

ENVIRONMENTAL ASSESSMENT
SUBMITTAL OF A LEGISLATIVE PROPOSAL TO CONGRESS FOR
THE SALES OF THE EKLUTNA AND THE SNETTISHAM PROJECTS

MARCH 1992

(DOE/EA--0614)

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I. INTRODUCTION

A. PURPOSE AND NEED.

The Department of Energy (DOE) proposes to sell the Eklutna and Snettisham Projects. These two hydroelectric projects and associated transmission facilities represent Alaska Power Administration's (APA) sole involvement in power marketing activities in Alaska. There are no plans, proposals or authorizations to expand the Federal power program in Alaska. It is no longer necessary to have the separate small Federal power program in Alaska. The Eklutna and Snettisham are well suited to ownership and control within Alaska. This environmental assessment will analyze the proposed alternatives for the sales and determine whether significant environmental impacts and associated socio-economic impacts may result from this Federal action. This analysis includes the collection and review of data provided to APA on local environmental factors by resource managing agencies located within Alaska.

B. PROPOSAL.

The Department of Energy will submit a "Legislative Proposal" to Congress for the sale of Alaska Power Administration facilities to non-Federal organizations and the State of Alaska in fiscal year 1992. The proposed alternative involves changes of ownership for operating power facilities. The ownership change does not involve any planned changes in operational mode or major expansion or alteration of facilities. This environmental assessment will accompany that legislative package, as required by Council on Environmental Quality (CEQ) regulation 40 CFR 1506.8.

The proposal will specifically ask that Congress approve the sale of the Snettisham Project to the Alaska Energy Authority (AEA); and the sale of the Eklutna Project to the Chugach Electric Association, Inc. (CEA), Matanuska Electric Association, Inc. (MEA), and Anchorage Municipal Light and Power (AMLP). With the approval and completion of these sales, the Alaska Power Administration will formally cease its activities. (Further discussion on the range of alternatives for the proposed action will follow.)

C. BACKGROUND DATA.

Eklutna Project

The 30 MW Eklutna Project is located about 34 miles northeast of Anchorage, and about 8 miles south of Palmer, Alaska (Figures 1 and 2). It lies within the Matanuska Susitna Borough (Mat-Su) which has a widely dispersed population of approximately 40,000, while the entire service area which includes Anchorage has an approximate

population of 340,000. Using Lower-48 standards, the setting for the Eklutna Project can be described as "rural". Environmentally speaking, the facility is located in zones that are transitional from sub-arctic forest and wetlands to an alpine-glacial lake. The economics of the region is in a gradual upswing after having gone through a recession in the late 1980's. Local income is primarily derived from work in the Anchorage area, the oil industry, and local community support industries.

The project was built by the U.S. Bureau of Reclamation and has been in service since 1955. The project provides about 5 percent of the service area's electrical energy, and is considered the lowest-cost energy producer within its service area.

Major project features include a low earthfill dam at Eklutna Lake, a 4.5 mile tunnel through Goat Mountain, two generating units with a capacity of 15 megawatts each, 44 miles of 115,000 volt transmission line extending to Palmer and Anchorage, three substations, various shops, warehouses and maintenance facilities.

Non-power users of the project include: the Municipality of Anchorage with its 35 mgd Eklutna water project, the Chugach State Park of which Eklutna Lake is a major feature, and a privately-owned and operated (non-profit) salmon hatchery that is located just downstream from the power plant and takes its water from the plant's tailrace.

Snettisham Project

The 78 MW Snettisham Project is located approximately 35 air miles southeast of the City of Juneau (Figure 1 and 3) at the northeastern end of the Speel Arm which is a northern terminus of Port Snettisham (a fjord which is fed by rivers emanating from glacial ice fields to the east and north). It lies within the boundaries of the unified city and borough, which has a population of approximately 30,000. The setting for the project can be described as "wild and remote". Environmentally, the project is located in zones that are transitional from sub-arctic marine and coastal rain forest to alpine glacial lake. The project is accessible only by boat or small plane. APA employees live on-site and work for 10 days on and are flown to Juneau for 4 days of off time. The Juneau economy is strong, and primary employers are the State government, tourism industry, mineral development industry and Federal agencies.

The Snettisham Project was constructed by the Corps of Engineers as a staged project. The initial phase (Long Lake) was completed in 1975, and the second phase (Crater Lake) was completed in 1990. The project provides the sole Juneau electrical utility with about 80% of the Juneau area's electrical energy needs (local utility has its own generation capacity). Presently, Snettisham has a short-term firm surplus of approximately 65 million kWh.

