposal regarding

- 1) Consistency with State and local government planning goals:
- Extent to which the proposal duplicates, runs counter to, or needs to be coordinated with other activities, or might be revised to increase its effectiveness;
- 3) Contribution to achieving State or local government goals relating to natural and human resources, or economic and community development;
- 4) Extent of environmental impacts and alternatives that should be considered in the Agency's environmental review;
- 5) Influence on area growth or delivery of services, including any disproportionate effects on minority groups;
- 6) Impacts on energy resource supply and demand;
- 7) Possible displacement of people or businesses; and
- 8) Location in a Coastal Zone or Coastal Barrier Resource Area and consistency with any State coastal management plan.

If you choose not to respond within 60 days of this correspondence, the Agency will assume that you have chosen not to respond and may proceed with a decision on this proposal. Please feel free to contact me with any comments or questions at <a href="mailto:juliet.bochicchio@wdc.usda.gov">juliet.bochicchio@wdc.usda.gov</a> or at 202.205.8242. Thank you for forwarding all correspondence to me via email or to my attention at the address above.

Kelly Hamby, County of Brazoria July 5, 2011 Page 2.

Sincerely,

duliet Bochicchio

**Environmental Protection Specialist** 

CC:

Danny Torres, USDA RBCS

John Broussard, USDA RBCS

Attachments:

1) Project Description

2) General vicinity map

3) Aerial Photograph with Project Location

4) Environmental analysis excerpted from application

Rural Development U.S. Department of Agriculture Rural Business-Cooperative Service, Program Support Staff 1400 Independence Ave., S.W. | Washington, D.C. 20250 Mail Stop 0761

Phone: 202.720.9653 | Fax: 202.690.4335

www.rurdev.usda.gov

# Generalized Project Description Proposed Post Sorted Municipal Solid Waste Biorefinery TerraFuels Alvin, Texas July 2011

The USDA, Rural Business-Cooperative Service (RBCS) is considering an application for loan guarantee pursuant to Section 9003 of the Food, Conservation, and Energy Act of 2008 received from BBVA Compass Bank, for TerraFuels, LLC to construct and operate a Post Sorted Municipal Solid Waste (PSMSW) Biorefinery to be located in Alvin, Galveston County, Texas. The proposal would include the construction of the biorefinery and its related infrastructure to be located on approximately 10 acres of land located directly south and adjacent to Waste Management's Coastal Plains Recycle and Disposal Facility in Alvin, TX.

The purpose of the proposed biorefinery is to produce drop-in green gasoline that will contribute to meeting the requirements of the Renewable Fuel Standard established in the Energy Independence and Security Act of 2007. At the same time the biorefinery will be recycling, and reducing the need to place in the landfill, a significant quantity of organic wastes. The biorefinery proposes the use of approximately 240 dry tons per day of PSMSW (primary food waste, cardboard and waste/contaminated paper) for production of an estimated 5.2 million gallons of green gasoline per year. **Attachments 2 and 3** show the location of the proposed facility.

The Coastal Plains facility is a large landfill that currently services the larger Houston and Galveston metropolitan area. This landfill, that processes approximately 1,600 tons per day of municipal solid waste, was chosen due to its size and ability to gather significant quantities of organic municipal waste as well as its close proximity (less than 30 miles) to Valero's Texas City refinery, which will purchase 100 percent of the plant's output.

Historically, the subject property has been used for agriculture, oil and gas exploration and production, and residential purposes. Transportation corridors to the landfill currently exist and infrastructure, including water, sewer, electricity, natural gas, and hydrogen is available close to the proposed biorefinery location. The main method of transportation for both feedstock supply and fuel off-take will be by truck, using existing roads and highways. Highway 6 is the main road near the Facility, and it can handle large quantities of vehicles on a daily basis. The number of feedstock and product off-take trucks is not expected to cause a major safety concern or require any additional traffic control devices.

**Attachment 4** provides excerpts from the environmental analysis which was submitted for completion of the environmental assessment for this proposal. TerraFuels, LLC requests that the information included in this enclosure be given confidential treatment to the extent possible under Texas law.

This page contains proprietary information that TerraFuels and Terrabon request not to be released to persons outside the Government, except for purposes for review and evaluation under obligation of confidentiality.

