

**FINDING OF NO SIGNIFICANT IMPACT
FOR
SAFT AMERICA, INC. ELECTRIC DRIVE VEHICLE BATTERY AND COMPONENT
MANUFACTURING INITIATIVE APPLICATION, JACKSONVILLE, FLORIDA**

RESPONSIBLE AGENCY: U.S. Department of Energy (DOE)

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: DOE completed the *Final Environmental Assessment for Saft America, Inc. Electric Drive Vehicle Battery and Component Manufacturing Initiative Application, Jacksonville, Florida* (DOE/EA-1711). Based on the analyses in the environmental assessment (EA), DOE determined that its Proposed Action, awarding a federal grant to Saft America, Inc. (Saft) to construct and operate a high-volume manufacturing plant to make advanced lithium-ion cells and batteries, would result in no significant adverse impacts. DOE further determined that there could be beneficial impacts to the nation's air quality and the transportation industry from implementation of Saft's proposed project. In addition, beneficial local socioeconomic impacts would occur from increased employment opportunities and spending in the affected community.

BACKGROUND: As part of the *American Recovery and Reinvestment Act of 2009* (Recovery Act; Public Law 111-5, 123 Stat. 115), DOE's National Energy Technology Laboratory, on behalf of the Office of Energy Efficiency and Renewable Energy's Vehicle Technologies Program, is providing up to \$2 billion in federal funding in competitively awarded grants to facilitate the construction (including increase in production capacity at existing plants) of U.S. manufacturing plants to produce advanced batteries and electric drive components.

The federal action of providing funding for these projects, known as the *Electric Drive Vehicle Battery and Component Manufacturing Initiative*, requires compliance with the *National Environmental Policy Act of 1969*, as amended (NEPA; 42 U.S.C. 4321 et seq.), the Council on Environmental Quality regulations (40 CFR Parts 1500 to 1508), and DOE's NEPA implementing procedures (10 CFR Part 1021). DOE prepared an EA to evaluate the potential environmental consequences of providing a grant for this proposed project under the initiative.

PURPOSE AND NEED: The overall purpose and need for DOE action pursuant to the Vehicle Technologies Program and the funding opportunity under the Recovery Act are to accelerate the development and production of various electric drive vehicle systems by building or increasing domestic manufacturing capacity for advanced automotive batteries, their components, recycling facilities, and electric drive vehicle components, in addition to stimulating the U.S. economy. This and the other selected projects are needed to reduce the U.S. petroleum consumption by investing in alternative vehicle technologies. The proposed project will also meaningfully assist with the nation's economic recovery by creating manufacturing jobs in the United States in accordance with the objectives of the Recovery Act.

DESCRIPTION OF THE PROPOSED ACTION: DOE's Proposed Action is to provide a grant to partially fund Saft's construction and operation of a high-volume manufacturing plant to make advanced lithium-ion cells and batteries for military hybrid vehicles, aviation, smart grid support, broadband

backup power, and energy storage for renewable energy. The new approximately 235,000-square-foot facility would be built on about 13 acres in the Cecil Commerce Center near Jacksonville, Florida. Saft would employ approximately 100 workers when the facility opened and a total of 279 workers over the next 6 years. DOE would provide \$95.5 million in financial assistance in a cost-sharing arrangement with Saft America Inc. The total cost of the proposed project is estimated at \$191 million.

ALTERNATIVES CONSIDERED: In addition to the Proposed Action, DOE considered the No-Action Alternative, as required under NEPA. Under the No-Action Alternative, DOE would not provide funds for the proposed project. For the purposes of the EA, DOE assumed that the project would not proceed without DOE funding. This assumption establishes a baseline against which the potential environmental impacts of the proposed project are compared.

ENVIRONMENTAL CONSEQUENCES: DOE evaluated the potential environmental consequences of the proposed project and the No-Action Alternative. DOE considered fourteen environmental resource areas in the preparation of the EA. However, not all areas were evaluated at the same level of detail. DOE focused more detailed analysis on areas that would require new or revised permits, have the potential for significant adverse environmental impacts, or have the potential for controversy. The areas DOE evaluated in more detail included: air quality; water resources; socioeconomics, occupational health and safety, utilities, energy and materials; waste; and transportation. For these areas, DOE determined there would be minimal potential adverse environmental impacts. Air and water emissions would likely require new permits, but the increased emissions would be minor and not trigger major delays or controversy. The proposed project is anticipated to result in small increases in local employment opportunities and local spending, potentially providing a minor beneficial impact to the local community. In relation to transportation, the increase in the manufacture and use of advanced batteries offers the potential to result in the positive benefits of reduced reliance on fossil fuels and improvement in air quality through less use of fossil fuels.

