

Rules of Practice and Procedure on October 22, 1997.

H. Public Dialogue.

Dated: November 3, 1997.

**Susan M. Weisman,**

Secretary.

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BILLING CODE 6360-01-P

## DEPARTMENT OF ENERGY

### Notice of Intent To Prepare an Environmental Impact Statement and Notice of Floodplain and Wetlands Involvement for the Proposed Jacksonville Electric Authority Circulating Fluidized Bed Combustor Project

**AGENCY:** Department of Energy.

**ACTION:** Notice of intent to prepare an Environmental Impact Statement (EIS), and notice of floodplain and wetlands involvement.

**SUMMARY:** The Department of Energy (DOE) announces its intent to prepare an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA) of 1969, as amended (42 U.S.C. 4321 *et seq.*), the Council on Environmental Quality NEPA regulations (40 CFR Parts 1500-1508), and the DOE NEPA regulations (10 CFR Part 1021), to assess the potential environmental and human health impacts of the construction and operation of a project proposed by the Jacksonville Electric Authority (JEA) that has been selected by DOE to demonstrate circulating fluidized bed (CFB) technology under the Clean Coal Technology (CCT) Program. The proposed project would involve construction and operation of a CFB combustor fueled by coal and petroleum coke to repower an existing steam turbine at JEA's Northside Generating Station in Jacksonville, Florida, to generate nearly 300 megawatts of electricity (MWe). This EIS will support a DOE decision regarding whether DOE will provide approximately \$75 million in cost-shared funding (about 24% of the total cost of approximately \$309 million) for the proposed project.

The purpose of this Notice of Intent is to inform the public about the proposed action; present the schedule for the action; announce the plans for a public scoping meeting; invite public participation in the scoping process; and solicit public comments for consideration in establishing the scope and content of the EIS. The EIS will evaluate the potential impacts of the

proposed action and reasonable alternatives. Because the proposed project may involve an action in floodplains and wetlands, the EIS will include a floodplain and wetlands assessment and a statement of findings in accordance with DOE regulations for compliance with floodplain and wetlands environmental review requirements (10 CFR Part 1022).

**DATES:** To ensure that the full range of issues related to this proposal is addressed, DOE invites comments on the scope and content of the EIS from all interested parties. All comments must be received by December 31, 1997, to ensure consideration. Late comments will be considered to the extent practicable. In addition to receiving comments in writing and by telephone, DOE will conduct a public scoping meeting in which agencies, organizations, and the general public are invited to present oral comments or suggestions with regard to the range of actions, alternatives, and impacts to be considered in the EIS. The scoping meeting will be held at the Northside Generating Station, In-Plant Conference Room, 4377 Heckscher Drive, Jacksonville, Florida, on Wednesday, December 3, 1997, at 7 p.m.

**ADDRESSES:** Written comments and requests to participate in the public scoping process should be addressed to: Dr. Jan Wachter, NEPA Document Manager for the JEA Project, Federal Energy Technology Center, U.S. Department of Energy, 3610 Collins Ferry Road, Morgantown, WV 26507-0880. Individuals who would like to verbally or electronically provide comments should contact Dr. Wachter at direct telephone 304-285-4607; toll free number 1-800-432-8330 (ext. 4607); fax 304-285-4469; or E-mail JWACHT@FETC.DOE.GOV.

**FOR FURTHER INFORMATION CONTACT:** To obtain additional information about this project or to receive a copy of the draft EIS when it is issued, contact Dr. Jan Wachter at the address provided above. For general information on the DOE NEPA process, 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:

#### Background and Need for the Proposed Action

Under Public Law 99-190, Congress provided authorization and funds to

DOE to support the construction and operation of demonstration facilities selected for cost-shared financial assistance as part of DOE's CCT Program. In December 1985, Congress made funds available to DOE for conducting the first round of the CCT Program. Congress directed that this first solicitation for federal cost-sharing (1) be open to all market applications of clean coal technologies, (2) apply to any segment of the U.S. coal resource base, and (3) encompass both new and retrofit applications. In response to the solicitation, proposals were received and projects were selected by DOE for negotiation. In addition, a list of alternate candidates was established from which replacement selection could be made should any of the original selections not proceed. JEA's proposed CFB combustor project has evolved through a series of site changes from a project that was selected from the alternate list for demonstration.

