

FINDING OF NO SIGNIFICANT IMPACT

Atlas Agro North America Corp Pacific Green Fertilizer Plant
Benton County, Washington

Rural Development Agency
U.S. Department of Agriculture

Atlas Agro North America Corp

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A. Introduction

Atlas Agro North America Corp (Atlas Agro) plans to submit a financing request to the U.S. Department of Agriculture (USDA), Rural Development (RD) Agency to construct the proposed Pacific Green Fertilizer (PGF) Plant (Project) in Benton County, Washington. RD is considering this financing request. Prior to taking a federal action (i.e., providing financial assistance), RD is required to complete an Environmental Assessment (EA) in accordance with the National Environmental Policy Act of 1969 (NEPA) (U.S.C. 4231 et seq.), the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 CFR Parts 1500-1508), and RD's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970). After completing an independent analysis of an environmental report prepared by Atlas Agro and its consultant, RD concurred with its scope and content. In accordance with 7 CFR § 1970.102, RD adopted the report and issued it as the Agency's EA for the proposed Project. RD finds that the EA is consistent with federal regulations and meets the standards for an adequate assessment. Atlas Agro published a newspaper notice, announcing the availability of the EA for public review, in accordance with 7 CFR § 1970.102. In addition, RD considers the proposed Project an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 USC 470(f), and its implementing regulation, "Protection of Historic Properties" (36 CFR Part 800).

B. Project Description and Purpose/Need

Atlas Agro is proposing to construct and operate a green hydrogen ammonia fertilizer production facility referred to as the PGF Plant in Richland, Washington. The overall purpose of the Project is to provide security of nitrogen fertilizer supply to agricultural producers, specifically farmers in the Pacific Northwest, who have struggled with supply chain challenges to acquire nitrogen fertilizer, and who pay consistently high prices.

The US is a top importer of overseas-produced fertilizer and fertilizer components. The domestic US fertilizer industry is dominated by a few producers located mostly in its Midwest and East regions. To produce ammonia or urea, these producers rely on a natural gas process that emits up to three tons of carbon dioxide (CO₂) per ton of nitrogen fertilizer produced. Although there are 28 fertilizer plants in the US, fertilizer is expensive in the Pacific Northwest due to the cost of importing the finished fertilizer product from outside the region. To increase nitrogen fertilizer availability in the US without adding to agriculture's carbon footprint, new large-scale, green production is required. Atlas Agro's PGF Plant will meet this requirement by producing 0.7 million tons of zero-carbon nitrate fertilizer in the under-served Pacific Northwest. The PGF Plant would primarily produce nitrate fertilizers (as calcium ammonium nitrate (CAN 27)) developed using a hydrogen gas-based process. The project would produce CAN 27 fertilizer products sufficient to meet roughly 50 percent of the nitrogen fertilizer demand of the region, including Washington, Oregon, and Idaho. This would offset imports from countries including Canada, China, Norway, and Russia in addition to domestic supply imports from remote regions of the country.

In addition to reducing US dependence on imports, Atlas Agro will provide farmers with fertilizers that boost crop yield and quality, enable precision farming, reduce environmental impact, and facilitate green crop premiums. Farmers in the Pacific Northwest would benefit from improved access to more effective zero-carbon fertilizers and lower prices. Food manufacturers and consumer goods companies buying from regional farmers would reduce their carbon footprint. The project is estimated to bring more than \$1 billion investment to the region.

RD has reviewed the purpose and need for the Project and determined that the proposal will meet the present and future needs of Atlas Agro.

C. Alternatives Evaluated

1. No Action

Under the No Action Alternative, RD would not provide financial assistance to Atlas Agro, and/or the proposed Project would not be constructed. This alternative would not assist Atlas Agro in providing the security of nitrogen fertilizer supply to agricultural producers, specifically farmers in the Pacific Northwest as no green hydrogen ammonia fertilizer production facility would be constructed in the region.

