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VIA E-MAIL TO: BCAPEIS@geo-marine.com.

Geo-Marine, Inc. 2713 Magruder Blvd Suite D Hampton, VA 23666.

Re: Final Programmatic Environmental Impact Statement for the Biomass Crop Assistance Program.

Dear Sir or Madam:

Please accept these comments of the Natural Resources Defense Council (NRDC), National Sustainable Agriculture Coalition (NSAC)¹, and Biomass Accountability Project (BAP)² on the Final Programmatic Environmental Impact Statement for the Biomass Crop Assistance Program (FPEIS) published by the Farm Service Agency of the US Department of Agriculture (USDA). We appreciate the opportunity to review the FPEIS and express our views as the Farm Services Agency (FSA) considers how to implement the Biomass Crop Assistance Program (BCAP).

SUMMARY

We are concerned that in crucial regards the FPEIS does not do its job of putting decisionmakers, the public, and FSA's sister agencies in a position to assess how BCAP can be successfully implemented with optimal environmental results, consistent its primary, congressionally mandated purpose of "promoting the cultivation of perennial bioenergy crops and annual bioenergy crops that show exceptional promise for producing highly energy-efficient bioenergy or biofuels, that preserve natural resources, and that are not primarily grown for food or animal feed."

The FPEIS, like its predecessor Draft Programmatic Environmental Impact Statement (DPEIS), fails to canvass reasonable alternatives for implementing BCAP. It includes only two options, neither one of which is adequate. Alternative 1, though substantial thought has plainly gone into

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its formulation, is too vaguely described for readers to understand what it encompasses. Alternative 2 plainly does not meet the governing statute's purpose. Other alternatives left unexamined would better effectuate that purpose, including alternatives that incorporated suggestions made in comments on the DPEIS and on FSA's rulemaking proposal from February of this year, as well as alternatives that implement structural measures mentioned in the effects analysis of the FPEIS itself.

The scope of the FPEIS is mistakenly constrained. It expressly ignores the environmental consequences of energy production catalyzed by BCAP, including transportation and processing impacts. It also ignores the related impacts of BCAP subsidies under the Collection, Harvest, Storage, and Transportation component. And it takes no account of how changing land use displaces existing uses into other venues, with significant environmental and economic consequences.

The FPEIS falls down in its treatment of mitigation measures. In many cases, it does not investigate the potential to mitigate impacts. In other instances it takes a simply advisory role, mentioning the possibility of mitigation without examining the impact of adopting it. For large categories of impacts, the FPEIS unjustifiedly assumes that program requirements can be relied on to mitigate them. And nowhere does it present mitigation options and their impacts in comparative form, so that an informed choice among them could be made.

Finally, despite substantive comments flagging this problem at the DPEIS stage, the new document presents a genuinely unhelpful effects analysis. Much of the analysis is too generalized to aid decisionmaking, in contrast to the specifics that other agencies include in programmatic environmental reviews. Most of the hard issues are not addressed. Most cumulative effects are left unexamined. Forest impacts are, as in the DPEIS, simply assumed out of existence, though they plainly are possible. Displaced impacts, as mentioned above, including carbon emissions, are uniformly ignored. The analysis is riddled with unhelpful material, filler, unintelligible statements, inconsistencies, and bland excuses for failure to include meaningful information.

ALTERNATIVES

The formulation and comparison of alternatives to an agency's proposed course of action is the "heart" of an environmental impact statement (EIS). 40 C.F.R. § 1502.14. It is this process that shows whether changing a modified or different action could adequately meet an agency's purpose and need while producing superior environmental outcomes. Under the National Envireonmental Policy Act (NEPA), agencies must "[r]igorously explore and objectively evaluate all reasonable alternatives" to a proposed decision with potentially significant environmental consequences. 40 C.F.R. § 1502.14(a). "The existence of a viable but unexamined alternative renders an environmental impact statement inadequate." *Citizens for a Better Henderson v. Hodel*, 768 F.2d 1051, 1057 (9th Cir. 1985).