The demonstration of JEA's CFB combustor project under the CCT Program would fulfill an existing DOE programmatic need. Coal has the potential to address critical energy supply issues because of its abundant reserves; however, barriers to increased use of coal include concerns about environmental issues, such as acid deposition, global climate change, polyaromatic hydrocarbon emissions, and solid waste. Since the early 1970's, DOE and its predecessor agencies have sponsored long-term programs to develop innovative coal technologies through the proof-of-concept stage to overcome these environmental barriers while improving combustion efficiency and reducing costs.

However, the availability of a technology at the proof-of-concept stage is not sufficient to ensure its continued development and subsequent commercialization. Before any technology can seriously be considered for commercialization, it must be demonstrated at a large enough scale to prove its reliability and to show economically competitive performance. The financial risk associated with such large-scale demonstration is, in general, too high for the private sector to assume in the absence of strong incentives. The congressionally-directed CCT Program provides a mechanism to accelerate the commercialization of innovative technologies to meet the nation's near-term energy and environmental goals, to

reduce technological risk to industry to an acceptable level, and to provide private sector incentives required for continued research and development aimed at finding solutions to long-range energy supply problems.

#### Proposed Action

The proposed action is for DOE to provide, through a cooperative agreement with JEA, cost-shared financial assistance to JEA for the design, construction, and operation of the proposed project, as described below. JEA plans to form an alliance with Foster Wheeler Corporation through its subsidiary, Foster Wheeler Power Systems, Inc., to jointly own and operate the project. Together with other Foster Wheeler affiliates, Foster Wheeler Power Systems, Inc. will provide the CFB combustor and perform the project engineering, procurement, and construction. The demonstration project would last 24 months and cost approximately \$309 million, with DOE's share being nearly \$75 million (24%). The proposed project would be located at JEA's existing Northside Generating Station in Jacksonville, Florida, which currently consists of 3 heavy oil- and natural gas-fired steam generation units and 4 diesel oil-fired combustion turbine units.

The Northside Generating Station is approximately 10 miles north of downtown Jacksonville, Florida. The Northside Generating Station is an industrial site encompassing approximately 400 acres, with 200 acres devoted to existing steam generation units, combustion turbine units, and associated infrastructure. New construction associated with JEA's proposed CFB combustor project would occupy approximately 60 acres of previously disturbed land. The Northside Generating Station contains a number of wetland areas, especially in the perimeter areas. Preliminary analysis indicates that the site may be in a hurricane storm surge area, in addition to the 100-year floodplain of the St. Johns River. The most significant environmental feature associated with the Northside Generating Station is the nearby presence of estuarine salt marsh backwaters of the St. Johns River. St. Johns River Power Park, an industrial site which consists of two 624 MWe coal- and petroleum coke-burning power plants on 1,656 acres, is adjacent to the Northside Generating Station.

The overall objective of the project is to demonstrate the feasibility of CFB technology at a size that will be attractive for large-scale utility operation. The new CFB combustor would use coal and petroleum coke to

generate nearly 300 MWe by repowering the existing Unit 2 steam turbine, a 297.5-MWe unit that has been out of service since 1983. The project is expected to provide JEA with a low-cost, efficient, and environmentally-sound generating resource. In addition, JEA plans to repower the currently operating Unit 1 steam turbine without cost-shared funding from DOE. The Unit 1 steam turbine will be essentially identical to the turbine for Unit 2, and is scheduled to be repowered about 6 to 12 months after the Unit 2 repowering. While the proposed project only consists of the Unit 2 repowering (because DOE would provide no funding for the Unit 1 repowering), the EIS will evaluate the Unit 1 repowering as a related action.

In a CFB combustor, coal and coal/fuel blends, air, and limestone are introduced into the lower portion of the combustor, where initial combustion occurs. As the fuel is reduced in size through combustion and breakage, it is transported higher in the combustor where additional air is introduced. Ash and unburned fuel and limestone pass out of the combustor, collect in a particle separator, and recirculate to the lower portion of the combustor. Sulfur reacts with limestone added in the furnace to form ash that can be marketed as a useful byproduct such as roadbed material.

For the proposed project, the combined installation of the CFB combustor and a flue gas scrubber is expected to remove over 97% of the sulfur dioxide emitted from burning coal that contains up to 4.5% sulfur. The relatively low furnace operating temperature of about 1650°F would result in appreciably lower nitrogen oxide emissions compared to conventional coal-fired power plants.