2. Action Alternative (Preferred Alternative)

Under the Action Alternative, RD would consider financing the proposed Project, and Atlas Agro would construct Project. The proposed project would be in the Northwest Advanced Clean Energy Park in a newly annexed portion of the City of Richland that was previously part of the Hanford Site, a decommissioned nuclear production complex operated by the United States federal government. The overall industrial park is 260 acres, but the proposed action would utilize approximately 130 acres in the southern portion of the park. The PGF Plant would consist of: process units for hydrogen, ammonia and nitric acid production; ammonium nitrate production; water system including raw water, demineralized water, fire water, boiler feed water, and cooling water; air separation unit; flare; check point entrances for security, administration building, fire station, equipment rooms, central control and laboratory room; product storage buildings; truck loading station; rail unloading station; wastewater treatment facility; internal access roads; stormwater pond; and parking.

D. Summary of Environmental Effects

The analyses in the EA documented that the proposed Project would have no adverse effects to: Land Use and Zoning; Formerly Classified Lands; Geology, Soils, and Farmland; Floodplains; Water Resources; Wildlife; Threatened and Endangered Species; Cultural Resources; Socioeconomics and Environmental Justice; Aesthetics; Air Quality; Noise; Transportation; Public Utilities; Human Health and Safety; and Greenhouse Gas Emissions. A summary of anticipated impacts on the human environment is provided below, including any mitigation measures deemed necessary to avoid or minimize impacts. Atlas Agro is responsible for implementing these measures.

Resource	Impact Analysis
Land Use and Zoning	A review of the City of Richland’s zoning maps and Chapter 23.26 Richland Municipal Code (RMC) was conducted to determine the Project’s compliance with local land use and zoning. The Project is proposed to be located in a recently annexed part of Richland zoned as M-2 Heavy Manufacturing. Per RMC 23.26.030, heavy manufacturing, including fertilizer production, is an allowed land use within M-2 zoned areas in Richland. The PGF plant has been designed to meet the industrial performance standards and special requirements in industrial zones specified in RMC 23.26.020. As such, no adverse impacts to Land Use and Zoning are anticipated, and no mitigation measures are proposed.
Formerly Classified Lands	A desktop review, including a review of the U.S. Department of Energy’s (DOE) 2015 EA to support the Conveyance of Land at the Hanford Site to industrial uses ¹ was conducted to analyze potential Project impacts to Formerly Classified Lands. This EA reviewed the action of transferring 1,641 acres of land on the Hanford Site from DOE ownership to the Tri-City Development Council (TRIDEC) for the purpose of economic development. The proposed Project site was included in this land transfer. The DOE EA considered mitigation measures to avoid, minimize, rectify, or compensate for any potential adverse environmental effects associated with the proposed conveyance of land. The proposed action would develop part of this land as intended by the conveyance, including complying with the mitigation measures included as Quitclaim deed restrictions. As such, no adverse impacts to Formerly Classified Lands are anticipated, and no additional mitigation measures are proposed.
Geology, Soils, and Farmland	The Project site was part of the Hanford Site for over 40 years and has no prime farmland designations according to the USDA Natural Resources Conservation Service (NRCS). Potential erosion and dust emission impacts during construction and operations would be limited by adhering to the erosion and sediment control best management practices (BMPs) outlined in the stormwater pollution prevention plan (SWPPP) required by the National Pollutant Discharge Elimination System (NPDES) Construction Stormwater General Permit, and dust and erosion control and suppression requirements of Chapter 16.06 of the RMC during construction and operations. As such, no adverse impacts to Geology, Soils, and Farmland are anticipated, and no mitigation measures are proposed.
Floodplains	A review of City of Richland and Federal Emergency Management Agency (FEMA) maps was conducted to analyze potential Project impacts to Floodplains. The Project area is not within a floodplain. As such, no adverse impacts to Floodplains are anticipated, and no mitigation measures are proposed.
Water Resources	A desktop review, including a review of a 2013 field investigation by DOE, as well as a field investigation in the summer of 2023 was conducted to analyze potential Project impacts to Water Resources. No wetlands or surface bodies of water were identified on the Project site. U.S. Geologic Survey (USGS) and field-collected data indicates that groundwater at the Project site can range from approximately 28 to 42 feet below ground surface. During construction, BMPs developed according to the