The PEIS properly identifies the agency's purpose in BCAP as coming from congressional direction to "promote the cultivation of perennial bioenergy crops and annual bioenergy crops that show exceptional promise for producing highly energy-efficient bioenergy or biofuels, that

preserve natural resources, and that are not primarily grown for food or animal feed." FPEIS 1-2. As NRDC has previously noted, this directive sets a high bar for BCAP, in terms of the kinds of crops to be promoted and the avoidance of environmental harm. *See* Attachment A at 1 (NRDC, Comments on Proposed Biomass Crop Assistance Program Rule, April 9, 2010). BCAP was enacted primarily to promote bioenergy *crops*, not other biomass sources. The crops must show *exceptional* promise as an energy source, not just good or high promise. The promised potential must be not just for energy-efficiency, but for *highly energy-efficient* bioenergy or biofuels. The crops – not just their seeds – must not be of a kind that are principally grown for food or feed. And program implementation must *preserve* natural resources, not merely limit damage to them.

FSA has two alternatives for implementation of BCAP's establishment and support component. Superficially, the FPEIS lists a "Proposed Action" and two alternatives. *See* FPEIS at 2-1, 2-12, 2-13. However, the Proposed Action is not separate from the alternative. Rather, the alternatives represent two different scales of implementation of the Proposed Action. Since Alternative 1 adds a series of restrictions not listed under "Proposed Action," while Alternative 2 does not, functionally, Alternative 2 represents unrestricted implementation of the Proposed Action options evaluated in the FPEIS there are two: Alternative 1 and Proposed Action/Alternative 2.

The first thing to note about the action alternatives is the extremely small number the agency is considering. For a program that judging by the effects analysis could result in \$10 billion or more of public expenditures for land use altering activities on a grand scale, two alternatives is a facially inadequate number. In the absence of extraordinary circumstances sharply constraining agency discretion, it is beyond implausible that two represents "all reasonable alternatives."

FSA should have developed other action alternatives, ones that met its purpose and need statement. Some such alternatives were suggested to the agency in comments on the DPEIS and on the February 8, 2010 proposed rule. Attached is a summary previously provided to FSA of comments made by a number of groups which, among other things, suggest several different alternatives that would meet the purpose and need and that FSA should be formally considering. See Attachment B. Other obvious alternatives could have, and should have, been developed from mitigation possibilities raised the FPEIS but left undeveloped and uncommitted to. For example, the FPEIS notes that "[t]o protect sensitive areas such as wildlife corridors, riparian zones, and buffer stripes identified based on regional and landscape analysis, mandatory BMPs may be developed. FPEIS at 4-70. And it flags the importance of avoiding wildlife habitat fragmentation, *id.* at 4-61, and of utilizing state wildlife action plans. *Id.* at 4-78. Elsewhere, in discussing ways to lessen adverse effects, the FPEIS summarizes that "[t]o reduce impacts of increased dedicated energy crop production on wildlife and biodiversity in a more general sense, it is recommended that land-cover change toward intensive crop production be limited, chemical applications be limited, usage of adaptive management schemes be used ... and that harvesting be delayed during critical life-history stages." Id. at 4-67. No alternative, however, was developed around implementing these suggestions or the many others that appear in the FPEIS, a number of

³ Technically, Alternative 2 contains a qualification not listed under "Proposed Action," namely that "advanced biofuels" produced by a qualifying facility "meet the less restrictive definition provided in Title IX of the 2008 Farm Bill." FPEIS at 2-13.

which are discussed in the section of these comments below that deals specifically with mitigation issues.

