Issued in Washington, DC, December 13, 1996.

Gregory P. Rudy,

Acting Director, Office of Fissile Materials Disposition.

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Notice of Intent to Prepare an Environmental Impact Statement and Conduct Public Scoping Meetings for the Proposed Low Emission Boiler System (LEBS) Project

AGENCY: Department of Energy.

ACTION: Notice of intent.

SUMMARY: The Department of Energy (DOE) announces its intent to prepare an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA) to assess the potential environmental impacts of a new coal-fired proof-of-concept Low Emission Boiler System (LEBS) for electric power generation. This EIS will support a DOE decision on whether to provide funding of up to 50 percent of the total cost for one or more approaches for LEBS technology development at the proof-of-concept scale. This Notice describes the proposed EIS and invites the public to submit comments regarding the scope of the EIS.

DATES: Comments must be received by February 3, 1997 to ensure consideration. Late comments will be considered to the extent practicable. Public scoping meetings will be held in Richmond, Indiana and Elkhart, Illinois during the 45-day scoping period. The dates and specific locations will be announced in local media at least 15 days prior to the meetings.

ADDRESSES: *Comments should be addressed to:* Mr. Lloyd Lorenzi, NEPA Compliance Officer, Pittsburgh Energy Technology Center, U.S. Department of Energy, P.O. Box 10940, Pittsburgh, PA 15236; telephone 412–892–6159; fax 412–892–6127; or E-mail LORENZI@PETC.DOE.GOV. Individuals who would like to participate in this process may also call the following toll-free telephone number: 1–800–276–9851.

FOR FURTHER INFORMATION CONTACT: Those who would like to receive a copy of the draft EIS for review when it is issued should notify Mr. Lloyd Lorenzi at the address provided above. For general information on the DOE NEPA process, please contact Ms. Carol M. Borgstrom, Director, Office of NEPA Policy and Assistance (EH–42), U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C. 20585–0119; telephone 202–586–4600; or leave a message at 1–800–472–2756.

SUPPLEMENTARY INFORMATION: DOE announces its intent to prepare an EIS in accordance with NEPA, the Council on Environmental Quality (CEQ) NEPA regulations (40 CFR Parts 1500–1508), and the DOE NEPA regulations (10 CFR Part 1021). The purpose of this Notice of Intent (NOI) is to inform the public about the proposed action; announce the plans for public scoping meetings; invite public participation in (and explain) the scoping process that DOE will follow to comply with the requirements of NEPA; and solicit public comments for consideration in establishing the proposed scope and content of the EIS.

The EIS will evaluate the impacts of DOE's proposal to cost-share LEBS technology development at the proof-of-concept scale to demonstrate the technical, environmental, and economic viability of LEBS technology. Research to develop LEBS technology has been performed for DOE by three separate organizations awarded cost-shared contracts after a competitive solicitation in 1992. The LEBS technology must meet the following minimum performance objectives:

(1) Nitrogen oxide (NO_x) emissions less than 0.2 (with a target of 0.1) pounds (lbs) per million British thermal units (Btu) of energy input;

(2) Sulfur oxide (SO_x) emissions less than 0.2 (with a target of 0.1) lbs per million Btu of energy input; and

(3) Particulate emissions less than 0.015 (with a target of 0.01) lbs per million Btu of energy input.

These performance objectives must be achievable at: electricity costs comparable to, and preferably less than, the costs for a new conventional electric power generating station firing coal in compliance with current Federal emission standards (New Source Performance Standards) for large fossil-fuel-fired steam generating plants; and energy recovery efficiencies at least as high as the most efficient, modern, conventional coal-fired plant meeting New Source Performance Standards, preferably approaching 42% recovery of the energy content of coal as electrical energy. The research performed since 1992 has resulted in three distinct technology approaches for developing LEBS, and each approach holds promise for meeting DOE's objectives. The three approaches, each proposed to be tested at proof-of-concept scale at a different site, have been offered to DOE for cost-shared development. A preferred alternative does not exist at this stage in the technology development program. The EIS will consider the environmental effects of each proposed technology, of installation and operation at the site where proof-of-concept testing is being considered, and of the specific approaches being considered to meet the objectives of the LEBS proof-of-concept project, as well as reasonable alternative technologies, sites, sizes, and the no-action alternative.