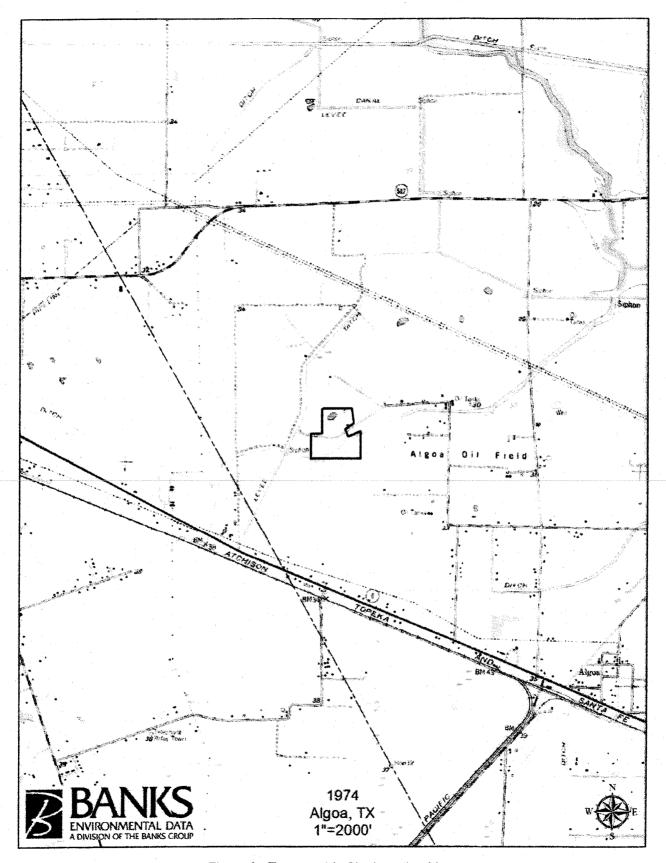
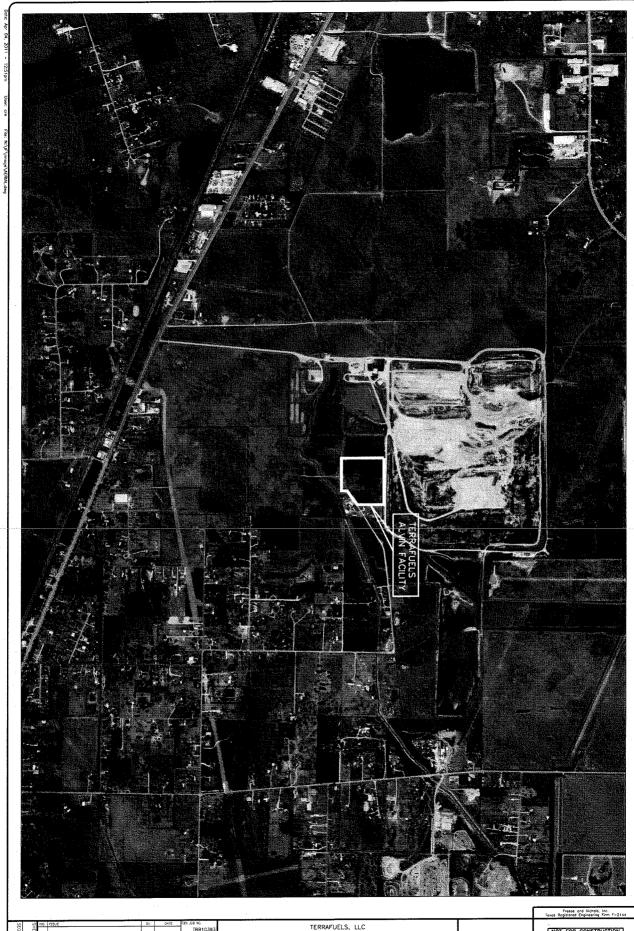


Figure 3. Topographic Site Location Map



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ALVIN BIOREFINERY

SITE LOCATION MAP

FREESE NICHOLS

4040 Braceway Street, Suite 600
San Antonio, Taxos 78209-6350
Phone - (210) 298-390

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#### United States Department of Agriculture Rural Development

Rural Business-Cooperative Service, Program Support Staff 1400 Independence Avenue, SW Stop 0761, Room 6900 Washington, DC 20250

July 5, 2011

Sean Welsh, Floodplain Manager County of Galveston, Building Department 722 Moody Avenue Galveston, Texas 77550

Subject:

Intergovernmental Review

Review of Proposed TerraFuels Green Gasoline Biorefinery

Dear Mr. Welsh,

We are initiating the Executive Order 12372, "Intergovernmental Review of Federal Programs" process on behalf of the U.S. Department of Agriculture, Rural Development (RD). The Agency is being asked to consider providing financial assistance for the proposal described below and your comments are invited on this proposal regarding

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Sean Welsh, County of Galveston July 5, 2011 Page 2.