Aggravating the lack of reasonable alternatives, is the fact that the Proposed Action (and thus Alternative 2) is fatally flawed by its lack of substantive sidebars on what kinds of projects will be funded. Repeatedly, on core issues, the Proposed Action simply requires that information be submitted, or that processes be set up that will play out later on. Thus, "[t]hough not specifically required, project area proposals are to include a description of the general conservation and/or forest stewardship measures that would be implemented under producer contracts." Id. at 2-2. This language does not create any assurance that any desired measures will be adopted, or problem avoided, or even that there be a binding, enforceable agreement to implement any measures described. Project sponsors "must demonstrate that ... the crops can be grown in an environmentally acceptable manner as determined by the CCC [Commodity Credit Corporation]." *Ibid.* However, there is neither a requirement that the crops actually be grown in such a manner, nor any indication of what criteria CCC would utilize in making the relevant determination. Similarly, "an interdisciplinary interagency review panel ... would determine the sufficiency of information submitted.⁴ *Ibid.* CCC also is assigned an approval role for conservation plans and forest stewardship plans, but is to do so pursuant to guidelines that are left undescribed. Id. at 2-4. Project area proposals have to include information about their ability to promote cultivation of crops "that show exceptional promise for producing highly energy-efficient energy, advanced biofuels or biobased products." Id. at 2-3. Except for biobased products (a category which Congress excluded from BCAP's stated purposes), this, too, could later be used in a way that advanced the statutory goals. However, none of them necessarily will have any effect and none therefore would provide an adequate basis for projecting environmental impacts. All of these statements represent a failure to decide, and necessarily a related failure to consider how to mitigate environmental impacts. They simply kick the can down the road, to a set of piecemeal after-the-fact decisions that will make it impossible to assess the impacts of and make choices about the program as a whole.

Absent from Alternative 2 are specific features or requirements that would target funding to the kinds of biofuel that meet the statutory energy efficiency purpose. Missing too are standards or mandated mitigation that meet the purpose of preserving natural resources. While it is theoretically possible that implementation might, on an ad hoc or fortuitous basis, advance the program's goals, Alternative 2 does not itself do that. Thus it does not meet the program's stated purpose and need.

Alternative 1 comes closer to meeting BCAP's purpose and need – it does include some specific limitations that bear on both energy efficiency and preservation of natural resources. Repeatedly, however, it presents them too ambiguously to make clear what they encompass. BCAP project areas would have to "support only large, new commercial BCFs [biomass crop facilities] that are limited to producing energy in part from only newly established crops on BCAP contract acres." *Id.* at 2-12. What the impact is from these limitations would be greatly

⁴ This provision also has the panel determining the level of environmental review "necessary to meet the overall objectives and goals of BCAP," *ibid*, a confusing statement, since proper environmental review should be a valuable tool for FSA in deciding how to meet those objectives, but won't by itself make that happen.

affected by what qualifies as "large" and also by how much of the feedstock for a BCF would, at a minimum, come from newly established crops. Neither of these essential criteria can be divined from the FPEIS text. As a result, what kinds of facilities would actually be supported under the alternative remains guesswork. Similarly, the FPEIS projects that Alternative 2's impacts would be restricted by the limited funding level proposed in the administration's FY2010 budget. Presuming this actually refers to the FY2011 budget proposal, it is not possible, because the FPEIS neither provides that number nor discusses how FSA would respond to different funding levels that might eventually be approved, to understand the real world import of the statement. To some extent this problem also arises with the generally positive requirement that "a BCF that produces advanced biofuels must ensure the fuel meets the greenhouse gas test included in the EISA of 2007." *Ibid*. The reader assumes, but cannot be sure, that the required test will be the relatively stringent one for advanced biofuels, not another of EISA's greenhouse gas standards.

In sum, the FPEIS considers an obviously inadequate range of alternatives. It fails to develop and consider reasonable alternatives suggested by outsiders and in the FPEIS itself. Of the two action alternatives it does review, one falls far shy of meeting the program's purpose and need. And the other is too vague on key details to review with any confidence.

SCOPE

The scope of the FPEIS is mistakenly constrained in two very serious regards. First, it explicitly omits the environmental impacts of energy production by BCFs, including the associated transportation impacts. It announces that "[s]ince the BCAP supports the production of dedicated energy crops, this analysis will focus only on the potential impacts associated with crop production and not the impacts associated with conversion of biomass into various types of energy." *Id.* at 2-14. Since, however, BCAP is required to support energy crop production only "for conversion to bioenergy," see Food, Conservation, and Energy Act of 2008, sec. 9011(b)(1), the conversion is a reasonably foreseeable consequence of program implementation. NEPA requires the study, in one consolidated review, of "the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions." 40 C.F.R. § 1508.7. As NRDC and others have previously pointed out to FSA, the production impacts for current biomass-to-energy facilities have quite serious implications for air quality and associated human health issues. See Attachment A at 5. These and other production and transportation impacts on the environment must be factored in the environmental impact statement and into FSA's decisionmaking about BCAP. Failure to do so violates not only NEPA but also the congressional mandate to preserve natural resources.

