



**United States Department of Agriculture  
Rural Development**

October 8, 2010

**SUBJECT:** Finding of No Significant Impact (FONSI)  
Enerkem Corporation, Cellulosic Ethanol Facility  
Pontotoc, Mississippi

DESCRIPTION OF ACTION

The U.S. Department of Agriculture, Rural Business-Cooperative Service (RBS) has received an application from Enerkem Corporation to guarantee a loan under the Biorefinery Assistance Program. The purpose of the loan would be to construct and operate a heterogeneous feedstock cellulosic ethanol production facility which would produce up to 10 million gallons of fuel grade ethanol per year at its peak capacity, displacing the use of over 7 million gallons per year of petroleum-based gasoline production. The facility would be located in rural Pontotoc, Mississippi. The environmental analysis of this proposed action is contained in an Environmental Assessment (EA) prepared by the Department of Energy (DOE) for a similar loan guarantee to Enerkem Corporation; RBS has adopted that EA for this proposed action.

The Applicant proposes to construct a biorefinery at an existing landfill and use post-sorted and dried municipal solid waste (MSW) as the primary biomass feedstock for ethanol production. The site located in Pontotoc, Mississippi was selected for the proposal because the existing landfill site could easily accommodate an additional industrial facility and because the MSW source is projected to be consistent and provide the needed biomass for the refinery.

BASIS FOR FINDINGS

All discussion, analysis and findings related to the potential impacts of construction and operation of the Applicant's proposal (including required mitigation) are contained in the EA, prepared by DOE. Further, this finding is based on site investigation, data collection and research, and contact with agencies with special environmental expertise or jurisdictional responsibilities mandated by law. In reviewing the indicators of significance in the attached assessment as outlined in Rural Development Instruction, 7 CFR Part 1940, Subpart G, it has been determined that the Applicant's proposal to construct and operate a heterogeneous feedstock cellulosic ethanol facility and the Agency's financial support of it does not constitute a major Federal Action which will significantly affect the quality of the human environment.

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Web: <http://www.rurdev.usda.gov>

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Washington, DC 20250-9410 or call (800)795-3272 (voice) or (202) 720-6382 (TDD).

All of the environmental impacts identified in the EA are anticipated to be short-term and minor. However, adherence to local, State, and Federal requirements pertaining to standard construction design and operation practices would mitigate any potential negative impact identified in the EA and associated with this proposal. Beyond those negative impacts that would normally occur with activities of this type, no additional impacts are anticipated to occur with the operation of the action alternative.

The Applicant must obtain and comply with all appropriate Federal, State, and local permits and approvals required for construction and operation of the biorefinery, and this requirement shall be incorporated and enforceable through the Agency's Conditional Commitment for Guarantee.

### FINDINGS

The attached environmental assessment for the subject proposal has been prepared and reviewed by the appropriate Rural Business-Cooperative Service officials. After reviewing the assessment and the supporting materials attached to it, I find that the subject proposal will not significantly affect the quality of the human environment. Therefore, the preparation of an environmental impact statement is not necessary.

I also find that the assessment properly documents the proposal's status of compliance with the environmental laws and requirements listed therein.

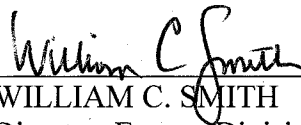
Prepared by:



ANNIE EBERHART GOODE  
Environmental Protection Specialist  
Program Support Staff

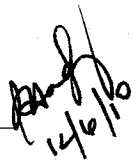
11/10/2010  
Date

Recommended:

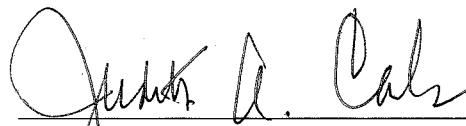


WILLIAM C. SMITH  
Director, Energy Division  
Rural Business-Cooperative Service

11/22/10  
Date



Approved:



JUDITH A. CANALES  
Administrator  
Rural Business-Cooperative Service

12/7/10  
Date

Rural Development  
Environmental Justice (EJ) and Civil Rights Impact Analysis (CRIA)  
Certification

1. Applicant's name and proposed project description: Enerkem. Proposed heterogenous feedstock  
bio refinery

2. Rural Development's loan/grant program/guarantee or other Agency action: Loan Guarantee

3.  Attach a map of the proposal's area of effect identifying location or EJ populations, location of the proposal, area of impact or

Attach results of EJ analysis from the Environmental Protection Agency's (EPAs) EnviroMapper with proposed project location and impact footprint delineated.

4. Does the applicant's proposal or Agency action directly, indirectly or cumulatively affect the quality and/or level of services provided to the community?

Yes  No  N/A

5. Is the applicant's proposal or Agency action likely to result in a change in the current land use patterns (types of land use, development densities, etc)?

Yes  No  N/A

6. Does a demographic analysis indicate the applicant's proposal or Agency's action may disproportionately affect a significant minority and/or low-income populations?

Yes  No  N/A

If answer is no, skip to item 12. If answer is yes, continue with items 7 through 12.

7. Identify, describe, and provide location of EJ population \_\_\_\_\_

8. If a disproportionate adverse affect is expected to impact an EJ population, identify type/level of public outreach implemented. \_\_\_\_\_

9. Identify disproportionately high and adverse impacts on EJ populations. \_\_\_\_\_

10. Are adverse impacts appreciably more severe or greater in magnitude than the adverse impacts expected on non-minority/low-income populations?

Yes  No  N/A

11. Are alternatives and/or mitigation required to avoid impacts to EJ populations?

Yes  No  N/A

If yes, describe \_\_\_\_\_

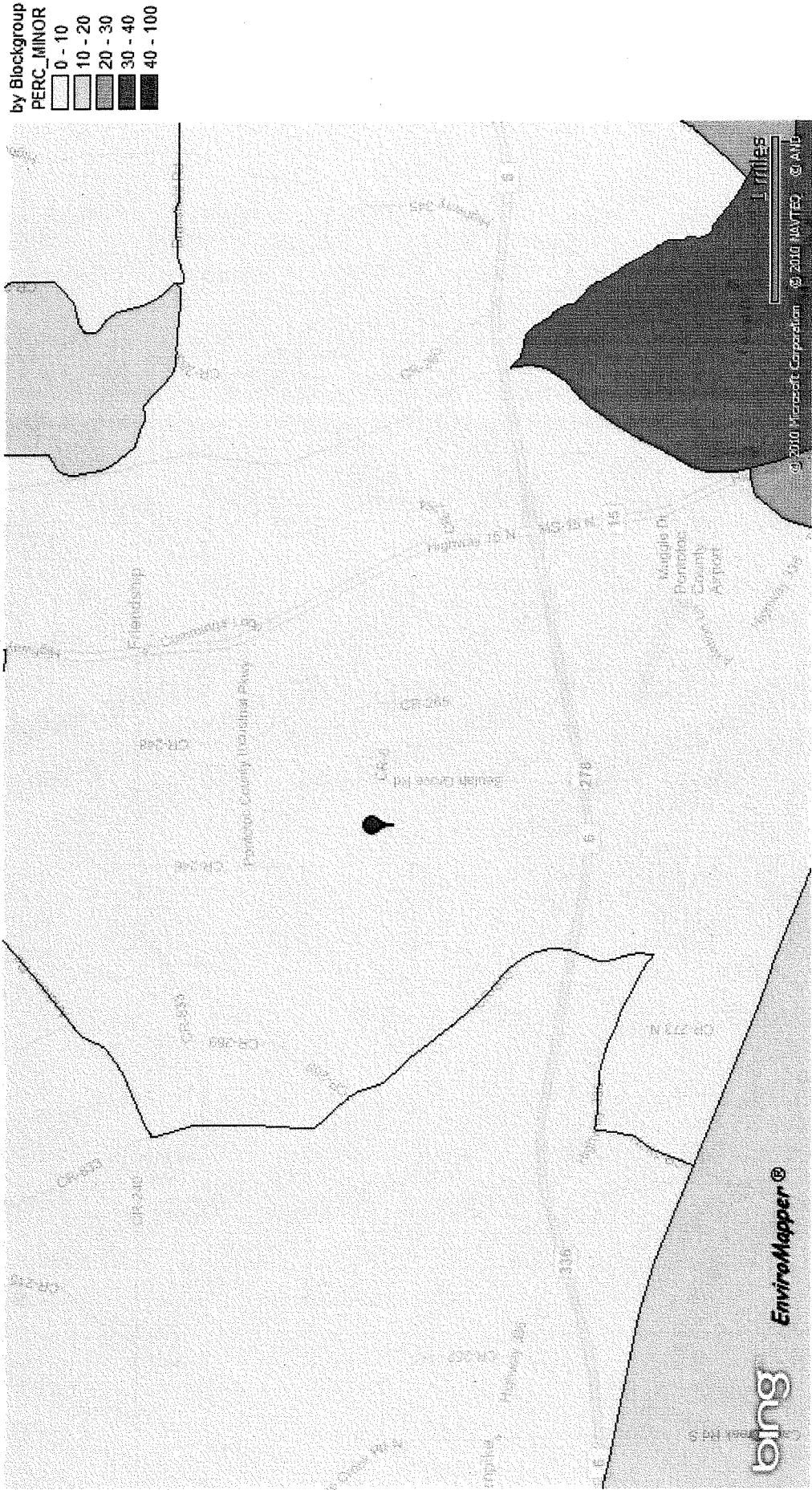
12. I certify that I have reviewed the appropriate documentation and have determined that:

No major EJ or civil rights impact is likely to result if the proposal is implemented.  
 A major EJ or civil rights impact is likely to result if the proposal is implemented.

Annie Eberhart Goode, Env. Protection Spec  
Name and Title of Certifying Official

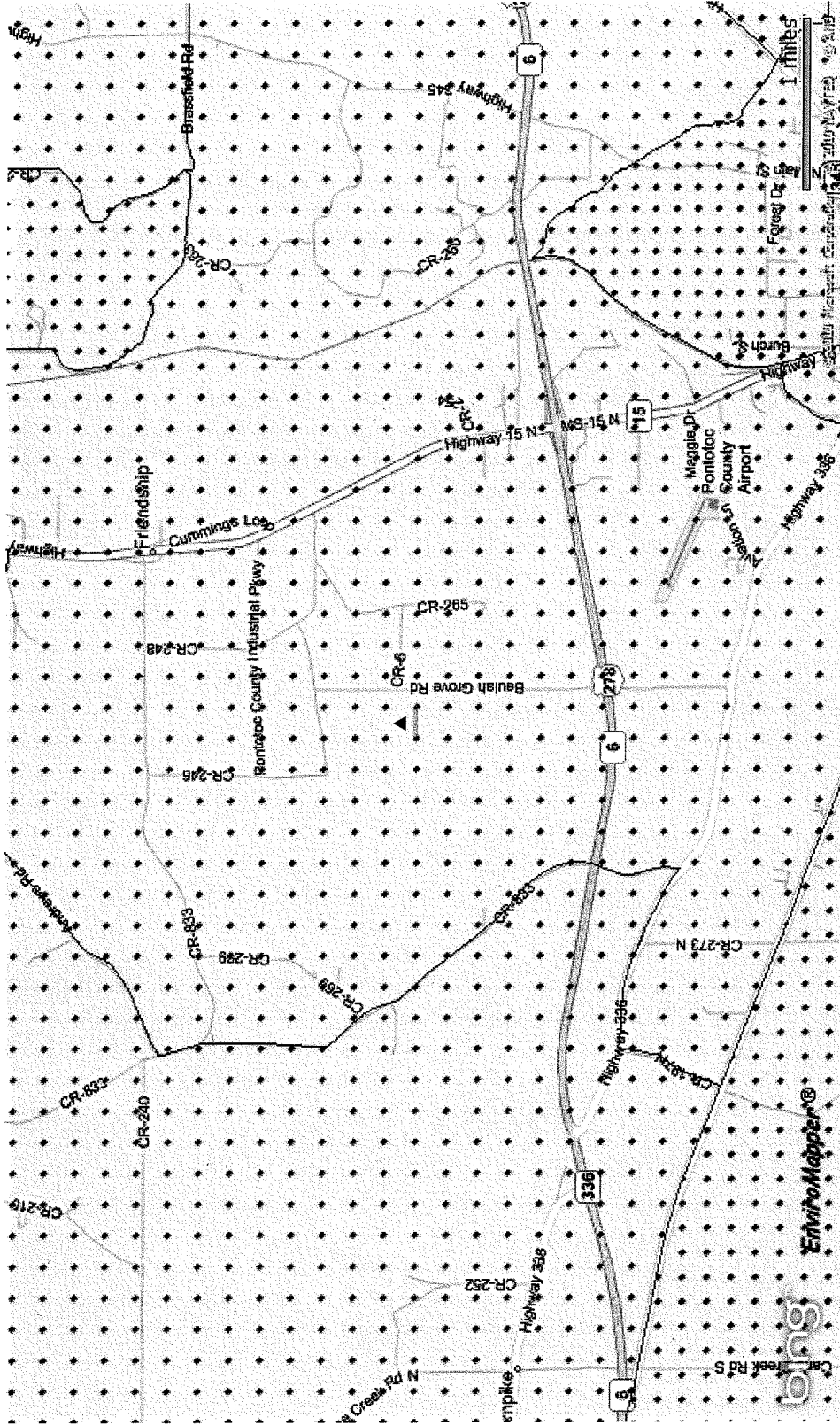
10-08-2010  
Date

# Enerkem - Percent Minority 0 to 10 Percent



# Pontotoc, Mississippi Percent Below Poverty = 9.4 Percent

by Blockgroup  
 PERC\_BPOV  
 0 - 10  
 10 - 20  
 20 - 30  
 30 - 40  
 40 - 100



EnviroMap.com

DEPARTMENT OF HOMELAND SECURITY  
 FEDERAL EMERGENCY MANAGEMENT AGENCY  
**STANDARD FLOOD HAZARD DETERMINATION FORM (SFHDF)**

See The Attached  
 Instructions

O.M.B. No. 1660-0040  
 Expires December 31, 2011

SECTION I - LOAN INFORMATION

1. LENDER NAME AND ADDRESS Silicon Valley Bank One Newton Executive Park, Ste 200 Newton, MA 02462		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) Property		
3. LENDER ID NO. 94-2875288	4. LOAN IDENTIFIER	5. AMOUNT OF FLOOD INSURANCE REQUIRED None		

SECTION II

A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION

1. NFIP Community Name Pontotoc	2. County(ies) Pontotoc	3. State Miss	4. NFIP Community Number 2802340150D
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B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME

1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A") 28115C0150D	2. NFIP Map Panel Effective/ Revised Date August 19, 2010	3. LOMA/LOMR <input type="checkbox"/> YES _____ Date	4. Flood Zone X	5. No NFIP Map
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C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

1.  Federal Flood Insurance is available (Community participates in NFIP).  Regular Program  Emergency Program of NFIP
2.  Federal Flood Insurance is not available because community is not participating in the NFIP.
3.  Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA). Federal Flood Insurance may not be available.  
 CBRA/OPA Designation Date: \_\_\_\_\_