Background

Currently, over one-half of the electricity needs of the United States are met by steam-electric generating stations fired with pulverized coal. Over the next several decades, increases in demand for electric power and replacement of a significant amount of aging electric generating capacity that is approaching the end of its design service life are expected to require the construction of new electric generating stations. As the most abundant domestic energy source, coal continues to represent an attractive energy source for these forthcoming generating stations, particularly through advanced technologies that offer to improve dramatically environmental performance and efficiency.

The LEBS is one of two components that comprise the Combustion 2000 program that DOE has undertaken pursuant to section 1301 of the Energy Policy Act of 1992 (42 U.S.C. 13331). Cost-shared and federally funded, Combustion 2000 is a long-term fossil energy research and development program that will help advance coal-fired power generation technology into the next century. LEBS-related research is to be performed by private industry and involves the application of conventional (near-term) technologies to reduce emissions of coal-fired power plants.

As an early step in the LEBS process, DOE's Pittsburgh Energy Technology Center (PETC) reviewed evolving technologies in 1989–1990 to evaluate the prospective opportunities for advanced technologies to achieve the desired improvements in the environmental performance of coal-fired power plants. The review encompassed advanced technologies and techniques for coal combustion and for control of air emissions. Emphasis was focused on near-term approaches with potential for significant reductions in emissions of nitrogen oxides, sulfur oxides, and particulate matter.

For nitrogen oxide reduction, advanced combustion techniques that provide for staged addition of coal and combustion air and control of combustion temperature and residence time were identified as providing

opportunities for reducing emissions to below 0.2 lbs per million Btu of heat input. This would be a factor of three reduction of emissions below New Source Performance Standards for allowable nitrogen oxide emissions from new coal-fired electric utility plants. Moreover, these techniques would be unlikely to involve significant increases in boiler system costs.

For sulfur oxide reduction, several techniques were identified as capable of reducing emissions to less than 0.2 lbs per million Btu of energy input, which would correspond to a factor of six reduction below New Source Performance Standards for coal combustion.

For particulate matter, advancements in electrostatic precipitators and fabric filters were identified as offering the opportunity for at least a two-fold improvement over New Source Performance Standards, with nearly all of the improvement associated with reducing emissions of small-sized particles that are particularly harmful to human health. The reduction of these particles, upon which the bulk of hazardous elements and condensed organic matter from coal combustion are deposited, also would produce a substantial reduction in emissions of potentially toxic substances.

In addition to these potential improvements in air emission control, PETC identified several other potential advancements in combustion and energy recovery technology. Coal combustion under slagging conditions could produce vitrified ash inherently resistant to leaching at ash disposal sites. Advanced sulfur removal methods could yield marketable by-products. Increases in efficiency could result from advances in combustion technology and heat exchanger construction materials. Also, increased heat recovery from low temperature flue gas could be achieved by using equipment and materials capable of operating near acid dew point temperatures and by further development of low temperature acid-resistant heat exchangers. Electric generating costs would be reduced as a result of these efficiency improvements, as would pollutant emissions per unit of electric energy produced, since less coal would need to be burned to produce a given amount of electricity.

Purpose and Need

To capture the potential benefits of these environmental, efficiency, and cost improvements in new coal combustion technology, the Pittsburgh Energy Technology Center conducted a competitive solicitation. DOE sought industrial involvement and support of industry-selected approaches for integrating advanced combustion and environmental control systems to establish a new generation of pulverized coal-fired boiler technology. As a result, three contracts were awarded in 1992 for research and development of advanced boiler technology designed for minimum emissions and full integration with high performance emission control technologies. The research conducted thus far under these contracts has focused on assessing and testing alternative concepts and equipment for meeting the performance expectations established for the technology development contracts; the three organizations performing this research under the three contracts have identified, tested, and demonstrated the potential of three distinct approaches for a Low Emission Boiler System that meets the established performance objectives. To confirm the commercial potential for Low Emission Boiler System technology to achieve these performance objectives, longer duration testing to demonstrate performance in an integrated system at a scale representative of a commercial system (termed proof-of-concept scale) now needs to be performed.