The Snettisham Project taps two lakes, Long Lake and Crater Lake. Water is conveyed through two tunnels to an underground powerhouse. Two generating units, rated at 23.5 megawatts each and a third rated at 31 megawatts, generate the energy which is transmitted to the Juneau area over 41 miles of overhead 138,000 volt transmission line and 3 miles of underwater cable. Other features of the project include: the Juneau Substation which serves as the operations and dispatch center for the local utility system and the Federal project, two submarine cable terminals, and a State of Alaska operated salmon hatchery that is downstream of the power plant and utilizes water from the tailrace.

Additional Information on APA Operations

- Power Generation Capacity:

Snettisham	78 megawatts
Eklutna	30 megawatts

- Present Book Value and Outstanding Debts of the Projects (Based on estimates for October 1, 1992 in Millions of Dollars):

	<u>Book</u>	<u>Unpaid Balance</u>
Snettisham	127	153.5
Eklutna	<u>21</u>	<u>8.2</u>
	148	161.7

- Value of Annual Revenues (Estimates for FY 90-97 in thousands of dollars):

	<u>FY 90</u>	<u>FY 97</u>
Snettisham	\$6,097	\$8,167
Eklutna	\$3,497	\$2,790

- Annual Operating Expenses (FY 90 Actual Costs in thousands of dollars):

Snettisham	\$1,911
Eklutna	\$1,189

- Number of Employees:

	<u>FTE</u>	<u>Other</u>
Headquarters	17	1
Snettisham	9	3
Eklutna	7	2

- Value of Projects to Associated Communities:
(Projected Firm Energy Usage for 1991)

Snettisham	230 million kWh
Eklutna	153 million kWh

Eklutna and Snettisham provide roughly 8 percent of the utility power supply in Alaska, with the balance furnished from utility- and State-owned plants.

There are no other authorized or planned Federal power developments in Alaska.

II. ALTERNATIVES FOR IMPLEMENTING THE PROPOSED ACTION

A. Proposed Alternative.

Sale of the Eklutna Project to the AML&P, CEA, and MEA; and
Sale of the Snettisham Project to the AEA.

The proposed alternative is the result of a three year process undertaken by DOE directed at determining what method of divestiture would be appropriate for these two Federally-operated facilities.

Divestiture Process

Sale of the APA projects was proposed formally in the President's budgets for FY 1986 and subsequent years. The sale idea had been discussed informally for several years previously.

A rather lengthy series of studies and reports have been prepared. The process included provisions for public review and comment at several key stages including:

- The April, 1986 "Alaska Power Administration Transfer Study" which identified and discussed a wide range of divestiture issues.
- July, 1986 reports on "Divestiture Work Plan" and "Alternative Structures for Sale of Alaska Power Administration." These reports provided objectives, guidelines, and alternatives for approaching the divestiture.
- A January, 1987 report presenting a revised work plan and proposed structure for the sale.

After obtaining comments, APA implemented the revised work plan and proposed structure. Proposals were solicited and evaluated. Detailed negotiations resulted in purchase agreements laying out

terms and conditions for the sales, subject to authorization by the Congress.

Separate negotiations resulted in an agreement covering post-sale management of fish and wildlife resources.

APA and DOE drafted legislation which would authorize the sale. APA is compiling a supporting report which will present the purchase agreements, the fisheries agreement, financial analyses, and evaluations of all key issues. On completion of the supporting report and appropriate NEPA documentation, DOE will request final OMB clearance to submit the legislative proposal to Congress.

If Congress approves the measure, the sale would be implemented pursuant to the purchase agreements and any additional guidance contained in the authorizing legislation.

Under the new ownership, the projects would continue to serve the same customers and beneficiaries without major financial impact. The ownership changes do not involve any planned changes in mode of operation or major expansion or alterations of project facilities. In addition the proposed sales are neutral with respect to other Federally-owned water and power projects in other states.

Fish and Wildlife Agreement

The Proposed Alternative is enhanced by the The Fish and Wildlife Agreement: Snettisham and Eklutna Projects (August 7, 1991), that supports future fish and wildlife management (Attachment VII). Specifically, the Fish and Wildlife Agreement encompasses assessment of damages to resource, and provides for future resource enhancement and mitigation procedures. APA was involved in the negotiations; however, the participants in the agreement are the Federal fisheries agencies, the Purchasers, and the State of Alaska. Under the agreement, the Purchasers are responsible at their cost for developing and implementing plans in a fashion similar to that for Federal Energy Regulatory Commission (FERC) licensed projects.

