

**DEPARTMENT OF ENERGY****Notice of Intent To Prepare an Environmental Impact Statement for the Gilberton Coal-to-Clean Fuels and Power Project, Gilberton, PA****AGENCY:** Department of Energy.**ACTION:** Notice of intent.

**SUMMARY:** The U.S. Department of Energy (DOE) announces its intent to prepare an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA), the Council on Environmental Quality (CEQ) NEPA regulations (40 CFR parts 1500–1508), and the DOE NEPA regulations (10 CFR part 1021), to assess the potential environmental impacts of a proposed project by WMPI PTY, LLC, to design, construct, and operate a demonstration plant near Gilberton, Schuylkill County, Pennsylvania. The proposed Gilberton Coal-to-Clean Fuels and Power Project, selected under the Clean Coal Power Initiative competitive solicitation, would produce electricity, clean hydrocarbon liquids, and steam from coal waste that exists in legacy piles from old mining practices. The proposed project would be the first commercial-scale demonstration of coal waste gasification and Fischer-Tropsch (F-T) synthesis of liquid hydrocarbon fuels in the United States. The proposed project would involve construction and operation of a plant to produce about 5,000 barrels-per-day of ultra-clean liquid hydrocarbon fuels and approximately 41 MW (megawatts) of electricity for the local electrical grid. The quantity of feed material for the plant could be up to approximately 4,700 dry tons-per-day of coal waste from prior and current anthracite mining. An estimated 300 million tons of this coal waste exists throughout Pennsylvania. The EIS will evaluate the proposed project and reasonable alternatives.

The EIS will help DOE decide whether to provide 16 percent (approximately \$100 million as a repayable loan) of the total estimated funding of \$612 million for the proposed project. The purpose of this Notice of Intent is to inform the public about the proposed project; invite public participation in the EIS process; announce the plans for a public scoping meeting and explain the EIS scoping process; and solicit public comments for consideration in establishing the proposed scope and content of the EIS.

**DATES:** To ensure that all of the issues related to this proposal are addressed, DOE invites comments on the proposed scope and content of the EIS from all

interested parties. Comments must be received by May 19, 2003, to ensure consideration. Late comments will be considered to the extent practicable. In addition to receiving comments in writing and by telephone (see **ADDRESSES** below), 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 D.H.H. Lengel Middle School, 1541 West Laurel Boulevard, Pottsville, PA, on May 5, 2003, beginning at 7 p.m. (see Public Scoping Process). The public is invited to an informal session at this location beginning at 4 p.m. to learn more about the proposed action.

Displays and other forms of information about the proposed agency action and the demonstration plant will be available, and DOE personnel will be present at the informal session to discuss the proposed project and the EIS process.

**ADDRESSES:** Written comments on the proposed EIS scope and requests to participate in the public scoping meeting should be addressed to the NEPA Document Manager for the Gilberton Coal-to-Clean Fuels and Power Project: Mr. Lloyd Lorenzi, National Energy Technology Laboratory, U.S. Department of Energy, P.O. Box 10940, Pittsburgh, PA 15236–0940.

Individuals who would like to otherwise participate in the public scoping process should contact Mr. Lloyd Lorenzi directly by telephone: 412–386–6159; toll free number: 1–800–276–9851; fax: 412–386–4604; or electronic mail: [lorenzi@netl.doe.gov](mailto:lorenzi@netl.doe.gov).

**FOR FURTHER INFORMATION, CONTACT:** For information regarding the Gilberton Coal-to-Clean Fuels and Power Project or to receive a copy of the draft EIS for review when it is issued, contact Mr. Lloyd Lorenzi as described above. Those seeking general information on the DOE NEPA process, contact: Ms. Carol M. Borgstrom, Director, Office of NEPA Policy and Compliance (EH–42), U.S. Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585–0119. Telephone: (202) 586–4600. Facsimile: (202) 586–7031, or leave a toll-free message at 1–800–472–2756.

