



Frequently Asked Questions about NEPA for DSS

What is NEPA?

The National Environmental Policy Act (NEPA) is legislation that was passed by Congress in 1970. It requires federal agencies to consider the impacts of its actions on the environment before making decisions and involve the public in the decision-making.

Why is NEPA required for the Distributed Solar Solutions (DSS) Pilot Program?

TVA's purchase of renewable energy is a Federal action that is subject to formal environmental regulation and review. NEPA compliance is integrated into the decision-making process and procedures of programs to ensure that environmental impacts are considered.

Why is NEPA important to a Seller of energy to TVA?

The NEPA review is an integral part of the DSS pilot program process and must begin after contract execution. The Seller has one year to complete the NEPA review and obtain NEPA approval as a part of the stipulations for Notice to Proceed (NTP) request requirements. The NEPA review must be completed and approved by TVA before NTP is granted for project site construction.

What is a NEPA review?

A NEPA review takes into account and publicly discloses both the direct and indirect environmental consequences of proposed actions and alternatives. It includes the effects of anticipated development activities and explains the overall cumulative effects. Certain environmental issues and effects may be governed by Federal, State, and local regulations and orders, requiring permits or consultation with other regulatory agencies. All these requirements would be described in the NEPA review.

What can a Seller do to help manage his/her project's NEPA compliance costs and time?

The site location of a project greatly influences the costs and time required to complete the NEPA review. Since there are specified timeframes and critical deadlines in the DSS Pilot Program, we recommend that the seller screen potential site locations and consider potential environmental problems prior to application. Costs associated with site location and time, can determine how well a project fits within the parameters of these deadlines.

What are some potential environmental problems that the Seller should try to mitigate or avoid at potential project locations?

The following are some issues that have made completing the NEPA review more difficult and have increased the time and costs of NEPA reviews for the Seller:

- Culturally and historically significant sites (archaeological sites, civil war battlegrounds, historic buildings)
- Flood plain/flood way issues (100 year floodplain/500 year floodplain)
- Nearby airports or plane flight paths (potential glare from PV panels)
- Wetlands and endangered species habitats (bat habitats or rare native plants)
- Land use and zoning (compatible zoning and presence of prime farmland)

What are the responsibilities of the Seller?

After the notification to begin NEPA, it is the responsibility of the Seller to initiate the NEPA process by contacting the TVA NEPA representative (as listed in the guidelines). It is the responsibility of the Seller to pay the cost of the review, any mitigation costs, obtain any necessary site permits, and ensure that work is conducted in accordance with the site plan and requirements described in the NEPA review.

What is the role of the TVA NEPA Office at TVA?

The TVA NEPA Office works closely and in coordination with the Seller until the NEPA review is complete. The TVA NEPA representative will advise the Seller about necessary field surveys and data, any public involvement needed (when applicable), and the extent of the review (see “what are the levels of NEPA review” below). TVA offers examples and guidelines for preparing adequate documents, and can advise the Seller regarding qualifications of consultants to assist with the NEPA review and field surveys, if any are necessary. TVA must approve the Consultants hired to prepare NEPA documents.

What determines the duration of a NEPA review?

Time to complete the NEPA review depends on the size of the project, the nature of affected environmental resources, whether a draft EA is issued for public review, and the pace of work by the NEPA contractor. It also includes time for consultations with other agencies that are required for most projects.

What is the basis of typical costs of NEPA reviews?

The cost of the NEPA review varies greatly with the size of the project, the characteristics of the project site, and the scope and level (see below) of the environmental review. A NEPA review typically may involve costs for field surveys and the survey report preparation, NEPA document preparation, and consultations with other regulatory agencies. Some of these tasks are typically performed by a TVA-approved contractor hired by the Seller and others are performed by TVA staff.

Where can I find information about TVA’s NEPA procedures and NEPA reviews for similar projects?

For the current procedures and examples go to the NEPA homepage on the TVA Website:
<https://www.tva.gov/nepa>

How will the Seller know when a NEPA review is completed? What happens after a NEPA review is completed?

Once the environmental review is completed, the TVA NEPA Staff will send notification of its completion with a copy of the environmental review documentation to the DSS Staff, the LPC, and the Seller. The seller will then take the environmental review and other documents required for NTP approval, and submit them to the DSS Staff.

What are the levels of NEPA review?

There are three levels of NEPA reviews, depending upon the project design, location and the likelihood of environmental impacts.

- **Programmatic Environmental Review:** This is a streamlined environmental review process to determine whether the project qualifies for coverage by TVA’s programmatic environmental assessment of solar PV projects (see <https://www.tva.com/Environment/Environmental-Stewardship/Environmental-Reviews/TVA-Solar-Photovoltaic-Projects>). An environmental checklist is completed to determine coverage. The typical time involved is 3-4 months and it is usually the least cost type of review.
- **Project-Specific Environmental Assessments (EA):** Solar projects not qualifying for programmatic coverage require a more project-specific Environmental Assessments (EA) if the environmental impacts are expected to be minimal and are most likely to allow TVA to reach a Finding of No Significant Impact (FONSI). The Seller is expected to contract with a qualified NEPA consulting firm to develop the EA under TVA supervision. The typical time involved is usually 4-12 months.
- **Environmental Impact Statement (EIS):** Any project that is expected to result in any significant environmental effects requires the most intensive level of review, the Environmental Impact Statement (EIS). If an EIS review is required, then the project could potentially have a greater chance of being deemed as not environmentally acceptable. An EIS usually takes longer than other types of review (12 months or more) due to greater effort and often more extensive field studies involved. There are at least two periods of public involvement associated with the EIS.