The other environmental areas DOE evaluated for potential impacts included: land use; noise; aesthetics and visual resources; geology and soils; biological resources; cultural resources; and environmental justice. The project site is part of the Cecil Commerce Center, an industrial park pre-approved by all state and local zoning and land use regulatory agencies for light and heavy industrial, office, and commercial applications, and currently under development. DOE determined that there would be no potential for adverse impacts for these resource areas, or that the impacts would be minimal, temporary, or both. The EA provides more detail on the reasons DOE did not conduct more detailed evaluations.

Under the No-Action Alternative, the project would either be delayed, as Saft sought other funding sources, or abandoned altogether. The potential environmental consequences, if the project was delayed, could be different if the project was modified. If abandoned, the potential environmental consequences would not occur. Furthermore, the potential beneficial impacts would change or not occur.

PUBLIC AVAILABILITY: DOE issued the Draft EA on December 13, 2009, and advertised its release in the *Florida Times Union* on December 13, 14, and 15. In addition, the Department sent a copy to the Jacksonville Public Library. The Department established a 30-day public comment period that began December 13, 2009 and ended January 12, 2010. The Department announced it would accept comments by mail, e-mail, and facsimile.

The Draft EA was distributed to various federal, state, and local agencies. DOE conducted formal consultation by mail with the responsible U.S. Fish and Wildlife Service (USFWS) field office and the State Historic Preservation Officer. Correspondence from the Deputy State Historic Preservation Officer and the U.S. Army Corps of Engineers, Jacksonville District supported a determination of no potential impacts to wetlands or to properties listed or eligible for inclusion to the *National Register of Historic Places*. The St. Johns River Water Management District determined that the proposed project would be consistent with the Florida Coastal Management Program.

Other comments resulted in changes to the Final EA. Comments from Region 4 of the U.S. Environmental Protection Agency resulted in the addition of supporting information to clarify the affected environment. The USFWS requested additional information on federally listed threatened or endangered species. DOE identified one federally listed threatened species that occurs in the area, the eastern indigo snake (*Drymarchon corais couperi*). Based on its 2002 Biological Opinion, the USFWS issued an Incidental Take Permit for development of the Cecil Commerce Center to the City of Jacksonville and the Jacksonville Airport Authority, which are responsible for ensuring that the permit requirements are fulfilled. The USFWS also commented that, although no bald eagle nests are known to be in the vicinity, if a bald eagle nest is observed within 660 feet of the project, the applicant would be required to contact the USFWS office and the Florida Fish and Wildlife Conservation Commission for further guidance.

All comments received on the Draft EA and DOE's responses to such are included in the Final EA. Copies of the Final EA and this FONSI have been sent to the stakeholders that provided comments on the Draft EA or that consulted with DOE. These documents will also be available on DOE's National Energy Technology Laboratory web site, <http://www.netl.doe.gov/publications/others/nepa/ea.html>.

DETERMINATION: On the basis of the evaluations in the Final EA, DOE determined that its Proposed Action, to provide a \$95.5 million grant, and Saft's proposed project, to construct and operate a new plant to manufacture advanced lithium-ion cells and batteries in Jacksonville, Florida, would have no significant impact on the human environment. Although the proposed project would increase air emissions and require new construction and operational air permits, the incremental changes would not be significant, and the project proponent would be required to adhere to all permit requirements. Additionally, the proposed project may impact the federally listed eastern indigo snake, but this impact is expected to be minor and an Incidental Take Permit was previously granted by the USFWS for development of the larger Cecil Commerce Center where this project would be located. All other environmental impacts analyzed in the EA would be negligible. Therefore, preparation of an Environmental Impact Statement is not required, and DOE is issuing this Finding of No Significant Impact.

Issued in Pittsburgh, PA, this 16th day of March 2010.



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