PMC-EF2a

(2.04.02)

U.S. DEPARTMENT OF ENERGY
EERE PROJECT MANAGEMENT CENTER
NEPA DETERMINATION

RECIPIENT: Ormat Nevada, Inc **STATE:** CA

PROJECT TITLE: Wister

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0000109	DE-EE0002838	GFO-10-138.002	0

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Order 451.1A), I have made the following determination:

CX, EA, EIS APPENDIX AND NUMBER:

Description:

A9 Information gathering (including, but not limited to, literature surveys, inventories, audits), data analysis (including computer modeling), document preparation (such as conceptual design or feasibility studies, analytical energy supply and demand studies), and dissemination (including, but not limited to, document mailings, publication, and distribution; and classroom training and informational programs), but not including site characterization or environmental monitoring.

B3.1 Onsite and offsite site characterization and environmental monitoring, including siting, construction (or modification), operation, and dismantlement or closing (abandonment) of characterization and monitoring devices and siting, construction, and associated operation of a small-scale laboratory building or renovation of a room in an existing building for sample analysis. Activities covered include, but are not limited to, site characterization and environmental monitoring under CERCLA and RCRA. Specific activities include, but are not limited to:

Rational for determination:

Ormat Nevada, Inc. (Ormat) would utilize a 3D seismic survey with shear wave conversion combined with available data to predict the most likely locations for high fracture density and hot fluids. The identified locations would be used to site and drill two full-size production wells at Wister, CA.

The project is divided into three phases with multiple tasks and sub-tasks.

Phase 1 – Resource Evaluation

1. Obtain log data and prepare forward models (AVO and converted-wave)
2. Conduct 3D seismic survey – An NOI was submitted to the El Centro Field Office of the BLM for this survey. Cultural and biological assessments were done and the seismic lines were slightly altered to avoid potential issues. According to a phone conversation with Daniel Steward at the El Centro Field Office, the BLM plans to CX the seismic survey.
3. Interpretation of the 3C, 3D survey data and other data

An application for a Conditioned Use Permit (CUP) was submitted to Imperial County, California and a CEQA determination of Mitigated Negative Declaration was made April 2, 2009 for the project. Drill locations indicated in the CUP were Ormat's "best guess" at where drilling would occur, but Task 2 (Seismic survey) may modify where drilling would take place. If drilling locations are modified, an amendment to the CUP would need to be submitted by Ormat to Imperial County. Since the locations of the production wells have yet to be definitively determined, Phase 2 (all tasks) and Phase 3 (task 5) cannot be analyzed at this time. A NEPA determination for these tasks in Phase 2 and Phase 3 of the project would be too early to determine but would need to be made prior to Ormat beginning any drilling. (Go-no go decision point: Upon completion of Phase 1, a go/no-go determination would be made before proceeding to Phase 2. If the decision is a 'go', Ormat could proceed to Phase 2 upon consent from DOE. If the decision is a 'no-go', no drilling would occur and the Phase 1 Report would serve as the final technical report for DOE purposes.)

Phase 2 – Completion of Exploration Data Analysis and Drilling

4. Synthesize Phase 1 data into a working exploration model for well-siting

4.1. Site, permit and drill the first full-sized production hole

4.2. Drilling of the second full-sized production hole

Phase 3 – Well Testing

5. Assess potential for geothermal reservoir post-drilling using Ormat's standard well testing strategy.
6. Project Management and Reporting – Reports and other deliverables would be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein.

Condition of Approval: Allowable – Phase 1 (tasks 1 through 3) and Phase 3 (task 6); Prohibited – Phase 2 (all tasks) and Phase 3 (task 5).

Based upon the information provided, Phase 1 (tasks 1 through 3) and Phase 3 (task 6) are categorically excluded under CX A9 "Information gathering/data analysis/document preparation/dissemination" and CX B3.1 "Site characterization/environmental monitoring."

NEPA PROVISION

DOE has made a conditional NEPA determination for this award, and funding for certain tasks under this award is contingent upon the final NEPA determination.

Insert the following language in the award:

You are restricted from taking any action using federal funds, which would have an adverse affect on the environment or limit the choice of reasonable alternatives prior to DOE/NNSA providing either a NEPA clearance or a final NEPA decision regarding the project.

Prohibited actions include:
Phase 2 (all tasks) and Phase 3 (task 5)
This restriction does not preclude you from:
Phase 1 (tasks 1 through 3) and Phase 3 (task 6)
If you move forward with activities that are not authorized for federal funding by the DOE Contracting Officer in advance of the final NEPA decision, you are doing so at risk of not receiving federal funding and such costs may not be recognized as allowable cost share.

Note to Specialist :

None Given.

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: _____ Date: 4/23/10
NEPA Compliance Officer

FIELD OFFICE MANAGER DETERMINATION

☐ Field Office Manager review required

NCO REQUESTS THE FIELD OFFICE MANAGER REVIEW FOR THE FOLLOWING REASON:

☐ Proposed action fits within a categorical exclusion but involves a high profile or controversial issue that warrants Field Office Manager's attention.
☐ Proposed action falls within an EA or EIS category and therefore requires Field Office Manager's review and determination.

BASED ON MY REVIEW I CONCUR WITH THE DETERMINATION OF THE NCO :

Field Office Manager's Signature: _____ Date: _____
Field Office Manager