B. No Action Alternative.

The no action alternative will require that ownership of both projects remain with the Federal government. No changes in management, operation and maintenance procedures are expected to be required. Power marketing operations will also remain unchanged. The primary objectives of the projects will remain to provide reasonable power rates for the consumer and repayment of initial costs to the government. There should be no effect on staffing.

III. Consequences of Implementing the Proposed Alternative and Associated Potential Issues

A. Analysis of Environmental Impacts for the Proposed Action.

Consultation concerning the effect of the proposed alternative on local and regional resources was conducted with resource management agencies. Attachment VI lists those contacts.

1. Environmental Program Development.

Each purchase agreement contains requirements that APA develop Environmental Management Plans in consultation with the "Purchasers" and commitments by the "Purchasers" to implement those plans. APA is presently in the second year developing its Environmental Management and Compliance Program (EMCP). Policies and standard operating procedures developed for the EMCP will be incorporated within the environmental management plan required by the sales agreement.

The work to date conducted by APA's Environmental, Safety and Health (ES&H) Office has identified a number of compliance issues, but none involve particularly expensive or difficult corrective measures. APA expects the environmental management plan will provide adequate assurance of future compliance with the various statutes and regulations including: air and water quality, solid waste, hazardous wastes, wetlands, endangered species, and others.

2. Environmental Permits.

There are no environmental permits that are required for the operation of the Eklutna Project.

The operation of the Snettisham Project requires a solid waste permit. A permit had been issued by the State of Alaska (ADEC) to the U.S. Army Corps of Engineers for operation of the Snettisham landfill during the construction phase of the project. The Corps permit has expired, and the ADEC will issue a new permit to APA in early 1992.

ADEC conducted a site visit to the Snettisham Project on October 2, 1991, and reviewed the existing solid waste facilities and their operation. Inspector Ed Emswiler found that the facilities met current standards. In fact, APA was complimented for its fine operation and told that Snettisham's facilities were the cleanest in the southeast Alaska region (communication ADEC--Emswiler 10/2/91).

3. Environmental Restoration Activities.

Environmental audits have been conducted by APA's ES&H Office for the Management of Hazardous Waste, Underground Storage Tanks, Polychlorinated Biphenyls, and Oil Pollution. No major programmatic deficiencies or contaminated sites were identified. Minor deficiencies will be corrected during the course of normal operation and maintenance procedures in conjunction with APA ES&H oversight.

The U.S. Environmental Protection Agency (EPA) conducted TSCA--PCB Inspections of both projects in the spring of 1991. No major environmental contamination was identified at either project during those inspections and no notice of violations pertaining to improper handling or historic spills were cited (EPA PCB Inspect. Eklutna and Snettisham projects, 4/91 and 5/91 respectively).

According to the purchase agreements, the new owners will assume all ownership responsibilities for Eklutna and Snettisham with the exception of unfinished work as of the transaction date. All environmental activities that are recognized as unfinished will be discussed within final negotiations to determine the party responsible for completing the required environmental activity (Eklutna Purchase Agreement; Sections 6a(2), 10d, 13).

4. Endangered Species.

There are no planned changes to operating procedures or no new construction activities anticipated after change of ownership that might impact endangered species.

Nevin Holmberg, the Field Supervisor at the U.S. Fish and Wildlife Service (USF&W) Office in Juneau and David McGilviry of the USF&W Anchorage Office were consulted in regard to effects of the proposed divestiture upon fish and wildlife at both projects. Both individuals stated that there would be no impact upon fish and game stocks by the proposed action, and that there were no identified endangered species residing within either project area (communications USF&W--Holmberg and McGilviry, 12/4/91).

5. Cultural Resources.

Evaluation of cultural resource documentation for the project areas has been conducted. No present operation and maintenance activity, or no operations under the new management is anticipated to conflict with Native lands, Native American Religious Sites or sites of significant historic importance.

The Alaska State Historic Preservation Office (SHPO) was consulted, and no concerns relating to the divestiture were raised. However,

the SHPO would like to see protective language for cultural resources within the final sales documentation (communication with SHPO--Smith, 12/4/91).

6. Emissions to the Air, Water and Soils.

Neither project in the course of normal operation and maintenance generates contaminates that could be emitted through the air, water or soil. Both projects are not subject to the new stormwater discharge permit requirements that went into effect in September 1991 (communications with EPA and ADEC, 9/91).