¹ [EA-1915: Proposed Conveyance of Land at the Hanford Site, Richland, Washington | Department of Energy](#)

Resource	Impact Analysis
	<p>Washington State Department of Ecology's (Ecology's) Stormwater Management Manual for Eastern Washington would be utilized on-site in accordance with the City of Richland grading permit and NPDES Construction Stormwater General Permit.</p> <p>During operations, all sanitary sewer waste, including treated process wastewater no longer suitable for reuse, would be discharged to the City of Richland's sanitary sewer system. A stormwater treatment facility is proposed for the site to treat on-site stormwater prior to on-site infiltration. In addition, a wastewater treatment plant is proposed for the PGF plant that would treat process water for reuse within the PGF plant. The wastewater treatment plant design complies with City of Richland code requirements regarding water quality and capacity for wastewater treatment. No groundwater withdrawals or diversions, as well as discharges of waste material to groundwater, are anticipated during operations of the PGF plant. As such, no adverse impacts to Water Resources are anticipated, and no mitigation measures are proposed.</p>
Vegetation	<p>The Washington Department of Fish and Wildlife's (WDFW's) Priority Habitat Species (PHS) online data indicated the presence of shrub-steppe habitat throughout the proposed project area. The field survey concluded in June 2023 that approximately 17.15 acres of suitable shrub-steppe habitat would be permanently removed as part of the Project. As part of the 2015 DOE EA for the Handford Site land transfer, a Mitigation Action Plan (MAP) was developed to address habitat impacts as a result of the land transfer including the Project parcel. WDFW and the City of Richland have stated that the mitigation actions in the 2015 MAP would satisfy the mitigation requirement for the proposed action, so the Project will utilize approximately 25 acres of the 120 acres purchased by DOE for mitigation to mitigate for impacts to shrub-steppe habitat as a result of the Project.</p>
Wildlife	<p>Biologists observed several bird species (mostly horned larks and meadowlarks), rabbit scat, deer beds, two inactive fox or badger borrows, and one set of elk footprints within the Project area during a field survey conducted in June of 2023. It was determined that the Project area is lacking in high-quality habitat due to industrial nature of the surrounding area and poor-quality vegetation on the site. As such, construction and operation of the PGF plant is not anticipated to adversely impact Wildlife, and no mitigation measures are proposed.</p>
Threatened and Endangered Species	<p>A desktop review, including obtaining a United States Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) report in February of 2023, and a field survey conducted in June of 2023 were conducted to analyze potential Project impacts Threatened and Endangered Species. No documented occurrences of Endangered Species Act listed-species have been recorded on the Project site, and there is lack of suitable habitat in the Project Area. In addition, stormwater management BMPs in compliance with Ecology's <i>Stormwater Management Manual for Eastern Washington</i> would be put in place for construction and operation of the PGF. As such, no adverse impacts to Threatened and Endangered Species are anticipated, and no mitigation measures are proposed. A No Effect Memorandum was prepared for the proposed action alternative in February 2024 to comply with Section 7 of the Endangered Species Act.</p>
Cultural Resources	<p>A desktop review, including the review of previously recorded archaeological, ethnographic, and historic resources located within one</p>

