FINDING OF NO SIGNIFICANT IMPACT

Hunter Solar Project

Arapahoe County, Colorado

RURAL UTILITIES SERVICE U.S. Department of Agriculture

Hunter Solar, LLC

Prepared by: Engineering and Environmental Staff Rural Utilities Service

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A. INTRODUCTION

Hunter Solar, LLC plans to submit a financing request to the U.S. Department of Agriculture, Rural Utilities Service (RUS) to construct the proposed Hunter Solar Project in Arapahoe County, Colorado. RUS may consider approving this financing request. Prior to taking a federal action (e.g., providing financial assistance), RUS is required to complete an environmental effects analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (U.S.C. 4231 et seq.), the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 CFR Parts 1500-1508), and RUS's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970). After completing an independent analysis of an environmental report prepared by Spirit Environmental, 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. RUS finds that the EA is consistent with federal regulations and meets the standards for an adequate EA. Hunter Solar published two newspaper notices in one weekly periodical, announcing the availability of the EA for public review, in accordance with 7 CFR §1970.102(6)(ii). Notices of Availability of the EA for public review were published on May 13th, and on May 27th 2021 in the weekly Greenville Village, Colorado The Villager newspaper. The public comment period closed on June 3, 2021.

B. PROJECT DESCRIPTION

Hunter Solar, LLC is proposing to construct a 75 MW alternating current (AC) Solar photovoltaic (PV) generation facility. The proposed solar generation facility is located on undeveloped, unincorporated, agricultural land in Arapahoe County, Colorado.The precise location of the solar facility is along the intersection of E Quincy Ave (Highway 30) and N County Road 129 (N Brickcenter Road), Bennett, CO 80102. The Solar Facility will contain rows of Photovoltaic (PV) cell panels, or solar arrays, which are mounted on posts installed into the ground. The solar arrays will be mounted on posts installed into the ground. The solar arrays will be mounted on a tracking system. There will be approximately 250,000 440-watt solar nodules, thirty (30) inverters and (30) transformers on site. The Project will be completely enclosed by an approximately eight foot (8') tall chain-link fence. The proposed solar facility will produce a power output of approximately 188,750,000 kilo-watt-hours (kWh) annually.

C. PURPOSE/NEED

1. Agency Purpose and Need

RUS is authorized to make grants, loans and loan guarantees to finance the construction of electric distribution, transmission, and generation facilities, including system improvements and replacements required to furnish and improve electric service to rural areas, as well as demand side management, energy conservation programs, and on-grid and off-grid renewable energy

systems. The Rural Electrification Act of 1936, as amended (7 USC 901 et seq.), generally authorizes the Secretary of Agriculture to make rural electrification and telecommunication loans, including specifying eligible borrowers, references, purposes, terms and conditions, and security requirements.

2. Applicant Purpose and Need

Hunter Solar, LLC is constructing a solar facility in Arapaho County, Colorado. Hunter Solar, LLC secured two purchase agreements for renewable energy production in Colorado. The two purchase agreements, the Intermountain Rural Electric Association and Holy Cross Energy will be powered by the Hunter Solar Project. The State of Colorado has set a renewable Portfolio Standard, specifically for renewable energy within the state. By producing clean energy, the Hunter Solar Power Purchase Agreements of 30MW and 45MW of capacity (respectively) will aid in meeting the State of Colorado Renewable Portfolio Standard Goals. The proposed solar facility will also create employment opportunities, reduce air pollution, and provide replacement load for retiring generation facilities.

D. ALTERNATIVES EVALUATED

1. No Action

Under the No Action Alternative, RUS would not provide financial assistance to Hunter Solar, LLC, and/or the proposed Project would not be built. Hunter Solar, LLC would not be able to provide additional electric support to its consumers and address the State of Colorado Renewable Portfolio Standard goals. Ultimately, Hunter Solar, LLC would not be able to provide renewable energy service to consumers within its service area.