Accordingly, DOE proposes to provide up to 50 percent funding of the total cost to support one or more approaches for LEBS technology development at the proof-of-concept scale. The EIS will evaluate the potential impacts of the three alternative approaches offered to DOE for LEBS proof-of-concept development, along with reasonable alternatives. On the basis of the EIS and other pertinent information, DOE may select one or more of the three technology approaches offered by the industrial participants for development at the proof-of-concept scale.

Preliminary Alternatives

Reasonable alternatives to be considered in the EIS will represent a range of alternatives for meeting DOE's purpose and need. The following is a preliminary list and brief description of approaches that will be analyzed:

1. Alliance, Ohio, proof-of-concept development

This alternative would examine the impacts of an existing integrated 10 megawatt-electric (MWe) system currently using an advanced boiler design with staged combustion, low nitrogen oxide burners, limestone injection with dry scrubbing for sulfur oxide removal, and electrostatic precipitator and baghouse particulate removal. Development would occur through minor modification and implementation of the LEBS test program in an existing coal combustion facility operated by Babcock & Wilcox at the Alliance Research Center. No new construction would be required for this alternative.

2. Richmond, Indiana, proof-of-concept development

This alternative would examine the impacts of design, construction, and operation of an integrated 50 MWe system using advanced firing with staged combustion for in-furnace nitrogen oxide reduction, advanced dry lime scrubbing for sulfur oxide removal, ammonia/water mixture rather than water only as the working fluid for heat recovery, and baghouse particulate removal. Development would occur through replacement of an existing coal-fired boiler at Richmond Power & Light Company's Whitewater Valley Station.

3. Elkhart, Illinois, proof-of-concept development

This alternative would examine the impacts of design, construction, and operation of a new integrated 70 MWe system using: A slagging combustion system with air staging and coal reburning technology to reduce nitrogen oxides; flyash reinjection; copper oxide regenerable desulfurization system with nitrogen oxide removal capability; advanced low temperature heat recovery; and baghouse particulate removal. Development would occur through construction of a new facility at the Elkhart Mine of Turris Coal Company, Elkhart, Illinois, adjacent to Township Road 600N.

4. Alternative Size Facilities

This alternative would examine the impacts of alternative scale facilities for proof-of- concept testing, to provide the design and performance data needed for scale-up to commercial operation.

5. Alternative Technologies

This alternative would examine the impacts of alternative technology approaches for meeting the LEBS performance objectives.

6. Alternative Sites and Coal Feeds

This alternative would examine the impacts of alternative sites for location of a LEBS proof-of-concept system and use of alternative coals.

7. No Action Alternative

This alternative would examine the impacts of taking no action on the industrial participants' proposals for LEBS proof-of-concept testing. Under the no action alternative, Federal funds would not be spent on LEBS proof-of-concept development.

This list of alternatives is subject to modification by DOE based on consideration of suggestions from the public. In addition, the proposals at the Ohio, Illinois, and Indiana sites are

subject to withdrawal from consideration for proof-of-concept testing prior to completion of the EIS.

Preliminary Identification of Environmental Issues

The following issues have been tentatively identified for analysis in the EIS. This list is neither intended to be all inclusive nor a predetermined set of potential impacts but is presented to facilitate public comment on the scope of the EIS. Additions to or deletions from this list may occur as a result of the scoping process. The issues include:

(1) Potential air, surface water, and noise impacts produced during facility modification or construction, and operation;

(2) Potential transportation impacts produced during facility modification, construction, and operation;

(3) Pollution prevention and waste management practices, including potential solid waste impacts, during facility modification, construction, and operation;

(4) Potential socioeconomic and environmental justice impacts to the surrounding communities as a result of implementing the proposed action;

(5) Potential cumulative or long-term impacts from the proposed action and other past, present, or reasonably foreseeable future actions;

(6) Potential irreversible and irretrievable commitment of resources;

(7) Compliance with all applicable Federal, state, and local statutes and regulations; and

(8) Safety and health of workers and the public during construction and operation of the proposed facility.