Resource	Impact Analysis
	<p>mile of the Project area was conducted to analyze potential Project impacts to Cultural Resources. In addition, an archaeological survey of the Project area and associated parcel was conducted, as well as archaeological monitoring during the geotechnical investigation and vibration testing. Members of the Confederated Tribes and Bands of the Yakama Nation observed some of the archaeological field survey. Eight documented archaeological resources are documented overlapping the Project footprint. Seven of the eight resources have either previously been determined as not eligible for listing in the National Register of Historic Places (NRHP). A segment of one historic site previously determined NRHP-eligible is also recommended non-contributing and individually not eligible for listing in the NRHP. The Project also proposes to connect to the Hanford Site Plant Railroad Segment-Kennewick to Hanford. Frequent addition and removal of spur lines is common practice for railroad properties, and the connection to the Hanford Site Plant Railroad would affect the segment's character-defining features.</p> <p>A determination of "No historic properties affected" was provided to the Washington State Historic Preservation Officer (SHPO) on May 6, 2024 and to interested Native American groups on May 10, 2024. The SHPO provided concurrence on June 4, 2024, and no further responses were received from the interested Native American groups. A Monitoring and Inadvertent Discovery Plan (MIDP) has been prepared for implementation during Project construction so that any subsurface extensions of the resources presently unknown can be documented.</p>
Socioeconomics and Environmental Justice	<p>According to the U.S Environmental Protection Agency (USEPA) EJSscreen report, 18 people live within one mile from the Project area. The EJSscreen report also states that the Project area is above the average state and national levels for particulate matter (PM) 2.5, Superfund Proximity, Risk Management Program Facility Proximity indicators; above average state levels for Ozone indicator; and below state and national averages for all other environmental indicators. Construction activities are expected to temporarily impact noise levels and air quality but are not anticipated to exceed noise and construction pollutant criteria. Operation of the PGF Plant would involve the use of hazardous materials but releases that impact water quality have been considered in design and safety plans and are thus unlikely to occur. Building the PGF Plant would overall be beneficial to the area socioeconomically by creating 245 permanent jobs and bring an estimated \$1 billion in investment to the region. As such, no adverse impacts to Socioeconomics and Environmental Justice are anticipated, and no mitigation measures are proposed.</p>
Aesthetics	<p>The Project area is proposed to be located within an industrial zoned part of the City of Richland. The current site is vacant, but it is within the limits of the proposed Northwest Advanced Clean Energy Park, that when fully developed, would include multiple industrial uses. South of the Project area are existing industrial uses. During construction, temporary changes to the visual setting would occur from the presence of construction workers and equipment, as well as dust and emissions. Dust and emissions would be limited to the extent possible through BMPs. Due to the existing industrial development south of the Project area, and the eventual industrial development that will fill in the Northwest Advanced Clean</p>

Resource	Impact Analysis
	Energy Park, no adverse impacts to Aesthetics are anticipated, and no mitigation measures are proposed.
Air Quality	Benton County is designated by USEPA as in attainment of or unclassifiable for all criteria pollutant ambient standards. During construction, there would be approximately three years of emissions from combustion engines powering vehicles and construction equipment, welding, and other miscellaneous construction activities. Nonroad engines would comply with applicable notification and recordkeeping requirements in Washington Administrative Code (WAC) 173-400-035. Fugitive dust emissions are also anticipated during construction, but dust concentrations are generally elevated in the area due to windy and dry conditions and developments occurring in the Project vicinity. During operations, particulate matter, nitrogen oxide (NOx), and fossil fuel combustion air pollutant emissions. BMPs for air quality would be implemented for the PGF Plant's activities including a fugitive dust control plan, best available control technology (BACT) for criteria pollutants, and best available control technology for toxics (tBACT). By installing equipment and adopting practices that achieve BACT, potential facility-wide emissions are expected to be less than regulatory thresholds that would trigger major new source review and an air operating permit. As such, no adverse impacts to Air Quality are anticipated, and no mitigation measures are proposed.
Noise	Noise survey results indicated little variation between average hourly daytime and nighttime noise levels suggesting the combination of anthropogenic stationary and mobile noise sources dominate the soundscape in the Project area. Short-term noise from construction activities is anticipated occur mostly during the day. Noise abatement BMPs would be implemented during construction including limiting most noise-generating activities occur between 7 a.m. and 10 p.m. The PGF Plant would operate 24 hours a day with the most transportation activities occurring during the day. Using a conservative modeling approach, Noise Study results indicate that proposed action-related noise levels are projected to comply with the noise limits in WAC 173-60-050 at all environmental designation for noise abatement (EDNA) property lines in the Project area. As such, no adverse impacts to Noise are anticipated, and no mitigation measures are proposed.
Transportation	The Traffic Impact Analysis modeling indicated that operation of the PGF plant would result in a minor increase in traffic on local roadways when compared to existing traffic. Transit of construction materials, raw materials for fertilizer production, and finished product would be coordinated with the local agricultural community to limit impacts to movement of agricultural and forest products from Project-related traffic. A Rail Study determined the tracks proposed to import materials are currently running at or below capacity and would be able to accommodate the PGF Plant's railway needs. Maritime transport is not proposed during operations of the PGF Plant but may be necessary to ship pre-assembled process modules and/or large equipment. During such instances, no roadway widening would be necessary to transport equipment from the Port of Benton to the Project area, and Atlas Agro would coordinate with the City of Richland to provide appropriate traffic control. As such, no adverse impacts to Transportation are anticipated, and no mitigation measures are proposed.