7. Wetland and Floodplain Management.

There are no planned changes to operating procedures or no new construction activities anticipated after change of ownership that might have impacts to wetlands and floodplains.

The USF&W was consulted on this issue and no concerns were raised in respect to the proposed alternative (communications with USF&W--Holmberg, McGilviry, 12/4/91).

8. Fish and Wildlife Agreement.

The Purchasers, the State of Alaska, the U.S. Department of Commerce National Marine Fisheries Service, and the U.S. Department of Interior Fish and Wildlife Service have entered into a formal agreement providing for post-sale protection, mitigation, and enhancement of fish and wildlife resources affected by Eklutna and Snettisham.

The Fish and Wildlife Agreement would become effective with respect to each project on the Transaction Date established under the purchase agreements. It sets up a process of consultation, studies, and public involvement for development of a fish and wildlife program which would be implemented by the Purchasers. It assigns costs of the studies and implementation measures to the Purchasers. The process is quite similar to that under FERC licensing of hydroelectric projects with the Governor of Alaska assigned a role similar to FERC's in decisions on fish and wildlife measures.

Specifically, the Agreement:

- Commits the Purchasers to fund studies to determine impacts and propose measures for protection, mitigation, and enhancement of fish and wildlife affected by the projects. These studies will result in a Fish and Wildlife Program.
- Assures that the studies will be conducted in consultation with State and Federal resource management agencies.

- Requires that the draft Fish and Wildlife Program be reviewed by the Resource Management agencies as well as the public.
- Designates the Governor of Alaska to review the Proposed Fish and Wildlife Program, reconcile differences, and establish a final Fish and Wildlife Program. In doing so, the Agreement requires the Governor to give consideration to efficient power production, energy conservation, protection to fish and wildlife, recreation, municipal water supplies, other aspects of environmental quality, public uses, and requirements of law.
- Requires the Purchasers to implement the Fish and Wildlife Program subject to their rights of judicial review.
- Sets a schedule for these activities. The consultation process to start no later than 25 years from the Transaction Date; implementation of the Fish and Wildlife Program within 30 years from the Transaction Date at Eklutna and within 35 years at Snettisham.
- Requires the study and program development process described above to be repeated every 35 years.
- The Purchasers agree to comply with specific Alaska statutes concerning dams and dam safety.
- Makes this agreement binding as long as the projects continue to operate or until the projects become subject to the Federal Power Act.

No specific fish and wildlife measures were contemplated in the earlier divestiture studies and reports or in negotiations for the purchase agreements. This was because the projects were generally viewed as not involving significant fish and wildlife problems.

During initial reviews of the legislative proposal, one significant problem was identified; namely, loss of a Sockeye salmon run that once spawned in Eklutna Lake. The loss was caused by a small private power development constructed in 1929. This problem was not identified in pre-authorization studies for the Federal Eklutna Project and the Federal project does not include any mitigation. This specific problem and the desires of the fish and wildlife agencies to provide appropriate consideration to fish and wildlife resources over the long run led first to recommendation that the two projects be placed under FERC jurisdiction; and subsequently to the August 7, 1991 Agreement that provides a process similar to FERC's but without a requirement for Federal regulation.

The formal process to develop fish and wildlife programs is to begin no later than 25 years after the Transaction Date with formal fish and wildlife programs to be in place within 30 years for

Eklutna and 35 years for Snettisham. The agreement provides for an earlier start if the parties find that to be desirable. These timing provisions are designed primarily to reduce uncertainties in financing and repayment of new debt while recognizing that known fish and wildlife concerns are not of the type that will require near future action.

The approach for fish and wildlife measures is novel. Given the nature of the projects and the river basins affected, there is good reason to believe that the proposed arrangements will work at least as well as Federal regulation for the intended purpose of mitigation and enhancement of affected fish and wildlife resources.

Informal Consultation

Despite the existence of this protective agreement, APA decided that it was appropriate to gather additional data on fish and wildlife management issues. Informal consultation was conducted with field biologists in local offices of the USF&W, NMFS, and ADF&G. Only two concerns surfaced and both related to the fisheries issue at Eklutna, and are as follows:

- The time frames within the agreement for assessing damages to the fish resources were judged to be too far in the future and not realistic. It was felt that by the time program implementation was initiated, loss to the salmon resources could not be adequately mitigated for (communications with USF&W--Holmberg and McGilviry, NMFS--Smith, ADF&G--Trasky, 12/4-6/91).

