by preparation, issuance and distribution of an EA/FNSI or EIS/ROD.

(ii) That are made on projects that have been awarded a Step 2+3 grant, the responsible official shall, at the time of plans and specifications review under §35.2202(b) of this title, assess whether the environmental conditions or the project's anticipated impact on the environment have changed and, prior to plans and specifications approval, advise the Regional Administrator if additional environmental review is necessary.

[50 FR 26317, June 25, 1985, as amended at 51 FR 32611, Sept. 12, 1986]

§6.506 Environmental review process.

- (a) Review of completed facilities plans. The responsible official shall ensure a review of the completed facilities plan with particular attention to the EID and its utilization in the development of alternatives and the selection of a preferred alternative. An adequate EID shall be an integral part of any facilities plan submitted to EPA or to a State. The EID shall be of sufficient scope to enable the responsible official to make determinations on requests for partitioning the environmental review process in accordance with §6.507 and for preparing environmental assessments in accordance with §6.506(b).
- (b) Environmental assessment. The environmental assessment process shall cover all potentially significant environmental impacts. The responsible official shall prepare a preliminary environmental assessment on which to base a recommendation to finalize and issue the environmental assessment/FNSI. For those States delegated environmental review responsibilities under §6.514, the State responsible official shall prepare the preliminary environmental assessment in sufficient detail to serve as an adequate basis for EPA's independent NEPA review and decision to finalize and issue an environmental assessment/FNSI or to prepare and issue a notice of intent for an EIS/ROD. The EPA also may require submission of supplementary information before the facilities plan is approved if needed for its independent review of the State's preliminary assessment for compliance with environmental review requirements. Substantial requests for

- supplementary information by EPA, including the review of the facilities plan, shall be made in writing. Each of the following subjects outlined below, and requirements of subpart C of this part, shall be reviewed by the responsible official to identify potentially significant environmental concerns and their associated potential impacts, and the responsible official shall furthermore address these concerns and impacts in the environmental assessment:
- (1) Description of the existing environment. For the delineated facilities planning area, the existing environmental conditions relevant to the analysis of alternatives, or to determining the environmental impacts of the proposed action, shall be considered.
- (2) Description of the future environment without the project. The relevant future environmental conditions shall be described. The no action alternative should be discussed.
- (3) Purpose and need. This should include a summary discussion and demonstration of the need, or absence of need, for wastewater treatment in the facilities planning area, with particular emphasis on existing public health or water quality problems and their severity and extent.
- (4) Documentation. Citations to information used to describe the existing environment and to assess future environmental impacts should be clearly referenced and documented. These sources should include, as appropriate but not limited to, local, tribal, regional, State, and Federal agencies as well as public and private organizations and institutions with responsibility or interest in the types of conditions listed in §6.509 and in subpart C of this part.
- (5) Analysis of alternatives. This discussion shall include a comparative analysis of feasible alternatives, including the no action alternative, throughout the study area. The alternatives shall be screened with respect to capital and operating costs; direct, indirect, and cumulative environmental effects; physical, legal, or institutional constraints; and compliance with regulatory requirements. Special

§ 6.506

attention should given to: the environmental consequences of long-term, irreversible, and induced impacts; and for projects initiated after September 30, 1978, that grant applicants have satisfactorily demonstrated analysis of potential recreation and open-space opportunities in the planning of the proposed treatment works. The reasons for rejecting any alternatives shall be presented in addition to any significant environmental benefits precluded by rejection of an alternative. The analysis should consider when relevant to the project:

- (i) Flow and waste reduction measures, including infiltration/inflow reduction and pretreatment requirements;
- (ii) Appropriate water conservation measures;
- (iii) Alternative locations, capacities, and construction phasing of facilities;
- (iv) Alternative waste management techniques, including pretreatment, treatment and discharge, wasterwater reuse, land application, and individual systems:
- (v) Alternative methods for management of sludge, other residual materials, including utilization options such as land application, composting, and conversion of sludge for marketing as a soil conditioner or fertilizer;
- (vi) Improving effluent quality through more efficient operation and maintenance;
- (vii) Appropriate energy reduction measures; and
- (viii) Multiple use including recreation, other open space, and environmental education.
- (6) Evaluating environmental consequences of proposed action. A full range of relevant impacts of the proposed action shall be discussed, including measures to mitigate adverse impacts, any irreversible or irretrievable commitments of resources to the project and the relationship between local short-term uses of the environment and the maintenance and enhancement of long-term productivity. Any specific requirements, including grant conditions and areawide waste treatment management plan requirements, should be identified and referenced. In addition to these items, the responsible official may require that

other analyses and data in accordance with subpart C which are needed to satisfy environmental review requirements be included with the facilities plan. Such requirements should be discussed whenever meetings are held with Step 1 grantees or potential Step 3 or Step 2=3 applicants.