The project would also include a new selective non-catalytic reduction system to further reduce emissions of nitrogen oxides. Over 99.8% of particulate emissions would be removed by a new baghouse or a new electrostatic precipitator.

In addition to the CFB combustor itself and the air pollution control systems, new equipment for the project would include a new stack and new fuel, limestone, and ash handling systems. The height of the proposed new stack is expected to be approximately 450 feet compared to 300 feet for the existing stack at Unit 2. The project would also require overhaul and/or modifications to existing systems such as the steam turbine, condensate and feedwater systems, circulating water systems, water treatment systems,

plant electrical distribution systems, the switchyard, and the control systems.

Options being considered for transport of coal include (1) an extension of conveyors from the nearby St. Johns River Power Park, and (2) construction of new receiving, handling, and storage facilities for solid fuel. Limestone and ash storage and handling facilities also would be required. Wherever possible, existing facilities and infrastructure located at the Northside Generating Station would be used for the proposed project. These include the discharge system for cooling water to the St. Johns River, the wastewater treatment system, and the electric transmission lines and towers.

Because Unit 2 has not operated since 1983, the baseline emissions from that unit are zero. Units 1 and 3 have been operating at annual capacity factors of less than 40%, firing either heavy oil or natural gas. Unit 3 would continue as a 563.7-MWe oil/gas-fired unit. With the exception of low-NO<sub>x</sub> (nitrogen oxide) burners on Unit 3, Units 1 and 3 are not currently equipped with emission control systems.

The area is in attainment of the National Ambient Air Quality Standards. However, as part of JEA's commitment to the local community in the implementation of this project, JEA has committed to a 10% reduction in the annual stack emissions for criteria pollutants (i.e., sulfur dioxide, nitrogen oxides, and particulate matter) from the Northside Generating Station (as compared to recent annual emissions). In achieving this objective, the combined emissions from the repowered Units 1 and 2 operating at annual capacity factors of 100% are projected to be less than recent typical annual emissions from Unit 1 alone.

Another part of JEA's community commitment is that groundwater consumption will be reduced by at least 10% from recent levels. This would be accomplished by increased recycling of the treated wastewater produced at the station. Plant wastewater is presently treated with lime, followed by clarification in settling basins. While some recycled water is currently utilized, most of the treated wastewater is discharged to percolation ponds. Should the proposed project be implemented, the discharge of treated wastewater to the ponds would be reduced.

Project activities would include engineering and design, permitting, equipment procurement, construction, startup, and a 24-month demonstration of the commercial feasibility of the technology. DOE plans to complete the EIS and issue a Record of Decision

within 15 months of publication of this Notice of Intent, assuming timely delivery of environmental information from JEA for use in developing the EIS. Upon completing its NEPA review, if DOE decides to implement the proposed action, construction would commence in early 1999 and finish in late 2001, startup would occur in early 2002, and demonstration of the technology would begin in April 2002. During the demonstration, Unit 2 would be operated on several different types of coal and coal/fuel blends to demonstrate the flexibility of the technology. Upon completion of the demonstration phase, the facility would continue its commercial operation.

### Alternatives

NEPA requires that agencies discuss the reasonable alternatives to the proposed action in an EIS. The purpose for agency action determines the range of reasonable alternatives. Congress established the CCT Program with a specific purpose: to demonstrate the commercial viability of technologies that use coal in more environmentally benign ways than conventional coal technologies. Congress also directed DOE to pursue the goals of the CCT Program by means of partial funding (cost-sharing) of projects owned and controlled by non-federal government sponsors. This statutory requirement places DOE in a much more limited role than if the federal government were the owner and operator of the project. In the latter situation, DOE would be responsible for a comprehensive review of reasonable alternatives. However, in dealing with an applicant, the scope of alternatives is necessarily more restricted. It is appropriate in such cases for DOE to give substantial weight to the applicant's needs in establishing a project's reasonable alternatives.

