FINDING OF NO SIGNIFICANT IMPACT

Strum – Lublin 69 kV Transmission Line Rebuild Project Trempealeau, Jackson, Eau Claire, and Clark Counties, Wisconsin

RURAL UTILITIES SERVICE U.S. Department of Agriculture

Dairyland Power Cooperative Wisconsin 64

Prepared by: Engineering and Environmental Staff Rural Utilities Service

September 2013

A. INTRODUCTION

The U.S. Department of Agriculture (USDA), Rural Utilities Service (RUS) expects to receive a request for financial assistance from Dairyland Power Cooperative (DPC) for the proposed Strum – Lublin 69 kilovolt (kV) Transmission Line Rebuild Project (the proposed Project). The proposed Project involves the rebuilding of 58 miles of the existing 69 kV N-3 transmission line in Trempealeau, Jackson, Eau Claire, and Clark Counties, Wisconsin. RUS may finance the proposed Project, thereby making it an action subject to review under the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), and all applicable federal environmental laws and regulations. In addition, RUS considers the proposed project an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 USC 470(f), and its implementing regulation, "Protection of Historic Properties" (36 CFR Part 800).

In accordance with RUS's Environmental Policies and Procedures, 7 CFR Part 1794, RUS determined that the proposed Project would require an Environmental Assessment (EA). Consistent with 7 CFR § 1794.41, DPC prepared an Environmental Report (ER) following RUS Bulletin 1794A-601. RUS conducted an independent evaluation of the ER and concurred with its scope and content, purpose and need, reasonable alternatives, and potential impacts to the environment and adopted the ER as the agency's EA. The EA meets the standards for an adequate assessment as specified in 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 1794).

B. PURPOSE AND NEED

DPC is a not-for-profit generation and transmission cooperative headquartered in La Crosse, Wisconsin that provides wholesale electricity to 25 member cooperatives and 16 municipal utilities via 3,100 miles of transmission line and 285 substations within their service area of 62 counties in Wisconsin, Minnesota, Iowa, and Illinois. DPC is obligated to ensure reliable electricity service to its cooperative members and their customers in order to maintain compliance with North American Electric Reliability Corporation's (NERC) transmission planning standards.

DPC identified through an August 2006 transmission requirements study that many of the transmission lines in the Lublin Area, which includes portions of Chippewa, Clark, Eau Claire, Jackson, Marathon, Taylor, and Trempealeau Counties, Wisconsin, are reaching the end of their useful life due to increased maintenance costs, low voltages, and line overloads. The 76-mile 69 kV N-3 transmission line constructed in 1950 is one of the main lines in the area, serving 6 DPC-owned distribution substations and 2 Xcel Energy-owned distribution substations. The N-3 transmission line is reaching the end of its service life, and a section of the N-3 transmission

line out of the Independence Substation has frequently overloaded on summer peak days. This overloading requires the opening of a breaker to relieve the system, which results in decreased system reliability. System reliability would continue to decrease as the N-3 transmission line overloads increase.

C. PROPOSED ACTION

The proposed Project involves the rebuilding of approximately 58 miles of DPC's existing 76-mile 69 kV N-3 transmission line within the existing right-of-way (ROW); DPC proposes to widen the ROW from 60 feet to 80 feet (10 feet on either side of the existing ROW) in order to comply with DPC's current standard ROW width for 69 kV transmission lines. Construction of the proposed Project would increase the longevity of the N-3 transmission line. The proposed Project will reduce line overloads, the occurrence of low voltages, and maintenance costs. This will allow DPC to maintain reliable service to its customers and meet NERC standards.

DPC is proposing to construct the proposed Project with 60 to 80-feet tall single wooden pole structures with a span of 300-400 feet, totaling approximately 1,020 structures. The structures will not be constructed in-place; DPC will determined final locations based on engineering and environmental factors including but not limited to soil conditions, slope, maximum span length between transmission structures, and terrain. There are distribution facilities within and parallel to the ROW owned by DPC member cooperatives, including Eau Claire, Clark, and Taylor Electric Cooperatives. DPC will determine in cooperation with the member cooperatives whether to underground the distribution facilities in the ROW or collocate them on the proposed Project's structures.

DPC intends to use existing maintenance routes for the construction of the proposed Project. Construction may require temporary grading in one location for 500' feet; otherwise, DPC does not anticipate any additional grading or vegetative clearing for overland access. DPC is proposing to construct five temporary clear span bridges (TCSBs) for required stream and river crossings to access pole locations in heavily vegetated areas where access is limited. DPC also anticipates requiring up to four temporary lay down areas for construction.

D. ALTERNATIVES EVALUATED

In addition to the no action alternative, the EA discusses electrical, design and construction methodology alternatives. No route alternatives were considered given that construction within the existing ROW would inherently have the least impact alternative by avoiding the conversion of new land for use for transmission facilities. Under the no action alternative, RUS would not provide financial assistance to DPC, and DPC would not rebuild the N-3 transmission line. The line and its reliability would continue to deteriorate, leading to more frequent system overloads. DPC would therefore fail to meet its responsibilities to its member cooperatives and NERC standards. Ten electrical alternatives to the proposed Project were assessed through DPC's

long-term transmission planning requirements study for the Lublin Area, including variations of 69 kV rebuilds, and new 69 kV line and transmission substation construction. The alternatives were assessed based on their cost, exposure miles, future load-serving ability, and the cost per megawatt of load growth. Alternative structure types were considered; however, it was determined that replacement with structures similar in appearance to those existing would have the least aesthetic impact.