**SUPPLEMENTARY INFORMATION:****Background and Need for Agency Action**

Since the early 1970s, DOE and its predecessor agencies have pursued research and development programs

that include long-term, high-risk activities that support the development of innovative concepts for a wide variety of coal technologies through the proof-of-concept stage. However, the availability of a technology at the proof-of-concept stage is not sufficient to ensure continued development and subsequent commercialization. Before any technology can be considered seriously for commercialization, it must be demonstrated. The financial risk associated with technology demonstration is, in general, too high for the private sector to assume in the absence of strong incentives. The Clean Coal Power Initiative (CCPI) was established in 2002 as a government/industry partnership to implement the President's National Energy Policy recommendation to increase investment in clean coal technology. This recommendation addresses a national challenge of ensuring the reliability of electric supply while simultaneously protecting the environment.

The goal of the CCPI program is to accelerate commercial deployment of advanced coal technologies that provide the United States with clean, reliable, and affordable energy. Through cooperative agreements established pursuant to the CCPI program, DOE would accelerate deployment of innovative technologies to meet near-term energy and environmental goals; to reduce technological risk to the business community to an acceptable level; and to provide private sector incentives required for continued activity in innovative research and development directed at providing solutions to long-range energy supply problems.

**Proposed Action**

The proposed action is for DOE to provide, through a cooperative agreement with WMPI, financial assistance for the proposed Gilberton Coal-to-Clean Fuels and Power Project (hereafter termed the “Gilberton Project”). The Gilberton Project would be designed for long-term commercial operation following completion of an approximately 27-month demonstration period under a 6-year cooperative agreement with DOE, and would cost a total of approximately \$612 million; DOE's share would be approximately \$100 million (16%) in the form of a repayable loan.

The Gilberton Project would result in design, construction, and operation of a new plant to co-produce approximately 41 MW of electricity for export to the local grid at extremely high environmental performance, about 5,000 barrels-per-day of high quality, ultra-clean liquid hydrocarbon products, and

steam near Gilberton, Schuylkill County, Pennsylvania.

The liquid hydrocarbon products would include clean diesel fuel and naphtha. The new plant would use four major technology systems: (1) Gasification technology from Shell, which would be particularly suitable for processing the high ash (40%), low cost, anthracite coal waste that would provide the primary feed to the plant. The gasification process would produce raw synthesis gas consisting primarily of carbon monoxide and hydrogen; (2) raw synthesis gas treatment and cleaning technology systems to remove solid particulate matter and gaseous contaminants to trace concentrations; (3) indirect liquefaction for converting cleaned synthesis gas into synthetic hydrocarbon liquids using Fischer-Tropsch (F-T) technology from SASOL Technology, Ltd., and (4) combustion of cleaned, unconverted synthesis gas in a gas turbine/combined cycle power plant to produce electricity and steam.

The Gilberton Project would be located on an approximately 50-acre site near Gilberton, PA, north of Interstate 81 and east of Pennsylvania State Highway 61, off Morea Road. The site for the Gilberton Project would be adjacent to the eastern boundary of the existing 80 MW Gilberton Power Plant, which has been operating continuously since 1986 using circulating fluidized-bed combustion technology to process anthracite coal waste. Site preparation would require grading, clearing of vegetation, and addition of infrastructure improvements, such as roads, fencing, and drainage. Construction preparations would include installation of concrete piers and foundations for the plant equipment and structures.

The primary feed material for the Gilberton Project would be up to approximately 4,700 dry tons-per-day of anthracite coal waste, which is abundant locally in legacy waste piles from old mining practices. These anthracite tailings, which are potential sources of soil and water contamination, would be reclaimed for the Gilberton Project from the surrounding area, although the plant would also be capable of processing feed containing a blend of anthracite waste with petroleum coke, other coals, or biomass.

Air separation would be used to produce a high purity oxygen stream for the Shell gasification process. The anthracite waste, combined with about 400 tons-per-day of a fluxing agent such as limestone to assist with maintaining ash in a molten form, would be processed through a Shell gasifier to produce a raw synthesis gas that would

be cleaned to produce approximately 200 million standard cubic-feet-per-day blend of primarily hydrogen and carbon monoxide. The mineral content of the anthracite waste and the fluxing agent fed to the Shell gasifier would produce about 2,000 tons-per-day of molten slag and 160 tons-per-day of collected dry particulate that could be used as construction materials.

Cleaning of gas from the Shell gasifier would be achieved using a combination of initial quenching to remove any entrained molten slag, filtration to remove dry particulate, scrubbing to remove any residual solid particles and alkali salts, catalytic removal of sulfur compounds, and treatment in a Rectisol unit to remove carbon dioxide. The gas cleaning processes would remove impurities and produce a carbon dioxide stream that could be used for future sequestration if economics permit, although sequestration is not part of the proposed project.