An overall strategy for compliance with NEPA was developed for the CCT Program that includes consideration of both programmatic and project-specific environmental impacts during and after the process of selecting a project. As part of the NEPA strategy, the EIS for JEA's proposed CFB combustor project will tier off the program's final Programmatic Environmental Impact Statement (PEIS) that was issued by DOE in November 1989 (DOE/EIS-0146). Two alternatives were evaluated in the PEIS: (1) the no action alternative, which assumed that the CCT Program was not continued and that conventional coal-fired technologies, with flue gas desulfurization and nitrogen oxide controls to meet New Source Performance Standards, would continue to be used; and (2) the

proposed action, which assumed that the clean coal projects would be selected and funded, and that successfully demonstrated technologies would undergo widespread commercialization by the year 2010.

For JEA's proposed CFB combustor project, the range of reasonable alternatives to be considered in the EIS is also narrowed in accordance with the overall NEPA strategy. The no action alternative will be analyzed in the EIS as a reasonable alternative to the proposed action of providing cost-shared funding support for the proposed project. DOE will consider any other reasonable alternatives that may be suggested during the public scoping period.

Under no action, DOE would not provide partial funding for the design, construction, and operation of the project. In the absence of DOE funding, there are three options that JEA could reasonably pursue. These options will be analyzed under the no action alternative. JEA could construct the proposed project without DOE cost-shared funding. Under this scenario, the potential environmental impacts or benefits at Northside Generating Station are expected to be identical to those of the proposed project. A second option is that JEA could construct a new gas-fired combined cycle facility at Northside Generating Station or at another location. Under this scenario, potential environmental impacts or benefits at Northside Generating Station would vary from those of the proposed project. A third option is that JEA could purchase electricity from other utilities to meet JEA's projected demand. Under this scenario, potential environmental impacts or benefits at Northside Generating Station related to demonstration of the proposed project would not be realized. In addition, the second and third options would not contribute to the objective of the CCT Program, which is to make available to the U.S. energy marketplace advanced, more efficient, economically feasible, and environmentally acceptable coal technologies.

Because of DOE's limited role of providing cost-shared funding for JEA's proposed project and because of the advantages associated with the proposed location, DOE does not plan to evaluate alternative sites for the proposed project. JEA considered additional sites during its site selection process. Site selection was governed primarily by benefits that could be realized by JEA. An existing plant site was preferred because the cost associated with construction of the project at a "greenfield" site in an

undisturbed area would be much higher, and the environmental impact likely would be much greater than at an existing facility. The existing Northside Generating Station has several advantages because it is an operating plant with land available for installation of new facilities. Much of the required infrastructure, including the electric transmission lines and towers, is already in place, thereby reducing the level of capital investment and construction impacts. The station has the flexibility to accommodate possible fuel delivery needs with its existing rail and water facilities. Furthermore, most of the operational staffing for the new facility would be accommodated by the existing Northside Generating Station staff.

### Preliminary Identification of Environmental Issues

The following issues have been tentatively identified for analysis in the EIS. This list, which was developed partly on the basis of concerns provided by the public in response to JEA's stakeholder outreach program, is not intended to be all inclusive, 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) Atmospheric Resources: potential air quality impacts resulting from air emissions during current and future operation of Northside Generating Station (e.g., effects of ground-level concentrations of criteria pollutants, and trace metals including mercury, on surrounding residential areas and the Timucuan Preserve (a National Park Service Class II ecological and historic preserve adjacent to the western edge of the Northside Generating Station); potential effects of greenhouse gas emissions on global climate change;

(2) Water Resources and Aquatic Ecology: potential effects on surface water and groundwater resources consumed and discharged; potential effects on estuarine salt marsh ecosystems and aquatic biota resulting from withdrawing and discharging cooling water from the St. Johns River (e.g., thermal discharge, entrainment or impingement of fish and invertebrate species);

(3) Infrastructure and Land Use: potential effects resulting from the transport of coal, petroleum coke, and limestone required for the proposed project, including the development of land for infrastructure, storage, or waste disposal; affected resource areas including land (e.g., existing shoreline and wetlands), utilities, and

transportation routes (e.g., train traffic to supply coal);

(4) Solid Waste: pollution prevention and waste management practices, including solid waste impacts, caused by the generation, treatment, transport, storage, and disposal of solid wastes;

(5) Construction: impacts associated with noise, traffic patterns, and construction-related emissions;

(6) Visual: impacts associated with a new stack that is taller than existing structures at Northside Generating Station;

(7) Floodplains: potential impacts (e.g., impeding floodwaters, re-directing floodwaters, on-site and off-site property damage) of siting new buildings and infrastructure within floodplain and hurricane storm surge areas;

(8) Wetlands: potential reduction of wetlands due to new construction (e.g., construction associated with feedstock transport infrastructure);

(9) Community Impacts: impacts on public safety related to fire and emergency vehicle access to the Northside community of Jacksonville; impacts to local traffic patterns resulting from rail traffic; socioeconomic impacts on public services and infrastructure (e.g., police protection, schools, and utilities); noise associated with project operation; environmental justice with respect to the surrounding community; and

(10) Cumulative effects that result from the incremental impacts of the proposed project when added to other past, present, and reasonably foreseeable future actions (e.g., incremental discharge of cooling water affecting aquatic biota).