Sincerely,

Juliet Bochicchio

**Environmental Protection Specialist** 

CC:

Danny Torres, USDA RBCS

John Broussard, USDA RBCS

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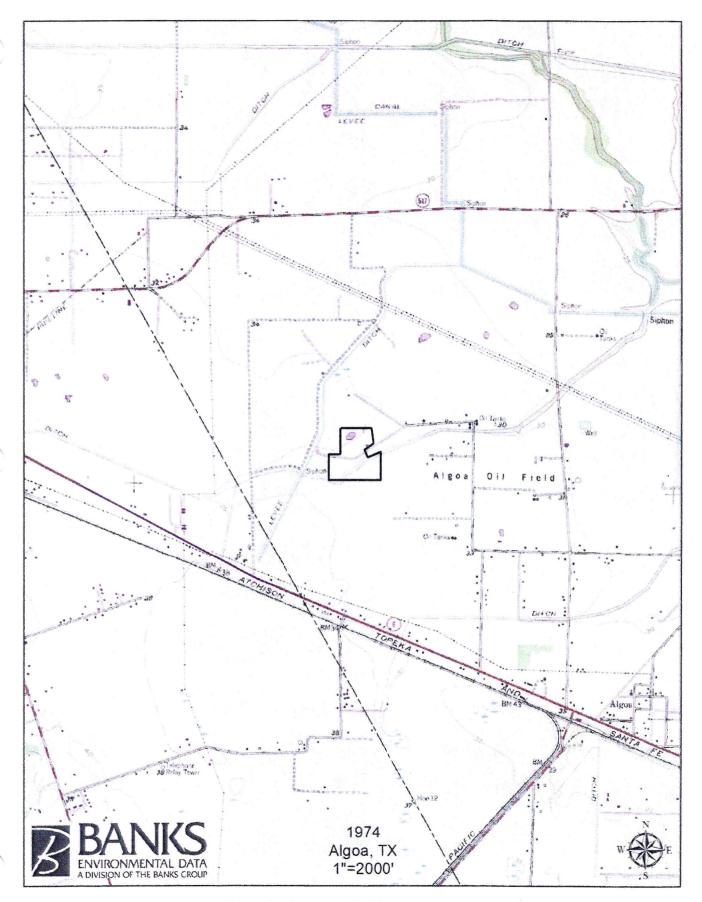
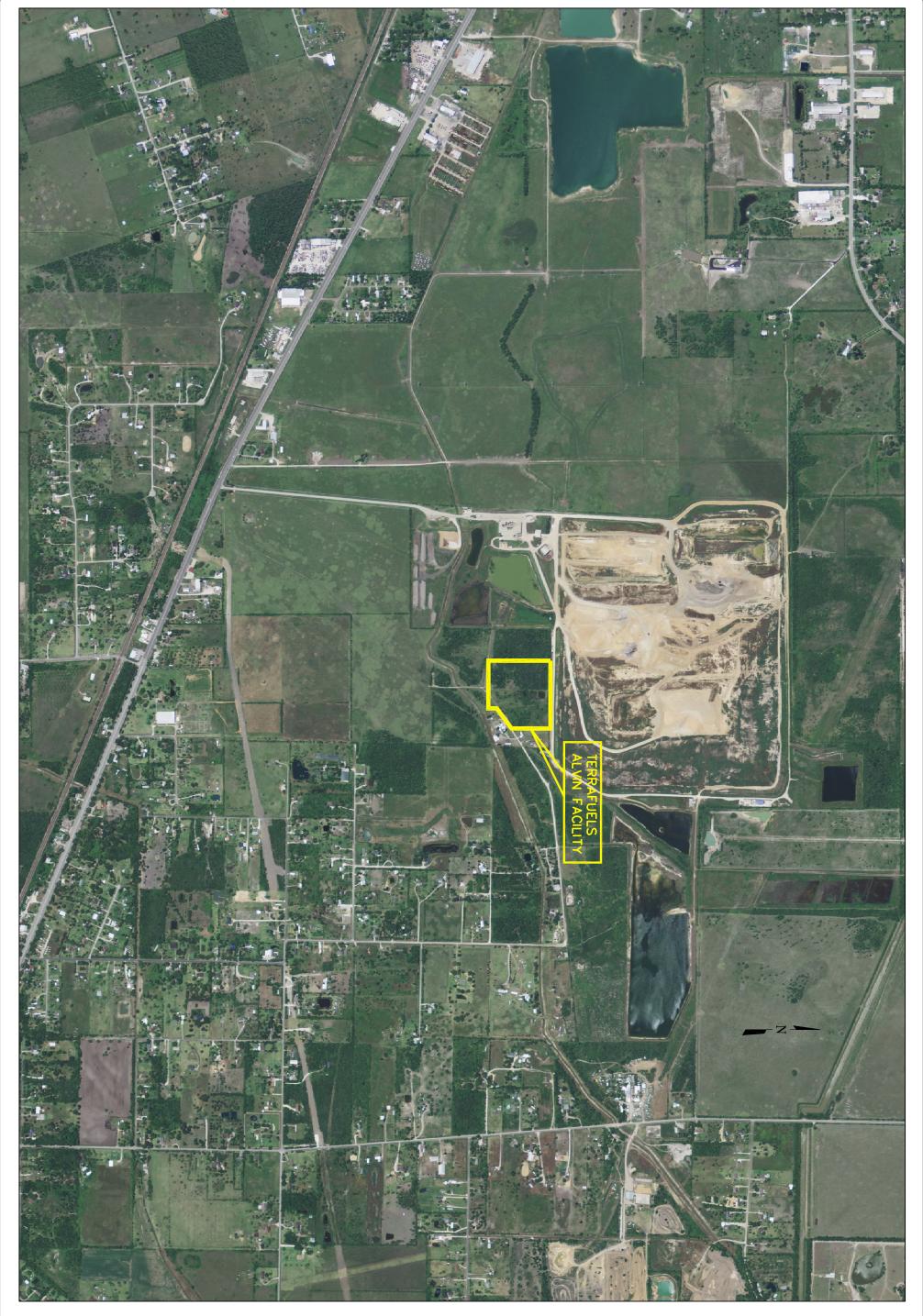