D. DETERMINATION

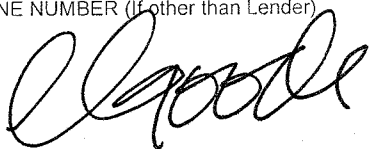
**IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA  
 (ZONES CONTAINING THE LETTERS "A" OR "V")?**  YES  NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.  
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional)

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

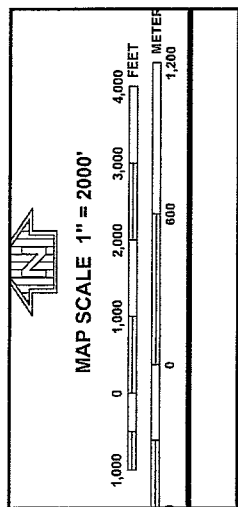
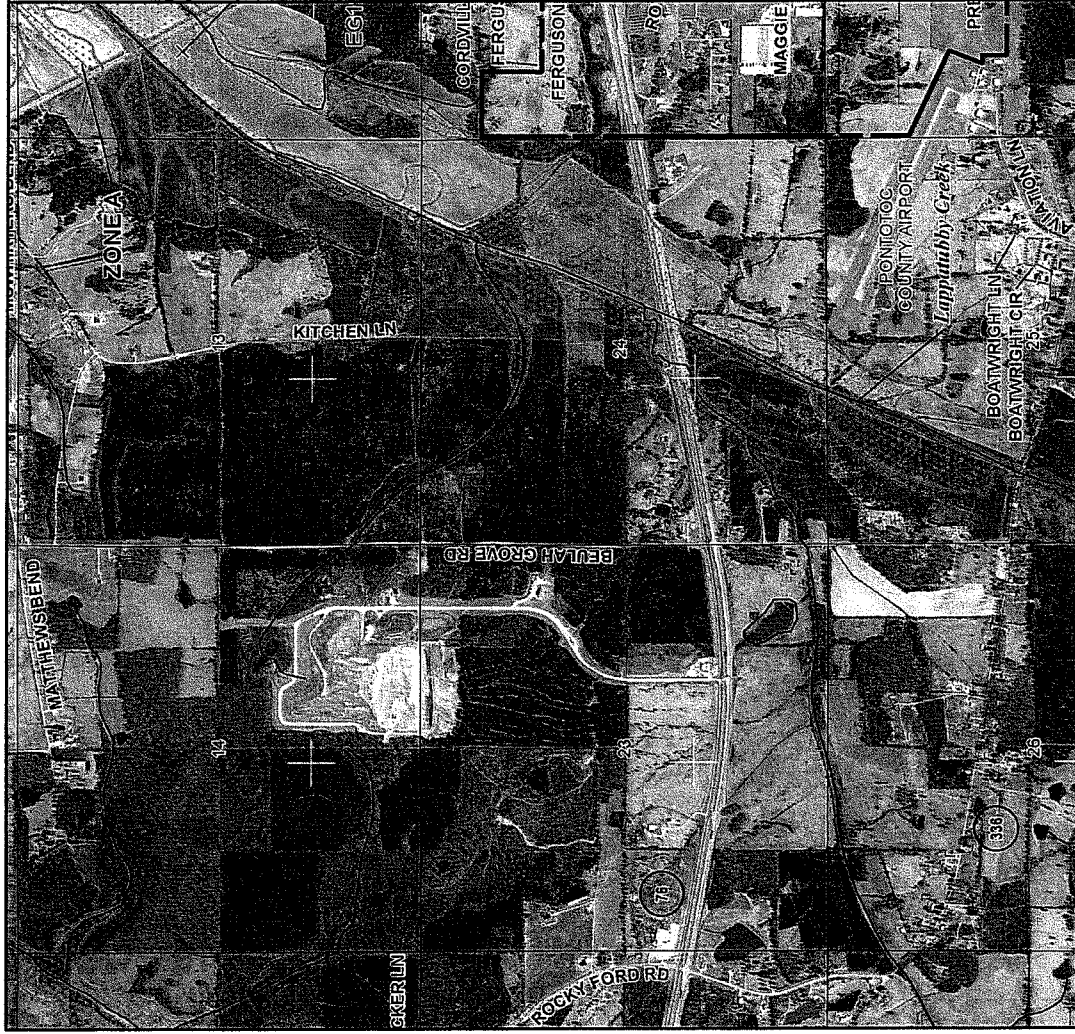
F. PREPARER'S INFORMATION