Second, it ignores alternatives for and the potential impacts of the Collection, Harvest, Storage, and Transportation (CHST) component of BCAP. The CHST component is closely connected to the establishment and annual payments component that is the focus of the FPEIS. Not only are they created by the same section of the 2008 Farm Bill, subject to the same legislative purpose, and designed together to affect biofuels production in the United States, CHST payments are an integral part of the economic analysis of the FPEIS. Calculations about how much to pay farmers, and what their benefits from the program will be, throughout the FPEIS rely on

assumptions about payments from the CHST component. *See, for example,* FPEIS at 4-27, 4-34. And FSA proposed and is considering options for both components pursuant to the same public notice for an integrated regulation encompassing them both. *See* 75 Fed. Reg. 6263 (Feb. 8, 2010); *see also* FPEIS at 2-8 (indicating identical reductions in annual payments and matching payments for delivery to a BCF). Such connected actions must be studied together in one EIS. *See* 40 C.F.R. § 1508.25 (clarifying that the scope of an EIS needs to cover connected actions that are "interdependent parts of a larger action and depend on the larger action for their justification").

While the FPEIS asserts that the CHST component has been determined not to leave FSA with discretion, *see* FPEIS at 1-6, that is plainly not the case, under the statute. *See* Attachment A at 2. Nor is it relevant that materials subsidized when FSA precipitously made CHST payments on the order of a quarter billion dollars without benefit of environmental review were largely already in commerce. *See* FPEIS at 1-6. Even if that were so, diverting them from some other end use to BCFs leaves other end-users creating new demand for wood that will be filled at least in part by new sourcing, with displaced impacts on the environment. These kinds of indirect effect are just as much the proper subject of NEPA review as are direct ones. *See* 40 CFR § 1508.7.

MITIGATION

A pervasive weakness in the FPEIS' treatment of mitigation possibilities is its failure to examine them comparatively, so that a reader or decision-maker has a rational basis for choosing among them. This is so whether the measures are discussed under the specific heading of "Mitigation" or in the body of the FPEIS text.

For instance, the text informs us that in several regards "switchgrass stands have a marked benefit." Id. at 4-54. It mentions categories of benefit, which include erosion resistance, organic matter retention, soil nutrient enhancement, and wildlife habitat. Nowhere, however, is a straightforward comparison presented between switchgrass and other individual covers, and/or between different approaches to growing switchgrass (notwithstanding that the text acknowledges major differences in wildlife benefits from different kinds of switchgrass culture, see id. at 4-64). Similarly, the text mentions that "[a]nother strategy to achieve conservation goals for a wide range of species is to apply different management techniques to different fields in an area during the year." Id at 4-63. But there is no examination of how different techniques affect, or tend to affect wildlife. Again, it cites to suggestion that forbs be mixed with switchgrass to enhance its forage value with adversely affecting other values, but omits any discussion of the comparative benefits and costs of the practice. *Id.* at 4-68. Among the many other potential mitigation measures mentioned in passing, without analysis to support a decision about adopting them, are: pesticides and herbicides "can be controlled," id. at 4-79; sterile culitvars may reduce the spread of GMO genes to non-target plants, *id.*; winter cover crops cold reduce erosion from forage sorghum, id. at 4-92; and perennial energy crops could reduce runoff problems from traditional row crops, if planted in buffer strips, id. at 4-78.

This problem reaches a peak where the FEIS lists a long series of potential wildlife mitigation measures. *See id.* at 4-65 to 4-67. The text informs us that the "guidelines are steeped in

scientific evidence." *Id.* at 4-66. There is, however, no effort to examine how these measures would play out in the field, comparing use of them to non-use, or different approaches to applying them.