Clarification: The time frames developed within the fish and wildlife agreement were specifically done so for two reasons:

1. The time frames defined within the agreement permits proper financing of the projects. It was expected that financial institutions would not provide financing if issues were outstanding and lacked resolution. By developing a binding and protective agreement, and putting off implementation dates, financing is an achievable goal.
2. Under existing Federal ownership, resolution of potential fisheries issues would not occur because existing legislation and regulations do not prescribe natural resource damage type assessments, studies or mitigation. Through the Fish and Wildlife Agreement, the fisheries resource agencies were able to attain and require the development of a fish and wildlife management planning process that would have oversight by a regional administrator and have implementation costs assumed by the new owners.

- Loss of the Sockeye run was most likely staged, initiating with the 1929 dam construction and including the construction of Eklutna Project facilities. However, the extent of APA involvement in Sockeye run degradation could not be assessed due to the lack of fisheries background data. (Communications with USF&W--Holmberg and McGilviry, NMFS--Smith, ADF&G--Trasky, 12/4-6/91)

Clarification: Complete loss of the anadromous salmon run (Sockeye) undoubtedly occurred with the construction of the 1929 dam. Subsequent construction of Eklutna facilities might have effected resident fish populations in the Eklutna River above the 1929 dam, but had no effects upon the anadromous fish run.

One fisheries manager suggested that over fishing might have wiped out or greatly depleted the anadromous fish run prior to construction of the 1929 dam. If so, this would substantiate the lack of commercial fisheries data going back as early as 1900 when commercial fisheries were being exploited throughout the region.

9. Lands Issues.

Both purchase agreements (Attachments VIII and IX) contain specific provisions requiring the Federal government to provide clear title or interest in project lands to the Snettisham and Eklutna Purchasers after Congressional approval to complete the sale. The purpose of the land transfer is to provide sufficient rights and interest to the purchasers required to operate and maintain each project's power production, transmission, and reservoir facilities.

Lands provisions of the purchase agreement and legislation were developed in full consultation with affected Federal and State land management agencies. Those provisions should adequately protect project lands and resources from impacts of any future planned or unplanned actions.

B. Analysis of Socio-Economic Impacts of Proposed Action.

Rate Impact - Eklutna Project

The Eklutna sale is not expected to produce noticeable rate impacts at the retail level.

The Eklutna Project provides approximately 5 percent of the power supply for the three purchasers. Present wholesale revenues amount to only 2 percent of the Purchaser's combined revenue.

The Purchasers expect to achieve some economies of scale in operation, maintenance and overhead costs, but will likely see an increase in debt service. The net result should be total annual project cost similar to present Federal costs.

Rate Impact - Snettisham Project

The Snettisham sales formula has been designed to have minimal impact on the ratepayer at the retail level; increases should be far below the rate of inflation. At the wholesale level, current estimates suggest the rate increase will likely be less than 3 percent.

Loss of Jobs

The divestiture and closeout of APA will eliminate 33 or 34 permanent Federal positions. It is anticipated that 15 to 20 individuals will find employment with the State, private utilities, other Federal agencies, or take an early retirement.

DOE and APA, with cooperation of purchasers, will attempt to mitigate adverse impacts to affected Federal employees insofar as possible. A Divestiture Personnel Management Plan is being developed to that end.

The net job loss reflects efficiencies through combining similar business entities. From an area economy standpoint, the loss is not considered significant.

IV. Mitigation commitments required for Implementation of Proposed Alternative

- The final Environmental Management Plan will include language that affords protection to cultural resource that may be identified in the future.
- Protection and enhancement of fish and wildlife is ensured through the Fish and Wildlife Agreement: Snettisham and Eklutna Projects (effective August 7, 1991). This agreement encompasses assessment of damages to resource, and provides for future resource enhancement and mitigation procedures. In addition, the process includes public involvement that will be utilized toward development of a fish and wildlife program. Cost for the studies and implementation measures are assigned to the purchasers.
- The Divestiture Personnel Management Plan will address effects on APA staff through existing personnel management authorities and legislative language.

V. Review by the State of Alaska

A review of the EA by the State of Alaska was requested by the Assistant Secretary for Conservation and Renewable Energy, DOE. The Division of Governmental Coordination (DGC), Governors Office, coordinated the review of the project and requested that State agencies and local governments review the action and determine whether the sales were consistent with state and local regulations.

State of Alaska Comments:

1. The sales are seen as being consistent with local Coastal Management Plans, and other environmental and resource related regulations.
2. The Region II Habitat Division of the Alaska Department of Fish and Game recommended that the timeframes within the Eklutna Fish and Wildlife Agreement be accelerated. ADF&G recommends that the fish and wildlife mitigation analysis be initiated within three years.