### Public Scoping Process

To ensure that the full range of issues related to this proposal are addressed, DOE will conduct an open process to define the scope of the EIS. The public scoping period will run until December 31, 1997. Interested agencies, organizations, and the general public are encouraged to submit comments or suggestions concerning the content of the EIS, issues and impacts to be addressed in the EIS, and the alternatives that should be analyzed.

Scoping comments should clearly describe specific issues or topics that the EIS should address in order to assist DOE in identifying significant issues. Written, e-mailed, faxed, or telephoned comments should be communicated by December 31, 1997 (see **ADDRESSES**).

In addition, a public scoping meeting to be conducted by DOE will be held in the In-Plant Conference Room at the Northside Generating Station on

December 3, 1997, at 7 p.m. The address of the Northside Generating Station is 4377 Heckscher Drive, Jacksonville, Florida. DOE requests that anyone who wishes to speak at this public scoping meeting contact Dr. Jan Wachter, either by phone, fax, computer, or in writing (see **ADDRESSES** in this Notice).

Individuals who do not make advance arrangements to speak may register at the meeting and will be given the opportunity to speak after all previously scheduled speakers have made their presentations. Speakers who wish to make presentations longer than five minutes should indicate the length of time desired in their request. 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. Oral and written comments will be given equal weight.

DOE will begin the meeting with an overview of the proposed CFB combustor project. 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.

Issued in Washington, D.C., this 6th day of November, 1997.

**Peter N. Brush,**

*Acting Assistant Secretary, Environment, Safety and Health.*

[FR Doc. 97-29890 Filed 11-12-97; 8:45 am]

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[FERC-512]

#### Information Collection Submitted for Review and Request For Comments

November 6, 1997.

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice of submission for review by the Office of Management and Budget (OMB) and request for comments.

**SUMMARY:** The Federal Regulatory Commission (Commission) has

submitted the energy information collection listed in this notice to Office of Management and Budget (OMB) for review under provisions of Section 3507 of the Paperwork Reduction Act of 1995 (Pub. L. No. 104-13). Any interested person may file comments on the collection of information directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission received no comments in response to an earlier **Federal Register** notice of May 28, 1997 (62 FR 28844) and has made this notation in its submission to OMB.

**DATES:** Comments regarding this collection of information are best assured of having their full effect if received within 30 days of this notification.

**ADDRESSES:** Address comments to Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Federal Energy Regulatory Commission, Desk Officer, 726 Jackson Place, N.W., Washington, D.C. 20503. A copy of the comments should also be sent to Federal Energy regulatory Commission, Division of Information Services, Attention: Mr. Michael Miller, 888 First Street N.E., Washington, D.C. 20426.

**FOR FURTHER INFORMATION CONTACT:** Michael P. Miller may be reached by telephone at (202) 208-1415, by fax at (202) 273-0873, and by e-mail at mmiller@ferc.fed.us.

#### SUPPLEMENTARY INFORMATION:

##### Description

The energy information collection submitted to OMB for review contains:

1. *Collection of Information:* FERC-512 "Application for Preliminary Permit"

2. *Sponsor:* Federal Energy Regulatory Commission

3. *Control No.:* OMB No. 1902-0073. The Commission is now requesting that OMB approve a three-year extension of the current expiration date, with no changes to the existing collection. There is a decrease in the reporting burden due to a decrease in the number of applicants filing with the Commission. These are mandatory collection requirements.

4. *Necessity of Collection of Information:* Submission of the information is necessary to enable the Commission to carry out its responsibilities in implementing the provisions of the Federal Power Act (FPA). The information reported under Commission identifier FERC-512 is filed in accordance with Sections 4(f), 5, 7, (FPA). The Part I of the FPA gives the Commission authority to issue licenses