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**Supplement to the Environmental Assessment for  
Construction and Operation of a Proposed Cellulosic Ethanol Facility,  
Coskata Inc. Greene County, Alabama**

**Prepared by  
USDA Rural Business-Cooperative Service  
May 24, 2011**

Coskata Inc. has updated its proposed action for constructing and operating a Cellulosic Ethanol facility in Greene County Alabama. The project has been amended to reflect process design improvements that lead to slightly higher process volumes than those described in the Environmental Assessment (EA) issued in September, 2010. The United States Department of Agriculture, Rural Business-Cooperative Service (USDA RBCS) has determined that the proposed changes in the project description, as described in this supplement to the EA, will result in no significant impact to the human environment and that the Finding of No Significant Impact (FONSI) for the original EA is valid. Below is a revised project description.

The Construction and Operation of Coskata Inc.'s Proposed Cellulosic Ethanol Facility would begin in early 2012. Ultimate annual production is estimated to be 67 million gallons of cellulosic ethanol. This is an increase from the 55 million gallons of cellulosic ethanol anticipated in the original EA. The site footprint and overall layout of the facility would not change from the original project description.

This increase in the production of ethanol will be achieved through increased efficiency in the process and an increase in the feedstock throughput. Feedstock would not change from the original proposal to use woody biomass within the region. A change in the feedstock consumption from 1,700 bone dry tons per day (bdtd) to 1,800 bdtd is anticipated at the completion of the facilities build-out. These design improvements are a result of additional operating data from Coskata's demonstration plant as well as changes in certain equipment.

The increase in feedstock source is expected to cause an increase in the number of truck loads to the facility per day, from 150 trucks per day to approximately 159 trucks per day. This increase would not affect overall traffic within the service area.

Based on preliminary process flow calculations, the projected resource consumption and emissions for the revised project, and for those projected in the original EA submission, were evaluated. Utilities consumption and waste streams are lower than those originally submitted for the 55 million gallons of ethanol production facility. While some projections are factored based on production volumes, the process improvements reduce

electrical power consumption and bottom ash generation on a per unit basis due to the improved efficiency. The revised project's dry ash output will be decreased, while sludge and screenings wastes will increase slightly. According to the original EA the facility has adequate waste disposal sites available to handle these increases. The revised project description would result in no change for the majority of emissions, and minor additions to ash and sludge rates.

Coskata has obtained permits for process water discharge, storm water discharge, air source operating permits, and a Section 404 of the CWA wetlands permit associated with the project. The proposed project revisions would not result in compliance issues with any of those permits.

The overall environmental impacts of the facility analyzed in the EA would be the same under the proposed revision. No change will be made in the EA nor the Finding of No Significant Impact (FONSI) approved for the project.