Resource	Impact Analysis
Public Utilities	<p>During operation, the PGF Plant would require electricity, natural gas, telecommunications, water, and sewer. Zero-carbon (green energy) electricity would be purchased from BPA, and electrical tie ins would occur on the existing BPA transmission lines on the Project parcel. The construction of the power grid and associated substation interconnection is part of a separate federal action being completed by BPA. Natural gas would be supplied from an existing metering station constructed along the eastern side of the Project Area where it would intertie with an existing line. Telecommunications infrastructure would tie into the existing telecommunications line Horn Rapids Road currently provided by Spectrum. Raw water and potable water would be obtained from the City of Richland's interconnection at Horns Rapids Road. Sanitary sewer lines would also tie into the City of Richland's sewer interconnection at Horns Rapids Road. Industrial wastewater would be treated with the PGF Plant's wastewater treatment facility. Most of this water would be reused, but some processed wastewater would be discharged to the City of Richland's sanitary sewer system. It is not anticipated that Project utility needs would exceed existing utility capacity. As such, no adverse impacts to Public Utilities are anticipated, and no mitigation measures are proposed.</p>
Human Health and Safety	<p>The Phase 1 Environmental Assessment reviewed the Hanford Site's 1100-Area Operable Unit (OU), existing groundwater contamination including a nitrate plume, and the Horn Rapids Landfill. It was determined based on distance, hydraulic gradient, topography, type of listing, and listing status that these existing sites environmental factors within the Project vicinity would not affect the Project.</p> <p>Construction activities would involve the use of hazardous chemicals that could be accidentally released to the environment or result in exposure to workers if not properly managed. The risk of these accidental releases to the environment would be reduced by adherence to site-specific plans and BMPs, including the SPCCP. Project plans and construction specifications include measures to safely handle and dispose of contaminated soil or water in the event contamination is encountered during construction.</p> <p>Operation of the PGF Plant would include occupational hazards such as work around heavy, mobile equipment; seasonal weather conditions; exposure to electrical, mechanical, fall, and noise hazards; and hazardous materials. The PGF Plant would store and produce hazardous chemicals including hydrogen gas, ammonia gas, nitric acid, ammonium nitrate solution, ammonium nitrate, and CAN 27 fertilizer. Atlas Agro would store and process chemicals subject to OSHA's regulation for process safety management of highly hazardous chemicals (29 CFR 1910.119) and would safety instrumentation such as ammonia detectors. Safety practices would be implemented during operations to meet or exceed industry operating standards. A fire water system would be served by water supplied by the City of Richland. Atlas Agro has conducted several studies to evaluate potential risks such as accidental spills, toxic releases or explosions. Through these studies it was determined that the greatest, albeit rare, risk associated with the project is an accidental ammonia leak.</p> <p>BMPs including installing ammonia gas detectors and storing ammonia in a double-walled tank would be used to reduce this risk even further. The Project is not anticipated to alter the demand for, or require, special emergency services. Safety measures would be coordinated, and have already begun to coordinate, with the City of Richland's emergency</p>

