

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

June 24, 2014

TO: Department of Public Service Files
FROM: Leonard Van Ryn, Assistant Counsel
RE: Case 14-E-0117 - Completed Short Environmental
Assessment Form

* * *

Please place the attached completed short
Environmental Assessment Form in the permanent files for:

CASE 14-E-0117 - Helios Power Capital, LLC, Danskammer Energy,
LLC and Mercuria Energy America, Inc. - Joint
Petition for Expedited Approval for the Lease,
Sale and Operation of the Danskammer Generating
Facility Under Lightened Regulation and for
Related Relief.

Attachment
cc: Richard Powell

617.20
Appendix B
Short Environmental Assessment Form

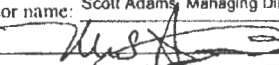
Instructions for Completing

Part I - Project Information. The applicant or project sponsor is responsible for the completion of Part I. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part I based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part I. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part I - Project and Sponsor Information			
Name of Action or Project: Danskammer Generating Station			
Project Location (describe, and attach a location map): Town of Newburgh, New York			
Brief Description of Proposed Action: Acquisition by Helios Power Capital, LLC ("Helios") of Danskammer Generating Station (the "Project") as "electric plant"; lease and sale by Helios of the Project to Danskammer Energy, LLC ("Danskammer Energy") and transfer of ownership interests in Danskammer Energy to Mercuria Energy America, Inc.			
Name of Applicant or Sponsor: Helios Power Capital, LLC;		Telephone: 713-623-2414 E-Mail: sadams@riverway.us	
Address: 5005 Riverway Dr., Ste. 440,			
City/PO: Houston		State: Texas	Zip Code: 77056
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO ☒	YES ☐
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:		NO ☒	YES ☐
3.a. Total acreage of the site of the proposed action?		183 acres	
b. Total acreage to be physically disturbed?		0.0 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		183 acres	
4. Check all land uses that occur on, adjoining and near the proposed action. ☐ Urban ☒ Rural (non-agriculture) ☒ Industrial ☐ Commercial ☒ Residential (suburban) ☒ Forest ☐ Agriculture ☒ Aquatic ☐ Other (specify): _____ ☐ Parkland			

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	☐	☒	☐
b. Consistent with the adopted comprehensive plan?	☐	☒	☐
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	☐	☒	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	☒	☐	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	☒	☐	
b. Are public transportation service(s) available at or near the site of the proposed action?	☒	☐	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	☒	☐	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: Current codes have changed since the facility was built.	☒	☐	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ Water is provided by the adjacent Roseton facility.	☒	☐	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: _____	☐	☒	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO	YES	
	☒	☐	
b. Is the proposed action located in an archeological sensitive area?	☒	☐	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
	☐	☒	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	☒	☐	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____			
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:			
☒ Shoreline ☒ Forest ☒ Agricultural/grasslands ☒ Early mid-successional ☐ Wetland ☐ Urban ☒ Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
	☐	☒	
16. Is the project site located in the 100 year flood plain?	NO	YES	
	☐	☒	
17. Will the proposed action create storm water discharge, either from point or non-point sources?	NO	YES	
If Yes,	☒	☐	
a. Will storm water discharges flow to adjacent properties? ☐ NO ☐ YES			
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)?			
If Yes, briefly describe: ☐ NO ☐ YES			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	☒	☐
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ There is a coal ash pit on the property.	NO	YES
	☐	☒
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ The coal ash pit has been the subject of certain remediation actions.	NO	YES
	☐	☒
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: Scott Adams, Managing Director, Helios Power Capital, LLC Date: 4/1/14		
Signature: 		

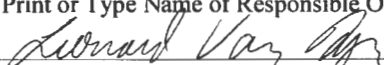
Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	☒	☐
2. Will the proposed action result in a change in the use or intensity of use of land?	☒	☐
3. Will the proposed action impair the character or quality of the existing community?	☒	☐
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	☒	☐
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	☒	☐
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	☒	☐
7. Will the proposed action impact existing: a. public / private water supplies?	☒	☐
b. public / private wastewater treatment utilities?	☒	☐
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	☒	☐
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	☒	☐

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	☒	☐
11. Will the proposed action create a hazard to environmental resources or human health?	☒	☐

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

The action is the approval of the transfer of ownership interests in the 530 MW Danskammer Generating Facility to Danskammer Energy LLC and its parent, Mercuria Energy America, Inc. There will be no changes to the operation of the Danskammer facility that will result in adverse environmental impacts. The new owners will bring additional natural gas fueling capability to the Danskammer facility, by contracting for gas transportation services, that should eliminate coal fueling altogether, and will, at a minimum, limit coal fueling to no more than 900 hours per year. Under the prior owners, coal fueling was deployed much more frequently than the 900 hour ceiling that will adhere prospectively, and so the proposed changes in operation will benefit the environment. Besides the environmentally beneficial modifications to the mode of fueling the Petitioners propose, there are no other changes subject to PSL §70 review that might adversely affect the environment. Consequently, approval will have no adverse environmental impacts.

☐	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
☐	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
Public Service Commission	June 24, 2014
Name of Lead Agency	Date
Leonard Van Ryn	Assistant Counsel
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
	
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

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