Public Scoping Process

To ensure that the full range of issues related to this proposal is addressed, DOE will conduct an open process to define the scope of the EIS. The public scoping period will run for 45 days following publication of this NOI. Interested agencies, organizations, and the general public are encouraged to submit written comments or suggestions concerning the scope of the issues to be addressed, alternatives to be analyzed, and the range of environmental impacts to be addressed. Scoping comments should clearly describe specific issues or topics that the EIS should address. Comments or suggestions to assist DOE in identifying significant issues and the scope of the EIS will be considered in preparing the EIS and should be communicated within 45 days following publication of this NOI.

In addition to receiving comments in writing and by telephone on the 800 number, DOE will conduct public scoping meetings. The public is invited and encouraged to attend one or more scoping meetings which will be scheduled in or near the following cities where construction or operation of a new facility, or a major modification of an existing facility, would be required: Richmond, Indiana; and Elkhart, Illinois. Notices of the dates, times, and specific locations of the scoping meetings will be announced in the local media at least 15 days before the meetings.

DOE will begin each meeting with an overview of LEBS technology. The DOE contractor involved in cost-shared development of LEBS technology and offering to conduct proof-of-concept testing at each site indicated above will be available to provide additional information. Following the overview, all interested persons will be provided opportunities to speak concerning (1) the content and scope of the EIS, (2) issues the EIS should address, and (3) the alternatives that should be analyzed. While the meetings will be conducted in an informal manner to enhance opportunities for public participation, DOE recognizes that individuals, representing themselves or other parties, may desire to address all participants at the meeting. DOE requests that anyone who wishes to speak at one or more of the scoping meetings contact Mr. Lloyd Lorenzi, either by phone or in writing, at the address or phone numbers provided in the section of this Notice entitled **ADDRESSES.** A presiding officer will be designated by DOE to chair the meeting. The meeting will not be conducted as an evidentiary hearing, and speakers will not be cross-examined. However, speakers may be asked to clarify their statements to ensure that DOE fully understands the comments or suggestions. The presiding officer will establish the order of speakers and provide any additional procedures necessary to conduct the meeting. Speakers who wish to make presentations longer than five minutes should indicate the length of time desired in their response. Depending on the number of speakers, it may be necessary to limit speakers to five minute presentations initially, with the opportunity for additional presentation as time permits. Speakers can also provide additional written information to supplement their presentations. Individuals who do not make advance arrangements to speak may request time to speak at the meetings, after all previously scheduled speakers have been provided the opportunity to make their presentations. Written comments will also be accepted at the meeting.

Issued in Washington, D.C., this 13th day of December 1996.

Peter N. Brush,

Principal Deputy Assistant Secretary, Environment, Safety and Health.

[FR Doc. 96–32197 Filed 12–18–96; 8:45 am]

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Federal Energy Regulatory Commission

[Docket No. CP97–144–000]

Aquila Gas Systems Corporation; Notice of Petition for Declaratory Order

December 13, 1996.

Take notice that on December 9, 1996, Aquila Gas Systems Corporation (Aquila), 8805 Indian Hills Drive, Suite 125, Omaha, NE 68114, filed a petition under Rule 207 of the Commission's Rules of Practice and Procedure, for an order declaring that Aquila's Moorland System is a gathering facility exempt from the jurisdiction of the Commission under Section 1(b) of the Natural Gas Act, all as more fully set forth in the application on file with the Commission and open to public inspection.

Aquila states that it owns and operates the Moorland System which is a natural gas pipeline facility located in Ellis, Woodward, Woods, Roger Mills and Harper Counties in Oklahoma.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 3, 1997, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Lois D. Cashell,

Secretary.

[FR Doc. 96–32152 Filed 12–18–96; 8:45 am]

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CNG Transmission Corporation; Notice of Application

[Docket No. CP97–142–000]

December 13, 1996.

Take notice that on December 6, 1996, CNG Transmission Corporation (CNG)