



## National Environmental Policy Act (NEPA) Determination

### Categorical Exclusion

**Recipient:** Kootznoowoo Inc.

**State:** Alaska

**Project Title:** Thayer Hydroelectric Project – Budget Period 1

**Funding Opportunity Announcement Number:** DE-FOA-0002970

**Award Number:** DE-CD0000073

**OCED NEPA Control Number:** OCED-0000073-002-CX

**Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Policy 451.1), I have made the following determination:**

#### **CATEGORICAL EXCLUSION APPENDIX, NUMBER, AND DESCRIPTION:**

**A9 Information Gathering, Analysis, and Dissemination:** Information gathering (including, but not limited to, literature surveys, inventories, site visits, and audits), data analysis (including, but not limited to, computer modeling), document preparation (including, but not limited to, conceptual design, feasibility studies, and analytical energy supply and demand studies), and information dissemination (including, but not limited to, document publication and distribution, and classroom training and informational programs), but not including site characterization or environmental monitoring. (See also B3.1 of appendix B to this subpart.)

**B3.1 Site Characterization and Environmental Monitoring:** Site characterization and environmental monitoring (including, but not limited to, siting, construction, modification, operation, and dismantlement and removal or otherwise proper closure (such as of a well) of characterization and monitoring devices, and siting, construction, and associated operation of a small-scale laboratory building or renovation of a room in an existing building for sample analysis). Such activities would be designed in conformance with applicable requirements and use best management practices to limit the potential effects of any resultant ground disturbance. Covered activities include, but are not limited to, site characterization and environmental monitoring under CERCLA and RCRA. (This class of actions excludes activities in aquatic environments. See B3.16 of this appendix for such activities.) Specific activities include, but are not limited to: (a) Geological, geophysical (such as gravity, magnetic, electrical, seismic, radar, and temperature gradient), geochemical, and engineering surveys and mapping, and the establishment of survey marks. Seismic techniques would not include large-scale reflection or refraction testing; (b) Installation and operation of field instruments (such as stream-gauging stations or flow-measuring devices, telemetry systems, geochemical monitoring tools, and geophysical exploration tools); (c) Drilling of wells for sampling or monitoring of groundwater or the vadose (unsaturated) zone, well logging, and installation of water-level recording devices in wells; (d) Aquifer and underground

reservoir response testing; (e) Installation and operation of ambient air monitoring equipment; (f) Sampling and characterization of water, soil, rock, or contaminants (such as drilling using truck- or mobile-scale equipment, and modification, use, and plugging of boreholes); (g) Sampling and characterization of water effluents, air emissions, or solid waste streams; (h) Installation and operation of meteorological towers and associated activities (such as assessment of potential wind energy resources); (i) Sampling of flora or fauna; and (j) Archeological, historic, and cultural resource identification in compliance with 36 CFR part 800 and 43 CFR part 7.

#### **Rationale for Determination:**

DOE's Office of Clean Energy Demonstrations (OCED) is proposing to provide funding to Kootznoowoo Inc. (KI) in support of their project to construct an 850 kW hydroelectric project using a conventional turbine generator setup to replace diesel generation as the primary source of electricity for Angoon, Alaska. This project will require a barge landing, access road, transmission line, and submarine cable to support the facility.

At this time, DOE is proposing to provide funding in support of KI planning, design, geotechnical activities only; those activities are described below. The activities completed in this budget period (BP) would inform additional DOE NEPA review and a go/no-go decision prior to authorizing federal funding in support of subsequent project phases.

