

PMC-EF2a

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



(20402)

RECIPIENT: Michigan Energy Office

STATE: MI

PROJECT TITLE : EERE Loan Program - Steeplechase Tool & Die

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0000052	DE-EE0000166	GFO-0000166-044	GOO

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:

- B5.1** Actions to conserve energy, demonstrate potential energy conservation, and promote energy-efficiency that do not increase the indoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, designers), organizations (such as utilities), and state and local governments. Covered actions include, but are not limited to: programmed lowering of thermostat settings, placement of timers on hot water heaters, installation of solar hot water systems, installation of efficient lighting, improvements in generator efficiency and appliance efficiency ratings, development of energy-efficient manufacturing or industrial practices, and small-scale conservation and renewable energy research and development and pilot projects. The actions could involve building renovations or new structures in commercial, residential, agricultural, or industrial sectors. These actions do not include rulemakings, standard-settings, or proposed DOE legislation.
- B3.6** Siting, construction (or modification), operation, and decommissioning of facilities for indoor bench-scale research projects and conventional laboratory operations (for example, preparation of chemical standards and sample analysis); small-scale research and development projects; and small-scale pilot projects (generally less than two years) conducted to verify a concept before demonstration actions. Construction (or modification) will be within or contiguous to an already developed area (where active utilities and currently used roads are readily accessible).

Rational for determination:

DOE is proposing to provide federal funding to the Michigan Energy Office (MEO) under the American Recovery and Reinvestment Act of 2009 State Energy Program (SEP). MEO selected Steeplechase Tool & Die, Inc. (Steeplechase) to receive \$247,500 in SEP funding to partially fund Steeplechase's retooling and specialty machining project.

Steeplechase proposes to use DOE funding from Michigan's SEP-EERE Revolving Loan Fund. Steeplechase would use the loan to purchase and install a CNC Horizontal Boring Mill with a large turntable capable of machining thin-walled, ferromagnetic, "smart susceptor" tooling from large blocks of metal. These parts would be used in the manufacture of composite material wind turbine components, as well as machining other aerospace and wind turbine components.

The CNC Horizontal Boring Mill and associated equipment (computers/software and hydraulic/electrical components) would be installed inside the Steeplechase's existing, 30,000 square-foot manufacturing facility located at 9307 Howard City, Edmore Road, Lakeview, Michigan 48850. The facility is located in a rural area, surrounded by agriculture and 0.5 south of Tamarack Lake. There are no residences within 1,000 feet.

The proposed project would produce tooling and a specialty machining process required to develop a smart susceptor technology. Smart susceptors reduce energy consumption because they eliminate the need to heat the tooling surroundings, as is required by conventional composite manufacturing methods. Steeplechase would use this process to make parts for wind turbines. Parts of the turbine would be assembled in the facility; however, DOE funds will not be used for final assembly or construction of wind turbines (see prohibitions below).

The proposed project and associated actions have the potential to impact the following resource areas:
Cultural Resources – The proposed project would take place at Steeplechase's existing manufacturing facility. As the footprint of the building would not be expanded and there are no external improvements or additions needed, DOE has determined the proposed project has no potential to cause effects on listed or eligible property, as defined in 36 CFR § 800.

Threatened and Endangered Species – Because the proposed project would take place within Steeplechase's existing manufacturing facility, DOE has determined the proposed project would have no effect on threatened or endangered species in the project vicinity.

Permits – Steeplechase is an existing manufacturing facility. As the proposed project does not involve construction, ground disturbance, changes to air quality, water discharge or an increase in hazardous waste handling or storage – the proposed project would not require new permits or modifications to Steeplechase's existing permits.

Waste Management – MEO requires each sub-recipient to provide it with a waste management plan, which details the sub-recipient's disposal process for sanitary and/or hazardous waste.

Traffic – Increases in traffic related to implementation of the proposed project would be negligible.

DOE has determined the proposed project would not have the potential to impact: air quality, water quality or utilities.

The proposed project is a small-scale pilot project taking place within an existing facility ultimately reducing Steeplechase's energy consumption. Based on this information, DOE has determined the work outlined is consistent with activities identified in categorical exclusion B3.6 (small-scale pilot projects) and B5.1 (actions to conserve energy).

NEPA PROVISION

DOE has made a final NEPA determination for this award

Insert the following language in the award:

If you intend to make changes to the scope or objective of your project you are required to contact the Project Officer identified in Block 11 of the Notice of Financial Assistance Award before proceeding. You must receive notification of approval from the DOE Contracting Officer prior to commencing with work beyond that currently approved.

Insert the following language in the award:

You are required to:

DOE funds will not be used for the following:

- Final assembly or construction of wind turbines;
- Costs associated with the actual installation of wind turbines (including, but not limited to, paying for cranes, shipments of wind turbines to a particular location, site characterization studies);
- Seeking or negotiating contracts for the purchase and/or installation of wind turbines;
- Permitting fees associated with the installation of wind turbines;
- Pursuing interconnection requests and/or power purchase agreements with utility companies;
- Using DOE funds to provide financial assistance (i.e. low-interest loans) to potential wind turbine purchasers.

Note to Specialist :

Cristina Tyler 11.04.2011

DOE Funding: \$247,500
Total Project Cost: \$278,700

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature:  Date: 11/9/2011
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: _____