The cleaned synthesis gas would be processed through a low-temperature F-T unit and downstream product treatment units to produce about 5,000 barrels-per-day of ultra-clean diesel fuel and naphtha, which would be virtually free of sulfur, nitrogen, and aromatic compounds and superior in both end-use and environmental properties compared with liquid hydrocarbon products produced from petroleum refining. Operations could be altered to change the distribution of products, including kerosene that would service specialty jet fuel markets, and to produce alcohols and liquefied petroleum gas. The F-T liquid products would be readily marketable to the refining industry. Diesel product from F-T synthesis possesses a high Cetane value and has demonstrated significantly reduced engine emissions of particulate matter, nitrogen oxides, hydrocarbons, and carbon monoxide, while meeting all current fuel specifications and the expected future (2006) Environmental Protection Agency specification for low sulfur fuels. Naphtha product can either be readily upgraded to a high-octane, clean reformulated gasoline or used as an on-board, sulfur-free feed to a reformer to produce hydrogen for fuel-cell-powered vehicle applications.

Unconverted, cleaned synthesis gas from the F-T unit would be combusted in a gas turbine/combined-cycle power plant to produce electricity for the Gilberton Project and for export to the local power grid. High pressure and medium pressure steam produced in the plant would be used to produce additional power using steam turbo-generators. Excess steam from the power

plant system would be marketed to local customers. Other potentially marketable byproducts from the plant would include elemental sulfur and a vitrified material resembling coarse sand that could be used in the construction and building industries.

Wastewater, including contaminated runoff from the project site, would be handled using a combination of storm water retention, wastewater treatment, oil recovery, biological treatment and solids removal, and disposal. Water treatments would include equalization, API separator treatment for oil removal and recovery, dissolved air flotation for additional oil removal, and biological treatment.

Construction of the proposed plant would be expected to require approximately 30 months. Plant start-up, system and feedstock testing, and long-term performance and reliability demonstration under the cooperative agreement with DOE would require approximately 27 months, after which the plant could continue in commercial operation.

Successful demonstration of technology in the Gilberton Project would generate opportunities for a broad range of commercial applications, especially in coal producing and consuming regions of the United States. Commercial applications would result in substantial socioeconomic benefits to the coal regions, including direct and indirect job stimulation and the related benefits of enhanced productivity and tax revenues; environmental benefits of abandoned mine land reclamation as coal waste is converted into high value products; and increasing energy independence.

### Alternatives

NEPA requires that agencies evaluate the reasonable alternatives to the proposed action in an EIS. The purpose for agency action determines the range of reasonable alternatives.

The Clean Coal Power Initiative (CCPI) was established to help implement the President's National Energy Policy (NEP) recommendation to increase investment in clean coal technology by addressing national challenges of ensuring the reliability of domestic electric and energy supplies while simultaneously protecting the environment. The CCPI program was structured to achieve NEP goals by promoting private sector initiatives to invest in demonstrations of advanced technologies that could be widely deployed commercially to ensure that the United States has clean, reliable, and affordable energy. Private sector investments and deployment of energy

systems in the United States places DOE in a much more limited role than if the Federal government were the owner and operator of the energy systems. In the latter situation, DOE would be responsible for a comprehensive review of reasonable alternatives for siting the system. However, in dealing with applicants under the CCPI solicitation, the scope of alternatives is necessarily more restricted because DOE must focus on alternative ways to accomplish its purpose that reflect both the application before it and the functions that DOE plays in the decisional process. In such cases DOE must give substantial consideration to the applicant's needs in establishing a project's reasonable alternatives.

The range of reasonable options to be considered in the EIS for the proposed Gilberton Project is determined in accordance with the overall NEPA strategy. Because of DOE's limited role of providing cost-shared funding for the proposed Gilberton Project, DOE currently plans to give primary emphasis to the proposed action and the no-action alternative. Under the no-action alternative, DOE would not provide partial funding for the design, construction, and operation of the project.

In the absence of DOE funding, the Gilberton Project probably would not be constructed. Alternatives considered by WMPI, in developing the proposal for the Gilberton Project, including alternative sites and technologies for the proposed project also will be presented in the EIS. DOE will consider other reasonable alternatives that may be suggested during the public scoping period.