E. SUMMARY OF ENVIRONMENTAL IMPACTS

Construction of the proposed Project would require 12,240 square feet (0.28 acres) of permanent disturbance for the placing of structures within the disturbed ROW (12 square feet for each of the anticipated 1,020 structures). The expansion of the width by 20 feet of the existing ROW will also cause permanent disturbance. Temporary impacts associated with the proposed Project include the use of approximately 60 miles of overland access, 100,020 square feet (2.30 acres) for structure construction (100 square feet for each of the anticipated 1,020 structures), and 20 acres for lay-down areas (five acres for each of the four lay-down areas).

The EA determined that the proposed Project would have no significant impact, either directly, indirectly, or cumulatively, on land use, vegetation, floodplains, water quality, wetlands, threatened and endangered species, fish and wildlife resources, cultural resources and historic properties, air quality, visual resources, transportation, health and safety, corona, audible noise, radio and television interference, socioeconomic and community resources, and environmental justice. Threatened and endangered species and cultural resources required field surveys and consultation with other agencies to determine the potential effects, the details of which are included below.

In accordance with Section 7 of the Endangered Species Act, DPC coordinated with the U.S. Fish and Wildlife Service (USFWS) and the Wisconsin Department of Natural Resources (WDNR), Bureau of Endangered Resources to determine the presence of candidate, threatened, and endangered species and critical habitat within the area of the proposed Project. No critical habitat is located within the area of the proposed Project, and there is habitat for only one of the six species identified as potentially present within proposed project area, the Karner blue butterfly (Kbb). To ensure avoidance of effects to the Kbb, DPC has committed to constructing those portions of the proposed Project containing Kbb and/or associated habitat identified by surveys from October 1 (or the first hard frost) to April 15. DPC will also limit vehicle parking in the areas with potential Kbb and/or Kbb habitat to the roadway, and follow those measures identified in the Wisconsin Kbb Habitat Conservation Plan. Limiting construction to the winter months eliminates the potential for impacting the species' reproduction (eggs hatch in April and June each year) and avoids impact to the wild lupine plant (dormant in winter and the only food source for Karner blue caterpillars). Based on the surveys conducted by DPC and consultation with the USFWS and WDNR, RUS has determined that the proposed Project will have no effect on threatened and endangered species and critical habitat.

In October 2012 and in May and June 2013, DPC's cultural resources consultant, Mississippi Valley Archaeological Center (MVAC), conducted a Phase I archaeological survey of the transmission line route from the Strum Tap to the Lublin Substation. Thirteen previously recorded sites were identified within 1-mile of the proposed Project; however, all of these sites, except two, are located at least 0.25 mile from the project's Area of Potential Effect (APE). The two sites located within 0.25 miles of the APE were not observed during the survey and are not located within the APE. On behalf of RUS, DPC submitted the surveys and proposed findings of effect to the SHPO for the first phase of the project on January 16, 2013 and for the second phase of the project on June 24, 2013; the SHPO concurred with the proposed finding. RUS submitted the surveys and proposed findings of effect to six Indian tribes on July 18, 2013; no responses were received. In accordance with Section 106 of the National Historic Preservation Act and based on a review of the surveys and consultation with the SHPO, RUS has determined that a finding of no historic properties affected is appropriate for the proposed Project.

F. AGENCY AND PUBLIC INVOLVEMENT

The availability of the EA for public review was announced with a newspaper advertisement in the Eau Claire Leader - Telegram on July 24, 2013. The EA was made publicly available electronically on the RUS website, http://www.rurdev.usda.gov/UWP-EA.html, and in hard copy at the DPC, Clark Electric Cooperative, Eau Claire Electric Cooperative, Riverland Energy Cooperative, and RUS offices. No public or agency comments were received during the thirty (30) day public comment period.

G. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed Project would have no significant impacts to the human environment. RUS has concluded that the proposed Project will not adversely affect federally listed threatened and endangered species or designated critical habitat. The proposed Project will have no effect on historic properties listed or eligible for listing on the National Register of Historic Properties, and will not adversely or disproportionally affect minority populations and low-income populations.

In accordance with 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's Environmental Policies and Procedures, as amended (7 CFR Part 1794), RUS has determined that the environmental impacts 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. RUS's action will not result in significant impacts

to the quality of the human environment; therefore, RUS will not prepare an Environmental Impact Statement.

H. RUS LOAN REVIEW AND RIGHT OF ADMINISTRATIVE REVIEW

SEP 2 6 2013

This FONSI is not a decision on DPC's expected loan application and therefore not an approval of the expenditure of federal funds. Issuance of the FONSI and its notices concludes RUS's environmental review process in accordance with NEPA and RUS's Environmental Policies and Procedures. Final loan approval is dependent on the conclusion of the environmental review process in addition to financial and engineering review of the proposed Project. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. There are no provisions to appeal this decision; 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:

NIVIN A. ELGØHARY

Assistant Administrator

Electric Programs Rural Utilities Service

Contact Information

For additional information on this FONSI and EA, please contact Ms. Emily Orler, Environmental Protection Specialist, at USDA, Rural Utilities Service, 1400 Independence Avenue, SW., Stop 1571, Washington DC 20250-1571, (202) 720-1414, or emily.orler@wdc.usda.gov.