- (7) Minimizing adverse effects of the proposed action. (i) Structural and non-structural measures, directly or indirectly related to the facilities plan, to mitigate or eliminate adverse effects on the human and natural environments, shall be identified during the environmental review. Among other measures, structual provisions include changes in facility design, size, and location; non-structural provisions include staging facilities, monitoring and enforcement of environmental regulations, and local commitments to develop and enforce land use regulations.
- (ii) The EPA shall not accept a facilities plan, nor award grant assistance for its implementation, if the applicant/grantee has not made, or agreed to make, changes in the project, in accordance with determinations made in a FNSI based on its supporting environmental assessment or the ROD for a EIS. The EPA shall condition a grant, or seek other ways, to ensure that the grantee will comply with such environmental review determinations.
- (c) FNSI/EIS determination. The responsible official shall apply the criteria under $\S 6.509$ to the following:
 - (1) A complete facilities plan;
 - (2) The EID;
- (3) The preliminary environmental assessment; and
- (4) Other documentation, deemed necessary by the responsible official adequate to make an EIS determination by EPA. Where EPA determines that an EIS is to be prepared, there is no need to prepare a formal environmental assessment. If EPA or the State identifies deficiencies in the EID, preliminary environmental assessment, or other supporting documentation, necessary corrections shall be made to this documentation before the conditions of the Step 1 grant are considered satisfied or before the Step 3 or Step 2+3 application is considered complete. The responsible official's determination to issue a FNSI or to prepare an

EIS shall constitute final Agency action, and shall not be subject to administrative review under 40 CFR part 30, subpart L.

[50 FR 26317, June 25, 1985, as amended at 51 FR 32612, Sept. 12, 1986]

§ 6.507 Partitioning the environmental review process.

- Purpose. Under certain circumstances the building of a component/portion of a wastewater treatment system may be justified in advance of completing all NEPA requirements for the remainder of the system(s). When there are overriding considerations of cost or impaired program effectiveness, the responsible official may award a construction grant, or approve procurement by other than EPA funds, for a discrete component of a complete wastewater treatment system(s). The process of partitioning the environmental review for the discrete component shall comply with the criteria and procedures described in paragraph (b) of this section. In addition, all reasonable alternatives for the overall wastewater treatment works system(s) of which the component is a part shall have been previously identified, and each part of the environmental review for the remainder of the overall facilities system(s) in the planning area in accordance with §6.502(b)(3) shall comply with all requirements under §6.506.
- (b) Criteria for partitioning. (1) Projects may be partitioned under the following circumstances:
- (i) To overcome impaired program effectiveness, the project component, in addition to meeting the criteria listed in paragraph (b)(2) of this section, must immediately remedy a severe public health, water quality or other environmental problem; or
- (ii) To significantly reduce direct costs on EPA projects, or other related public works projects, the project component (such as major pieces of equipment, portions of conveyances or small structures) in addition to meeting the criteria listed in paragraph (b)(2) of this section, must achieve a cost savings to the Federal Government and/or to the grantee's or potential grantee's overall costs incurred in procuring the wastewater treatment component(s) and/or the installation of other related

public works projects funded in coordination with other Federal, State, tribal or local agencies.

- (2) The project component also must:
- (i) Not foreclose any reasonable alternatives identified for the overall wastewater treatment works system(s);
- (ii) Not cause significant adverse direct or indirect environmental impacts including those which cannot be acceptably mitigated without completing the entire wastewater treatment system of which the component is a part; and
 - (iii) Not be highly controversial.
- (c) Requests for partitioning. The applicant's or State's request for partitioning must contain the following:
- (1) A description of the discrete component proposed for construction before completing the environmental review of the entire facilities plan;
- (2) How the component meets the above criteria;
- (3) The environmental information required by \$6.506 of this subpart for the component; and
- (4) Any preliminary information that may be important to EPA in an EIS determination for the entire facilities plan (§ 6.509).
- (d) Approval of requests for partitioning. The responsible official shall:
- (1) Review the request for partitioning against all requirements of this subpart;
- (2) If approvable, prepare and issue a FNSI in accordance with §6.508;
- (3) Include a grant condition prohibiting the building of additional or different components of the entire facilities system(s) in the planning area as described in §6.502(b)(3)(i).

[50 FR 26317, June 25, 1985, as amended at 51 FR 32612, Sept. 12, 1986]

§6.508 Finding of No Significant Impact (FNSI) determination.

(a) Criteria for producing and distributing FNSIs. If, after completion of the environmental review, EPA determines that an EIS will not be required, the responsible official shall issue a FNSI in accordance with §§6.105(f) and 6.400(d). The FNSI will be based on EPA's independent review of the preliminary environmental assessment