Under the proposed action, project activities would include equipment design and fabrication, process engineering, plant permitting and construction, and testing and demonstration of the technology. DOE plans to complete the EIS within 15 months following publication of this Notice of Intent and to subsequently issue a Record of Decision. Upon completing the demonstration effort for DOE, WMPI could continue commercial operation of the plant constructed under the Gilberton Project.

#### **Preliminary Identification of Environmental Issues**

The following environmental issues have been tentatively identified for analysis in the EIS. This list, which was developed from analyses of the proposed technology, the scope of the proposed project, and similar projects, and which is presented to facilitate public comment on the planned scope

of the EIS, is neither intended to be all-inclusive nor a predetermined set of potential impacts. Additions to or deletions from this list may occur as a result of the public scoping process.

The environmental issues include:

(1) *Atmospheric resources*: Potential air quality impacts resulting from emissions during construction and operation of the proposed Gilberton Project, including odor impacts;

(2) *Water usage*: Potential effects on surface and groundwater resources, including impacts from withdrawals of groundwater and mine pool water from the Susquehanna River and Delaware River watersheds;

(3) *Water quality*: Potential impacts resulting from wastewater treatment and discharge, from water usage, and from reclaiming abandoned anthracite waste;

(4) *Infrastructure and land use, including potential environmental and socioeconomic effects resulting from*: Plant construction; delivery of feed materials; recovery of coal waste and mine pool water; steam and heat distribution; electric power generation and transmission; product hydrocarbon liquids transportation, distribution, and use; measures to prevent soil erosion and degradation; and site restoration;

(5) *Solid Waste*: Pollution prevention and waste management, including, ash, slag, waste water treatment facility sludge;

(6) *Noise*: Potential impacts resulting from construction and operation of the proposed plant and from transportation of feed materials and plant products;

(7) *Construction*: Potential impacts associated with traffic patterns, construction-related emissions, and involvement of floodplains and wetlands;

(8) Safety and health impacts, including construction-related safety, process safety, and management of chemicals and catalysts;

(9) *Ecological*: Potential on-site and off-site impacts to vegetation, terrestrial wildlife, aquatic wildlife, threatened and endangered species, and ecologically sensitive habitats;

(10) Community impacts, including potential impacts from local traffic patterns, socioeconomic impacts on public services and infrastructure, and environmental justice;

(11) Visual impacts associated with plant structures and plant operations;

(12) *Reclamation impacts*: Potential impacts resulting from recovery of coal waste from disposal and reclamation sites;

(13) Cumulative effects that result from the incremental impacts of the proposed project when added to the other past, present, and reasonably

foreseeable future projects, including the existing 80 MW Gilberton power plant;

(14) Connected actions, including processing of gasifier slag into aggregate for use in construction applications, use of heat and energy from the plant, and both processing and use of liquid hydrocarbon products;

(15) Compliance with regulatory requirements and environmental permitting; and

(16) Environmental monitoring.

#### **Public Scoping Process**

To ensure that all 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 end on May 19, 2003. 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 alternatives that should be considered. Scoping comments should identify specific issues or topics that the EIS should address in order to assist DOE in identifying significant issues. Written, e-mailed, or faxed comments should be communicated by May 19, 2003 (see **ADDRESSES**).

DOE will conduct a public scoping meeting at D.H.H. Lengel Middle School, 1541 West Laurel Boulevard, in Pottsville, PA, on May 5, 2003, at 7 p.m. In addition, the public is invited to an informal session at this location beginning at 4 p.m., to learn more about the proposed action. Displays and other information about the proposed agency action and the demonstration plant will be available, and DOE personnel will be present to discuss the proposed action and the NEPA process.

The formal scoping meeting will begin on May 5, 2003, at 7 p.m. DOE asks people who wish to speak at this public scoping meeting to contact Mr. Lloyd Lorenzi, either by phone, fax, computer, or in writing (see **ADDRESSES** in this notice).

People who do not arrange in advance to speak may register at the meeting (preferably at the beginning of the meeting) and will be provided opportunities to speak following previously scheduled speakers. Speakers who need more than five minutes should indicate the length of time desired in their request. Depending on the number of speakers, DOE may need to limit speakers to five-minutes initially but will provide additional opportunities as time permits. Speakers may also provide written materials to supplement their presentations. Oral

and written comments will be given equal consideration.