NAME, ADDRESS, TELEPHONE NUMBER (If other than Lender) Ann Eberhart Goode Rural Development 202.720.9653 	DATE OF DETERMINATION October 7, 2010
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# Your Flood Map

Prepared by: myFloodZone.com

www.myfloodzone.com | sales@myfloodzone.com



NFIP NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0150D

**FIRM**  
 FLOOD INSURANCE RATE MAP  
 PONTIAC COUNTY,  
 MISSISSIPPI  
 AND INCORPORATED AREAS

PANEL 150 OF 400  
 (SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:  
 COMMUNITY: PONTIAC COUNTY  
 PONTIAC CITY OF

NUMBER: 280234  
 PANEL SUFFIX: 0150 D

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on Insurance Applications for the subject community.

MAP NUMBER: 28115C0150D  
 EFFECTIVE DATE: AUGUST 19, 2010

Federal Emergency Management Agency

Thank you for using myFloodZone.com



STATE OF MISSISSIPPI, LEE COUNTY:

Personally appeared before me, DIANNE P. POWELL Notary Public,  
in and for said County and State, H. CLAY FOSTER, JR. Publisher of a  
newspaper printed and published in the City of Tupelo, Lee County, Mississippi, called The  
Northeast Mississippi Daily Journal, who being duly sworn, deposes and says that the publication  
of a certain notice, a true copy of which is hereunto attached, has been made in said newspaper for  
3 weeks consecutively to-wit:

Vol. 137 No. 232 Date Nov 18 2010

Vol. 137 No. 233 Date Nov 19 2010

Vol. 137 No. 234 Date Nov 20 2010

Vol. \_\_\_\_\_ No. \_\_\_\_\_ Date \_\_\_\_\_ 20\_\_\_\_

Vol. \_\_\_\_\_ No. \_\_\_\_\_ Date \_\_\_\_\_ 20\_\_\_\_

Vol. \_\_\_\_\_ No. \_\_\_\_\_ Date \_\_\_\_\_ 20\_\_\_\_

H. Clay Foster

Witness my hand and seal this 20 day

of November, 2010

Dianne P. Powell

My Commission expires

**Notification of the Finding of No Significant Impact (FONSI)**  
**Enerkem Corporation**  
**Cellulosic Ethanol Biorefinery**  
**Pontotoc, Mississippi**

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As required by the National Environmental Policy Act and agency regulations, RBS has reviewed and adopted the DOE EA that assessed the potential environmental effects of the proposal. Upon consideration of the applicant's proposal, the EA and DOE FONSI, comments from federal and state environmental regulatory and natural resource agencies, the Agency has determined that the proposal will not have a significant adverse effect on the quality of human environment. Therefore, RBS will not prepare an Environmental Impact Statement for this project.

For copies of the Environmental Assessment or for further information, please contact: Juliette Boelckho, Environmental Protection Specialist, USDA, Rural Development, 1400 Independence Avenue SW, Mail Stop 0761, Washington DC, 20250; RD:NEPA@wdc.usda.gov; (202) 205-8242. Any person interested in commenting on the proposal should submit their comments to the Agency contact above. Comments must be received by RBS within 15 days following the date of publication. RBS will make no further decisions regarding this proposed action during this fifteen-day period.

**PRINTERS FEES**

To \_\_\_\_\_ words at \_\_\_\_\_ Cents per word \_\_\_\_\_ \$

To Proof of Publication \_\_\_\_\_ \$

Total \_\_\_\_\_ \$ 875.31