2. Action Alternative (Preferred Alternative)

Under the Action Alternative, RUS would consider financing the proposed Project, and Hunter Solar, LLC would construct the 75 MW alternating current (AC) Hunter Solar Project on approximately 571 acres. The proposed solar generation facility is located on undeveloped, unincorporated, agricultural land in Arapahoe County, Colorado. The construction of the new solar facility, solar arrays and the necessary support structures and electric equipment collectively make up the Hunter Solar Project. Hunter Solar, LLC would purchase the necessary property and easements to accommodate the construction of the Project.

3. Alternatives Eliminated from Further Consideration

In addition to the No Action Alternative and Action Alternative, Hunter Solar, LLC considered two other alternative locations for the proposed Solar Facility. The first alternative, the State Land Board site would require a lease option agreement. This alternative location was dismissed due to unstable soils and potential impacts to the burrowing owl habitat. The second alternative, were lands adjacent to the selected Project site. However, the parcels did not present favorable conditions for development and/or landowners did not have interest in the lease agreement process. The environmental study findings revealed that the adjacent lands were not favorable for the development of the solar facility. The eliminated alternatives are discussed in more detail in **Section 2.2** of the EA.

E. SUMMARY OF ENVIRONMENTAL EFFECTS

The analyses in the EA documents that the proposed Project would have no adverse effects to floodplains, wetlands, water resources cultural resources and threatened and endangered species. A summary of anticipated effects on the human environment is provided below.

<u>Land Use</u>: The predominant land uses in the project area is primarily agricultural with cultivated crops, grassland/herbaceous vegetation, and sparse, low-intensity residential development. The area within which the proposed would be constructed is fairly flat, with small hills and depressions. The site is privately-owned agricultural land.

There are no impacts to formally classified lands such as State and Federal Parks, Monuments, Natural Landmarks, Wilderness Areas, Wild and Scenic Rivers, National Forest System Lands or other Federal or State Lands. The proposed new solar facility would have minimal impacts to farmlands. The project site was assessed to determine the presence of Prime Farmlands. Eight soil types were identified at the project site. However, none of the identified soils were classified as prime farmland. The Farmland Conversion Impact Rating Form (Form AD-1006) was submitted to the USDA NRCS. The Farmland Conversion Impact Rating was under 160, therefore the NRCS concurred that the proposed Hunter Solar, LLC Site have no impacts on prime farmlands.

The proposed construction will potentially impact land use on the 571-acre site. Approximately 160 acres of the current site is being cultivated for wheat. The land use would be converted from primarily agricultural to industrial use. Thus presenting an impact to land use due to the fraction of the large agricultural land that will be converted to industrial use. To offset impacts, Hunter Solar, LLC notes that most of the Project site may return to its original agricultural use due to the reclamation activities such as breaking up soil in compacted areas.

<u>Cultural Resources and Historic Properties</u>: The Colorado State Historic Preservation Office (SHPO) was notified of the project on September 4, 2020. The SHPO determined that the proposed project will not affect any property listed or determined eligible for listing in the National Register and concurred with project on September 24, 2020. The following Tribes were

notified of the project on September 14, 2020: Apache Tribe of Oklahoma; Northern Arapaho (Arapaho Tribe of the Wind River Reservation), Wyoming; Cheyenne and Arapaho Tribes, Oklahoma; Comanche Nation, Oklahoma; Fort Belknap Indian Community of the Fort Belknap Reservation of Montana; Northern Cheyenne Tribe of the Northern Cheyenne Indian Reservation, Montana; and Shoshone-Bannock Tribes of the Fort Hall Reservation. On October 15, 2020, Hunter Solar received a notification from the Fort Belknap Tribal Historic Preservation Official to proceed with the project and to contact them if any inadvertent discoveries are uncovered. On October 18, 2020, the Northern Cheyenne Tribe responded and determined that the project will have 'no effect' and if this project ever deviates from the currently proposed project area their office requests additional consultation. The Comanche Nation responded on October 20, 2020, stating that they cross-referenced the project with Comanche Nation sites files and 'no properties' have been identified. No concurrence has been received from each of the following tribes with the exception of Apache Tribe of Oklahoma; Northern Arapaho, Wyoming; and Cheyenne and Arapaho Tribes, Oklahoma.