No greater effort is given to comparative analysis of the very few mitigation measures that are committed to in the FPEIS. Most notably, conservation and forest plans are simply assumed to nullify a whole range of concerns. "Site specific mitigation measures would be determined based on the [sic] local or regional needs, as prescribed in the BCAP Conservation Plan or Forestry Stewardship Plan or the equivalent." *Id.* at 4-94. "Significant negative impacts to vegetation communities from implementation ... may be avoided if established USDA recommended conservation practices, procedures, and guidelines are followed, and the BCAP Conservation Plan, Forest Stewardship Plan, or equivalent for the specific site is adapted to resources conditions on the area just prior to engaging in active establishment of the dedicated energy crop." *Id.* at 4-80 (*see also id.* at 4-78, same).

On examination, however, the requirements for Conservation and Forest Stewardship Plans do not assure successful mitigation. Conservation Plans have to conform to 7 C.F.R. § 1410.2. *Id.* at 2-6. That regulation, however, only requires of such plans that they be "a record of the participant's decisions and supporting information for treatment of a unit of land or water, and include[] a schedule of operations, activities, and estimated expenditures needed to solve identified natural resource problems by devoting eligible land to permanent vegetative cover, trees, water, or other comparable measures." Conservation plans, on that definition comprise (i) a decision log, and (ii) a non-binding remedial schedule for some unspecified problems. Forest Stewardship Plans must conform to 16 U.S.C. § 2103(a), *id.*, which speaks only to the Secretary of Agriculture, not private landowners, and directs that he or she (A) provides financial assistance to State foresters, (B) encourage long-term sustainability of nonindustrial private forest lands, (C) coordinate with State forestry committees, and consults with federal land management agencies, academics, and "a broad range of private sector interests." Neither plan is, therefore, required to commit to any remedial feature, by the specific legal authority for the creation of each.

EFFECTS ANALYSIS

The effects analysis in the FPEIS is hampered in its task of promoting informed decisionmaking by several serious shortcomings. First, it is in most regards highly generalized. *See, e.g.*, FPEIS at 4-64 ("[i]t is generally noted that suitability of agricultural lands for abundant and diverse wildlife populations varies considerably"). Over and over it argues that more specific analysis is impossible at this stage. *See, e.g., id.* at 4-54 ([t]he nature of this PEIS is not to examine site-specific impacts, but to address regional and national scale impacts that are universal in nature); 4-65 ("[t]here is a good reason why the specifics of many aspects of this plan have been referred to as requiring or needed site specific assessments, and it is largely because every situation is going to be unique"). Similarly, it opines that "the time and money necessary to quantify long-term impacts of program implementation on population dynamics are outside the realm of this PEIS." *Id.* at 4-51.

The reality is though, that within the Department of Agriculture, programmatic EISs are produced with some regularity containing far more specifics that this FPEIS. Probably the most ambitious in this regard is the Roadless Area Conservation Rule FEIS (available online at http://fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5057895.pdf). However, that is far from the only example. National forests across the country have produced programmatic EISs for their land management plans for decades. All of them have a much higher level of detail than the FPEIS. The fact that additional detail will be available when an overarching plan is implemented through site specific decisions does not mean that the larger decision can be made without examining whatever useful information is available. And there are specific provisions in the NEPA regulations guiding agencies when information is unavailable or prohibitively expensive to acquire. 40 C.F.R. § 1502.22.

The FPEIS instead just ducks most of the hard effects analysis. For instance, it predicts that indirect vegetation impacts from planting of short rotation woody crops (SRWCs) would "change" land use, water quality, and wildlife relationships, but does not even provide even the most basic information about whether the changes are predicted to be detrimental or beneficial. FPEIS at 4-73. It concludes about land use impacts on wildlife habitat that "[w]hile the use of land is relatively easy to document, assessing its quality (productive, economic, habitat, etc.) is more challenging." *Id.* at 4-61. It opines that "[o]f particular concern are plants with very specific water quality tolerance or hydrological needs," *id.* at 4-77, with mentioning a single species by name. It mentions no impacts to any mammals except deer. *Id.* at 4-55.