Resource	Impact Analysis
	response providers. As such, no adverse impacts to Human Health and Safety are anticipated, and no mitigation measures are proposed.
Greenhouse Gas Emissions	Temporary greenhouse gas emissions are anticipated during construction from combustion engine construction vehicles and equipment as well as electric generation sources and methods. During operations greenhouse gas emissions would occur from the ammonia plant start-up heater, nitric acid unit, calcium nitrate unit, CAN 27 unit, auxiliary boiler, diesel generators, and the ammonia emergency relief flare. Greenhouse gas emissions may also occur from electricity generation used to power the plant. Atlas Agro intends to develop contract agreements with renewable energy projects to offset all greenhouse gas emissions from electricity usage. The PGF Plant's processes would produce much less greenhouse gases than existing fertilizer plants and would also be located in Washington, so greenhouse gas emissions from importing fertilizer would be reduced. Because of this, greenhouse gas emissions are anticipated to be less per year with the proposed Project than with the No Action alternative. As such, no adverse impacts to Greenhouse Gas Emissions are anticipated, and no mitigation measures are proposed.

E. Public and Agency Involvement

A local newspaper legal notice, announcing the availability of the EA and participation under Section 106 of the National Historic Preservation Act, was published on May 22, 26 and 29, 2024 in Tri-City Herald (Benton and Franklin Counties, Washington). A copy of the EA was available for public review at the Richland Public Library, 955 Northgate Dr Richland, WA 99352. The 30-day comment period ended on June 21, 2024. RD received only one comment requesting a copy of the EA. No additional comments were received after this request was fulfilled.

F. Finding of No Significant Impact

Based on its EA, RD has concluded that the proposed Project would have no significant effects to Land Use and Zoning; Formerly Classified Lands; Geology, Soils, and Farmland; Floodplains; Water Resources; Wildlife; Threatened and Endangered Species; Cultural Resources; Socioeconomics and Environmental Justice; Aesthetics; Air Quality; Noise; Transportation; Public Utilities; Human Health and Safety; and Greenhouse Gas Emissions. The proposed Project will have no effects on historic properties listed or eligible for listing on the National Register of Historic Places and no effects to federally listed species or designated critical habitat.

The proposed Project would not disproportionately affect minority or low-income populations.

In accordance with the National Environmental Policy Act, as amended (42 U.S.C. 4321 et seq.), the Council on Environmental Quality Regulations (40 CFR 1500–1508), and RD's Environmental Policies and Procedures (7 CFR Part 1970), RD has determined that the environmental impacts of the proposed Project have been adequately addressed and that no

significant impacts to the quality of the human environment would result from construction and operation of the proposed Project. Any final action by RD related to the proposed Project will be subject to, and contingent upon, compliance with all relevant federal and state environmental laws and regulations. Because RD's action will not result in significant impacts to the quality of the human environment, RD will not prepare an Environmental Impact Statement for its potential federal action associated with the proposed Project.

G. RD Loan Review and Right of Administrative Review

This FONSI is not a decision on a loan application and therefore not an approval of the expenditure of federal funds. Issuance of the FONSI and its notices concludes RD's environmental review process. The ultimate decision on loan approval depends upon conclusion of this environmental review process in addition to financial and engineering reviews. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. The decision to provide financial assistance also is subject to the availability of loan funds for the designated purpose in RD's budget. There are no provisions to appeal this decision (i.e., issuance of a FONSI). Legal challenges to the FONSI may be filed in Federal District Court under the Administrative Procedures Act.

H. Approval

This Finding of No Significant Impact is effective upon signature.

Dated: July 18, 2024

Fertilizer Production Expansion Program (FPEP)

Rural Development

Contact Person

For additional information on this FONSI and EA, please contact Tamara Champagne, USDA RD Agency, State Environmental Coordinator, 1835 Black Lake Blvd SW B, Olympia, Washington 98512, 360.704.7761, Tamara.Champagne@usda.gov.