As discussed above, the timeframes defined in the agreement are so designed to allow for proper financing of the projects. The agreement set maximum limits for the implementation period, but does not preclude the new owner from initiating the fish and wildlife process at an early date. In addition, there is no identifiable impacts or no discernible difference in regard to resource degradation for utilization of either timeframe.

3. The Matanuska-Susitna Borough (MSB) Parks and Recreation Department submitted a comment that the Twin Peaks trail should be reserved as part of the sale.

The MSB would like to protect the trail right-of-way, and APA agrees with this philosophy. However, the trail lies outside of Eklutna's property boundaries, and the housing area located near the trail head is no longer under Federal control. It was transferred to an ANCSA (Alaska Native Claim Settlement Act) Village Corporation in the 1970's. In addition, the sale of the Eklutna project and future operations under non-federal ownership should not impact the trail.

DEPARTMENT OF ENERGY

FINDING OF NO SIGNIFICANT IMPACT

FOR THE PROPOSED SALE OF THE EKLUTNA AND SNETTISHAM PROJECTS

AGENCY: Alaska Power Administration, Department of Energy

ACTION: Finding of No Significant Impact (FONSI) for the Submittal of a Legislative Proposal to Congress on the Sale of the Eklutna and Snettisham Projects.

SUMMARY: The U. S. Department of Energy (DOE) has prepared an environmental assessment (EA) (DOE/EA-0614) to evaluate the proposed sale of the Snettisham Project to the Alaska Energy Authority (AEA); and the sale of the Eklutna Project to Chugach Electric Association, Inc. (CEA), Matanuska Electric Association, Inc. (MEA) and Anchorage Municipal Light and Power (AML&P).

Based on the analyses in the EA, DOE has determined that the proposed action does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. 4321 et seq. Therefore, the preparation of an environmental impact statement (EIS) is not required.

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PUBLIC AVAILABILITY: Copies of this EA (DOE/EA-614) and FONSI are available from:

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ALTERNATIVES CONSIDERED:

- A. Proposed Action (Preferred Alternative). The proposed action is the divestiture of two Federally owned and operated hydroelectric power systems which would involve the sale of the Eklutna Project to the AML&P, CEA, and MEA; and the sale of the Snettisham Project to the AEA. The proposed action is the result of a three-year process undertaken by DOE to determine the method of divestiture that would be appropriate for these two facilities.

The sales of the Eklutna and Snettisham Projects represent only a change in ownership. Operation and maintenance procedures are not expected to be altered in any manner that would affect environmental resources. In addition, the sales agreements have been specifically designed to assure protection of the environment. If Congress approves the measure, the sales would be implemented pursuant to the purchase agreements and any additional guidance contained in the authorizing legislation.

Under the new ownership, the projects would continue to serve the same customers and beneficiaries without financial impact. The ownership changes do not involve any planned changes in mode of operation or major expansion or alteration of project facilities. In addition, the proposed sales are neutral with respect to other Federally-owned water and power projects in other states.

- B. No Action Alternative. The no action alternative would require that ownership of both projects remain with the Federal government. No changes in management, operation and maintenance procedures would be expected. Power marketing operations would also remain unchanged. The primary objectives of the projects would be to continue to provide reasonable power rates for the consumer and repayment of initial costs to the government. There should be no effect on staffing.

SUMMARY OF IMPACTS FOR THE PROPOSED ALTERNATIVE:

The following issues were analyzed in the attached EA to determine their potential impacts:

1. Environmental Program Development
2. Environmental Permits
3. Environmental Restoration Activities
4. Endangered Species
5. Cultural Resource Management
6. Emissions to the Air, Water and Soil
7. Wetlands/Floodplain Management
8. Fish and Wildlife Agreement
9. Lands Issues
10. Rate Impact on Rate Payers
11. Loss of Jobs

Based on that analysis, the preferred alternative may result in minimal impacts on power rates and employment, and no impact on the other issues analyzed.

DETERMINATION: Based on the information in the EA, DOE has determined that the proposed action will not significantly affect the quality of the human environment within the meaning of the National Environmental Policy Act, 42 U.S.C. 4321 et seq. Therefore, the preparation of an EIS is not required.

Issued in Washington, D.C., this 27th March 1992.


for Paul L. Ziemer, Ph.D.
Assistant Secretary
Environment, Safety and Health