Figure 3. Topographic Site Location Map



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TERRAFUELS, LLC ALVIN BIOREFINERY

SITE LOCATION MAP

Message Page 1 of 1

From: kellyh@brazoria-county.com

Sent: Wednesday, July 06, 2011 1:45 PM Bochicchio, Juliet - Washington, DC To:

**Subject:** RE: Terrafuels Biorefinery - County of Brazoria Intergovernmental Review

Never mind last email. This project is entirely within the jurisdiction of Galveston County, so I will have no

comments. Thanks

Kelly Hamby, CFM Brazoria County Floodplain/911 Administrator 979-864-1272



Please consider the environment before printing this e-mail.

----Original Message-----

From: Bochicchio, Juliet - Washington, DC [mailto:Juliet.Bochicchio@wdc.usda.gov]

**Sent:** Tuesday, July 05, 2011 3:47 PM

To: fp-kelly

Cc: Torres, Daniel - Temple, TX; Broussard, John - Alexandria, LA

Subject: Terrafuels Biorefinery - County of Brazoria Intergovernmental Review

#### Dear Kelly,

Attached please find an electronic copy of our request for the County of Brazoria to review the proposed TerraFuels Biorefinery to be located outside of Alvin Texas, in response to the Executive Order 12372, "Intergovernmental Review of Federal Programs" process on behalf of the U.S. Department of Agriculture, Rural Development, Rural Business-Cooperative Service (RBCS). The Agency is being asked to consider providing financial assistance for the proposal described in the attached document and your comments are invited on this proposal as described in the attached cover letter.

A hard copy of this letter request will arrive via regular mail. I spoke with you on the phone the last week in June regarding this proposal and letter request. As discussed, there is a 60-day response time for intergovernmental review, however, in order to expedite review of this proposal, we would appreciate hearing from the County of Brazoria within 30 days if possible.

If you have any questions please feel free to contact me. Thank you for your time. Juliet Bochicchio

Juliet Cartron Bochicchio | Environmental Protection Specialist Rural Development U.S. Department of Agriculture 1400 Independence Ave., S.W. | Washington, D.C. 20250 Mail Stop 0761 Phone: 202.205.8242 | Fax 202.690.4335

www.rurdev.usda.gov

"Committed to the future of rural communities"

"Estamos dedicados al futuro de las comunidades rurales"



### THE COUNTY OF GALVESTON

### Office of the County Engineer

722 MOODY GALVESTON, TX 77550 (409) 770-5399 (409) 770-5549 (281) 316-8300 FAX (409) 770-5557

MIKE FITZGERALD, P.E. COUNTY ENGINEER

#### **CORRECTED LETTER**

July 12, 2011

Juliet Bochicchio
U.S. Department of Agriculture
Rural Development
Rural Business- Cooperative Service, Program Support Staff
1400 Independence Ave., S.W.
Mail Stop 00761, room 6900
Washington, D.C. 20250

Re: Review of Proposed TerraFuels Green Gasoline Biorefinery

Dear Ms. Bochicchio,

The proposed facility is not within the FEMA 100 year floodplain. As a result it must comply with Galveston County Floodplain regulations. All additional run-off must be mitigated with on site detention. Please contact Galveston County Drainage District No. 1 and the Galveston County Health District concerning outfall drainage and health district requirements. Please note that although this site is not in the official FEMA 100 year floodplain a 1994 regional plan for the Dickinson Bayou Watershed identified it in the 100 year floodplain and identified a floodway along the Galveston County Drainage District No. 1 outfall ditch which drains the site.

Very truly yours,

Mike Fitzgerald, P.E.

S.m Fitzgerald

Floodplain Administrator/County Engineer

GMF/ear

Cc: Galveston County Drainage District No. 1

Galveston County Health Department

Sean Welsh, Assistant Floodplain Administrator Galveston County

Enclosure