On October 28th, 2020, the Northern Arapaho Tribe sent a letter to the applicant, Torch Clean Energy, requesting a site visit to the location, to determine the potential impact to historic properties in the area. The Northern Arapaho participated in a site visit that took place on January 21, 2021. On January 27, 2021, Northern Arapaho submitted their final recommended finding of no adverse effect, in accordance with 36 CFR § 800.5(b), in the direct and visual APE conditioned on "a tribal monitor be on site during all ground disturbing activities (our definition of ground disturbing is any time any amount of dirt is being moved: blading, digging, excavating, trenching, etc.)". In their February 2, 2021, finding letter with conditions, RUS concurred with the Northern Arapaho tribe's request for monitoring and directed Hunter Solar to coordinate with the Northern Arapaho tribe, to fulfill this request.

RUS sent an additional letter to the following non-responsive Tribes on February 18, 2021, requesting a response within 15 business days: Apache Tribe of Oklahoma, the Cheyenne and Arapaho tribes, and the Shoshone-Bannock tribe. On March 5, 2021, the Shoshone responded with a letter stating that three sites of lithic scatter had been identified near the APE, sites. These sites along with 12 other isolated sites had been identified as not eligible for the National Register.

However, the Shoshone-Bannock Heritage Tribal Office requested the avoidance of these three pre-historic open lithic scatters due to their proximity to the proposed project boundary. RUS submitted a response letter dated March 11, 2021, to the Shoshone-Bannock Heritage Tribal Office acknowledging that the three lithic scatter sites could not be avoided by the solar array design. However, RUS informed the Shoshone-Bannock that a monitor would be on site during the construction phase to observe the sites during ground-disturbing activities. The letter also included the inadvertent discovery plan for the Hunter Solar Facility. On March 22nd, RUS submitted a follow-up letter to the Shoshone-Bannock Heritage Tribal Office.

The survey report, entitled Class III Cultural Resource Inventory June 2020 (confidential and redacted from report), describes the results of the survey of the area of potential effects (APE). The survey found that the Project will result in no effect on historic properties. Based on the findings of the Cultural Resource Inventory, and responses from other consulting parties, RUS has made a finding of no historic properties affected for this project, in accordance with 36 CFR § 800.4(d)(1), is appropriate for the referenced project.

RUS will include an inadvertent discovery provision, developed in accordance with 36 CFR § 800.13(b) and (c), as a condition of obligation, in order to address any historic properties, which might be inadvertently discovered or affected, during project construction. Hunter Solar has committed to the agreed upon monitoring, per the Northern Arapaho tribe's request and will coordinate with the Northern Arapaho tribe to fulfill this commitment.

<u>Threatened and Endangered Species</u>. Hunter Solar, LLC contracted Spirit Environmental to complete a habitat survey to assess the proposed solar facility site for the presence of suitable habitats for federally listed threatened and endangered species. This Habitat Survey was conducted through field surveys in June and August 2017 and May 2020. In addition, a data request was submitted to the U.S. Fish and Wildlife Service Information for Planning and Consultation (IPaC). The (IPaC) report data revealed fourteen (8) federally-listed mammal and plant species within the proposed solar facility area. During the survey, no federally-threatened, endangered or candidate species or suitable habitat were observed at the Project site. Based on the survey results, RUS has made a "no effect" determination for protected species.

<u>Floodplains</u>. The FEMA Flood Insurance Rate Map (FIRM) Community Panel Number 08005C0265K revealed that the proposed solar facility site is located in Zone X. Therefore, the site is outside of the 100 and 500-year floodplains. The site has less than 0.2 percent chance of annual flooding. Therefore, the proposed Project would not result in an adverse effect to federally designated floodplains.

<u>Wetlands</u>. The USFWS NWI mapper, identified one (1) PEM1A (Palustrine, emergent, persistent, and temporary flooded) wetland feature, one (1) PUBF (Palustrine, unconsolidated bottom, semi-permanently flooded) pond feature, two (2) R4SBC (Riverine, intermittent, streambed, seasonally flooded) riverine feature, and one (1) PF (Palustrine, farmed) other feature.