DOE will begin the meeting with an overview of the proposed Gilberton Project. The meeting will not be conducted as an evidentiary hearing, and speakers will not be cross-examined. However, speakers may be asked questions to help ensure that DOE fully understands their comments or suggestions. A presiding officer will establish the order of speakers and provide any additional procedures necessary to conduct the meeting.

Issued in Washington, DC, on this 4th day of April, 2003.

**Beverly A. Cook,**

*Assistant Secretary, Environment, Safety and Health.*

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. RP03-319-000]

#### ANR Pipeline Company; Notice of Tariff Filing

April 3, 2003.

Take notice that on March 28, 2002, ANR Pipeline Company (ANR), tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, Fifth Revised Sheet No. 161A.02, with an effective date of April 30, 2003.

ANR states that it is tendering the revised tariff sheet in order to clarify its rights to allow contractual rights of first refusal pursuant to Section 22.2.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.314 or 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed in accordance with Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. This filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at <http://www.ferc.gov> using the "FERRIS" link. Enter the docket number excluding the last three digits in the docket number field to access the document. For

assistance, please contact FERC Online Support at

[FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or toll-free at (866) 208-3676, or TTY, contact (202) 502-8659. The Commission strongly encourages electronic filings. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's Web site under the "e-Filing" link.

*Comment Date:* April 9, 2003.

**Magalie R. Salas,**

*Secretary.*

[FR Doc. 03-8775 Filed 4-9-03; 8:45 am]

BILLING CODE 6717-01-P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### Notice of Application Accepted for Filing and Soliciting Comments, Protests, and Motions To Intervene

April 3, 2003.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Type of Application:* Preliminary Permit.

b. *Project No.:* 12387-000.

c. *Date filed:* October 7, 2002.

d. *Applicant:* Dierks Hydro, LLC.

e. *Name and Location of Project:* The Dierks Dam Project would be located on the Saline River in Sevier County, Arkansas. The proposed project would be located on an existing dam administered by the U.S. Corps of Engineers (Corps).

f. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 91a-825r.

g. *Applicant contact:* Mr. Brent L. Smith, Northwest Power Services, Inc., PO Box 535, Rigby, ID 83442, (208) 745-0834.

h. *FERC Contact:* Tom Papsidero, (202) 502-6002.

i. *Deadline for filing comments, protests, and motions to intervene:* 60 days from the issuance date of this notice.

The Commission's Rules of Practice and Procedure require all interveners filing documents with the Commission to serve a copy of that document on each person in the official service list for the project. Further, if an intervener files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

j. *Description of Project:* The proposed project would utilize the Corps' existing Dierks Dam and Reservoir and would

consist of: (1) A proposed 200-foot-long, 6-foot-diameter steel penstock, (2) a proposed powerhouse containing one generating unit with an installed capacity of 2 megawatts, (3) a proposed 5-mile-long, 25-kv transmission line, and (4) appurtenant facilities. The project would operate in a run-of-river mode and would have an average annual generation of 18 GWh.

k. This filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at <http://www.ferc.gov> using the "FERRIS" link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or toll-free at (866) 208-3676, or for TTY, contact (202) 502-8659. A copy is also available for inspection and reproduction at Dierks Hydro, LLC, 975 South State Highway, Logan, UT 84321, (435) 752-2580.

l. *Competing Preliminary Permit—* Anyone desiring to file a competing application for preliminary permit for a proposed project must submit the competing application itself, or a notice of intent to file such an application, to the Commission on or before the specified comment date for the particular application (see 18 CFR 4.36). Submission of a timely notice of intent allows an interested person to file the competing preliminary permit application no later than 30 days after the specified comment date for the particular application. A competing preliminary permit application must conform with 18 CFR 4.30(b) and 4.36.

m. *Competing Development Application—* Any qualified development applicant desiring to file a competing development application must submit to the Commission, on or before a specified comment date for the particular application, either a competing development application or a notice of intent to file such an application. Submission of a timely notice of intent to file a development application allows an interested person to file the competing application no later than 120 days after the specified comment date for the particular application. A competing license application must conform with 18 CFR 4.30(b) and 4.36.

n. *Notice of Intent—* A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, and must include an unequivocal statement of intent to submit, if such an application may be filed, either a preliminary permit