To the extent that the FPEIS is proposing to defer analysis that could now be done, counting on subsequent site-specific environmental analysis, that mistakes – illegally – the agency's duties at the program planning level. It is not sufficient to assert that "[p]rior to inclusion of any potential BCAP site into the active program, a thorough site-specific environmental evaluation would be required." *Id.* at 4-50. As referenced above, under Scope, agencies must study the cumulative impact of connected actions. Looking only at the impacts of each one in isolation never produces a fair or useful picture of their collective impact. Particularly where all of the actions are authorized at an overarching level, the impacts of site specific implementations taken together need to be assessed for their overall effect.

One category of cumulative impact that is essentially completely omitted is the effect of displacing pre-existing land uses. When land is moved out of row crops and into switchgrass, for instance, whoever was buying the row crops faces a somewhat shorter supply and higher prices. This will either displace their sourcing into new lands, or reduce their economic activity. Displacement into new lands may have profound impacts, including accelerated carbon emissions.

Nowhere is this a greater concern than for forest biomass. The effects analysis proceeds on the assumption that no impacts will occur to forestlands as a result of either alternative. *See, e.g., id.* at 4-63 (framing vegetation impacts as an issue about only conversion of agricultural land). The reality is different. Existing forests, even primary forests, can be logged and wind up planted to annuals under Alternative 2. *Id.* at 2-14. Even under Alternative 1, forestlands could be logged off and dedicated to SRWC, and still qualify for BCAP support. *id.* at 2-12. But beyond these direct effects is the serious likelihood that displaced crop pressure will lead to forest loss, and

associated carbon emissions, remote from BCAP project areas. This possibility is never even mentioned in the FPEIS.

Finally, it is impossible to overlook the damage done to the FPEIS' utility by substandard drafting and production. The text is characterized in many places with unreadable assertions, meaningless generalities, filler, and other confusing or unhelpful material. Such tortured sentences as: "By harvesting switchgrass outside of PNS, and not destroying the cover needed grasses if management plans take the needs of wildlife into account during the earliest stages of project development." Id. at 4-64. Or "[c]onsidering a radius buffer composes approximately 5.0 million acres and these analyses are unable to identify how BCAP dedicated energy crops would be spatially and temporally distributed within a buffer area, it is expected that the impact of implementing Alternative 1 on vegetation communities in any of the selected regions would not have a long-term significant impact at a local or regional scale." Id. at 4-52. Banal noninformation like "[s]ome plants are relatively hardy and grow in a wide range of site conditions." Id. at 4-77. Or "[w]hile the dynamics of a particular wildlife species may be directly impacted at the local site scale, if the composition of the species throughout the broader landscape is one that can absorb short-term local disturbances so long as there remains un-impacted population centers then the direct impact can be said to be measurable locally (i.e., site-specific)." Id. at 4-76 to 4-77. Filler, like the extended and irrelevant discussion of the Conservation Reserve Program. Id. at 4-56. Mysterious presentations, like the two charts in Fig. 4.2-11, one of which shows three different biomass sources increasing over time, and the other five, but both of which show one source, switchgrass, and have inexplicably different numbers for it. See id. at 4-41. Or the assertion that "[i]f there is 160 tons of soil in an inch of top soil, then an estimated 243,000 inches of topsoil are saved each year." Id. at 4-94. Other examples abound throughout.

CONCLUSION

In conclusion, we are concerned that the passage of time has not produced an environmental review that better positions FSA to make important decisions about implementing BCAP. We are all the more concerned because many of the serious failings of the FPEIS were raised in comments on the draft document. These include the lack of useful impacts information, the absence of reasonable alternatives, the omission of the CHST component from the effects analysis, and the failure to account for impacts to forests and associated carbon emissions. The FPEIS is not adequate to the task FSA faces, and does not pass legal muster.

Thank you for considering our comments.

/s/

Nathaniel Lawrence NRDC

cc: Jonathan Coppess (Jonathan.Coppess@wdc.usda.gov) Attachments