Hunter Solar, LLC Corporation contracted with Spirit Environmental to complete wetlands delineations for two areas that overlapped the proposed site. The wetland delineation for the original 741.8-acre Project Site was completed in June and August 2017. In May 2020, Spirit Environmental conducted a wetland delineation for the 316-acre Geller Land Addition. Wetlands were identified within the original 741.8-acre project area and the 316-acre Geller Land Addition. Hunter Solar, LLC will avoid these wetland areas; therefore, the proposed construction and operation of the solar facility will not have direct impacts to jurisdictional and non-

jurisdictional wetlands. During the operation phase of this project, Surface waters will not be filled or altered. The USACE Omaha District reviewed the "No Permit Required' request submitted by Hunter Solar, LLC and confirmed that no permit will be required.

The construction phase of the proposed project may potentially present indirect impacts from construction runoff to wetlands. The Proposed Action will follow the Grading Erosion and Sediment Control (GESC) plan. Best Management Practices such as soil erosion and sediment control measures would aid in minimizing the potential for increased soil erosion and runoff during construction. Consultation with the USACE has been completed by Hunter Solar LLC and USACE determined that no aquatic features will be impacted. The Proposed Action will avoid waters of the United States (WOTUS) or wetlands, thus, no direct impacts to wetlands is anticipated from the Project.

<u>Water Resources</u>. The solar facility site falls within the Denver aquifer. A Phase I Environmental Site Assessments identified water wells located within the project site. Hunter Solar, LLC will not construct additional wells or disturb existing wells. Therefore, the proposed project and ground disturbing activities will not result in contamination of the Denver aquifer.

A review of the USGS maps shows intermittent streams within the original 741.8 acres project area and the 316-acre Geller Land Addition; however, these intermittent streams do not extend into the Project Site. In the wetlands delineations completed by Spirit Environmental in June and August 2017, fourteen waterbodies were located. Following the submittal of the wetlands delineation report, the USACE Office submitted an approved jurisdictional determination. A 'No Permit Required' letter was received for the project site.

F. PUBLIC AND ANGENCY INVOLVEMENT

Local newspaper notices, announcing the availability of the EA and participation under Section 106 of the National Historic Preservation Act, were published on May 13th, and on May 27th in the weekly Greenville Village, Colorado The Villager. Notices of availability of the EA for public review were published on May 13th, and on May 27th in the weekly Greenville Village, Colorado The Villager. The EA was available for public and agency review, located at: <u>https://www.rd.usda.gov/resources/environmental-studies/assessments20250-1548.</u> The comment period ended on June 3, 2021. RUS received no comments from the public.

G. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed Project would have no significant effects to water quality, wetlands, the 100-year floodplain, land use, aesthetics, transportation, or human health and safety. The proposed Project will have no adverse effects to historic properties listed or eligible for listing on the National Register of Historic Places. RUS has also concluded that the proposed Project would have No Effect to federally listed threatened and

endangered species, candidate species, or federally designated critical habitat. The proposed Project would not disproportionately affect minority or low-income populations.

In accordance with 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 RUS' Environmental Policies and Procedures (7 CFR Part 1970), RUS has determined that the environmental effects of the proposed Project have 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. 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' action will not result in significant impacts to the proposed Project.

H. 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' environmental review process in accordance with NEPA and RUS' Environmental Policies and Procedures (7 CFR Part 1970). The ultimate decision as to 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 is also subject to the availability of loan funds for the designated purpose in RUS' budget. There are no provisions to appeal this decision (i.e., issuance of a FONSI). Legal challenges to the FONSI may be filed in federal district court under the Administrative Procedures Act.

I. APPROVAL

This Finding of No Significant Impact is effective on signature.

Dated:

CHRISTOPHER McLEAN Assistant Administrator Electric Programs Rural Utilities Service

Contact Person

For additional information on this FONSI and EA, please contact Ms. Christine Allen , Senior Environmental Protection Specialist, at USDA, Rural Utilities Service, 1400 Independence Avenue, SW, Washington, DC, 20250; telephone: (202) 692-4933 -5653; or e-mail: christine.allen@usda.gov