In this BP, KI would include:

- Complete permitting and prepare Project Commitments Document (Compendium of mitigation, monitoring and reporting requirements for the project team and construction contractor, in particular).
- Complete Phase 1 NEPA compliance and initiate Phase 2 NEPA activity.
- Hire and train on-site environmental monitor and marine mammal observers (MMOs).
- Hire resident engineer/construction manager.
- Begin workforce development training workshops.
- Develop detailed implementation plan for Community Benefits Plan.
- Complete the contractor procurement documents and specifications for contractor selection for construction of the barge landing and Stillwater staging/materials laydown area.
- Complete technical specifications and procurement documentation for long-lead items (T-line poles and cable, powerhouse, turbine/generator unit).
- Complete the contractor procurement documents and specifications for contractor selection for the road, transmission line, and the directional drill/submarine cable installation.
- Conduct Quarterly Community Outreach Meetings starting in Q3 2024.
- Develop contracts with Engineering Firms.
- Develop detailed fiscal and project management plan – roles and responsibilities, management processes.
- Complete test holes for future horizontal directional drilling. This would consist of two bores 4-6 inches in diameter approximately 100 feet deep. The drill rig would be on-site for 1-3 days.

DOE does not anticipate adverse impacts to sensitive resources as a result of the proposed activities.

**Consultations (Section 106 NHPA, Section 7 ESA, etc.):** All cultural resource identification activities (e.g., archaeological, historic above ground, historic visual assessments) must be completed in accordance

with applicable guidelines and standards provided by the State Historic Preservation Office (SHPO) or Tribal Historic Preservation Office (THPO) and the Secretary of the Interior's Identification Standards. Coordination with DOE is required to establish an Area of Potential Effects (APE) and scope of effort (i.e., research design) prior to geotechnical surveys and cultural resource field investigations. DOE will initiate Section 106 consultation prior to geotechnical surveys and cultural resource field investigations in order to support coordination with SHPO/THPO, Tribes, and other Section 106 consulting parties.

DOE will be required to consult with the U.S. Fish and Wildlife Service (USFWS) and/or National Marine Fisheries Service (NMFS) through Section 7 of the Endangered Species Act prior to geotechnical work being completed.

USACE consulted on the project on November 28, 2022, and signed a Department of the Army (DA) permit authorizing discharge of fill material into waters of the United States for the construction of a hydroelectric project. This includes a 50 by 100-foot work area from which to conduct horizontal directional drilling and transition the above-ground transmission line to a submarine cable in the directionally drilled micro-tunnel from Turn Point to Angoon.

The proposed action (or the part of the proposal defined in the Rationale above) fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D. To fit within the classes of actions listed in 10 CFR Part 1021, Subpart D, Appendix B, a proposal must be one that would not:

- (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders;
- (2) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators), but the proposal may include categorically excluded waste storage, disposal, recovery, or treatment actions or facilities;
- (3) disturb hazardous substances, pollutants, contaminants, or CERCLA-excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases;
- (4) have the potential to cause significant impacts on environmentally sensitive resources, including, but not limited to, those listed in paragraph B (4) of 10 CFR Part 1021, Subpart D, Appendix B;
- (5) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those listed in paragraph B (5) of 10 CFR Part 1021, Subpart D, Appendix B.

There are no extraordinary circumstances related to the proposed action that may affect the significance of the environmental effects of the proposal. The proposed action has not been segmented to meet the definition of a categorical exclusion.

This proposal is not connected to other actions with potentially significant impacts (40 CFR 1501.9(e)(1)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.1(g)(3)) and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

DOE has determined that work to be carried out outside of the United States, its territories and possessions is exempt from further review pursuant to Section 5.1.1 of the DOE Final Guidelines for Implementation of Executive Order 12114; "Environmental Effects Abroad of Major Federal Actions."

The proposed action is categorically excluded from further NEPA review.

A portion of the proposed action is categorically excluded from further NEPA review.

**Notes:** This categorical exclusion applies to those activities listed above for information gathering, analysis and dissemination. Any changes to the project activities or location are subject to additional NEPA review by DOE and are not authorized for federal funding unless and until the Contracting Officer provides written authorization on those additions or modifications.

**SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.**

OCED NEPA Compliance Officer Signature:

Date: