

FINDING OF NO SIGNIFICANT IMPACT
and
DECISION RECORD
for
Old Harbor Hydroelectric Project
and
Kodiak Comprehensive Conservation Plan Amendment

Kodiak National Wildlife Refuge
Kodiak, AK

NEPA Unique Identifier: N/A

Background

On November 1, 2013, the Alaska Village Electric Cooperative, Inc (AVEC) applied to the Federal Energy Regulatory Commission (Commission) for a license to construct, operate, and maintain a proposed 525-kilowatt (kW) Old Harbor Hydroelectric Project (Old Harbor Project or project) No. 13272-004.

On November 14, 2014, AVEC applied to the U.S. Fish and Wildlife Service (Service) for a utility systems right-of-way (ROW) permit for the portion of the project that would occupy the Kodiak National Wildlife Refuge (Refuge).

The project would be constructed on the East Fork of Mountain Creek and transfer water into a powerhouse on Lagoon Creek Tributary, near the town of Old Harbor, Kodiak Island Borough, Alaska. An environmental assessment (EA) (Environmental Assessment Hydropower License, Old Harbor Project, FERC # 13272-004-AK, October 28, 2015) was completed in cooperation with the Commission to authorize a ROW permit to AVEC. A copy of the final EA may be viewed on the Commission's web site at www.ferc.gov using the "eLibrary" link. Search for accession number 20151028-3004 to access the final document. For assistance, contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll-free at 1-866-208-3676, or for TTY, 202-502-8659.

On April 29, 2016, the Commission issued AVEC a 50-year original license for the Old Harbor hydroelectric project. In the license, AVEC was authorized to have an installed capacity of 262 kW. When the Service was finalizing the ROW permit, AVEC informed the Service that the final design of the project was not complete, because the final location of the access trail was unknown due to a lack of geotechnical survey information. The Service suggested and AVEC agreed to not continue with the issuance of the ROW permit at that time. The Service would

provide AVEC with a special use permit (SUP) to complete the geotechnical survey and re-evaluate the location of the ROW permit if necessary.

On February 22, 2024, AVEC and the Alutiiq Tribe of Old Harbor filed an application to transfer the license for the Old Harbor Project from AVEC to the Alutiiq Tribe of Old Harbor. The transfer was approved by the Commission. On June 7, 2024, Alutiiq Tribe of Old Harbor submitted a SUP application to conduct geotechnical surveys in support of this project. Refuge staff completed a supplemental EA (2024-0134438-NEPA-001) to evaluate this action and published a FONSI and Decision on October 28, 2024, to authorize the SUP. The geotechnical surveys were completed from January through April 2025.

Finding of No Significant Impact

Selected Action – Staff Alternative

The selected alternative in the environmental assessment (EA) is to authorize a ROW permit with stipulations to Alutiiq Tribe of Old Harbor (ATOH)(Permittee) to construct a 525 kilowatt (kW) hydroelectric project on the East Fork of Mountain Creek. This project would transfer water from East Fork of Mountain Creek into a powerhouse on the Lagoon Creek Tributary, near the town of Old Harbor, Kodiak Island Borough, Alaska. The proposed hydroelectric project would occur within a construction ROW encompassing 49.28 acres of Service-owned surface lands and 97.79 acres of Service-owned subsurface lands that are part of the Kodiak National Wildlife Refuge (Refuge). This project would change Old Harbor's electrical production from strictly diesel-burning generators to a hydroelectric system with diesel-burning generator back-up. This ROW would require an amendment to the Refuge Comprehensive Conservation Plan (CCP) reclassifying the lands encompassed in the ROW from minimal management to intensive management to accommodate the project. Other activities otherwise allowed in intensive management would not be allowed within this area.

The hydroelectric project development would include: (1) a new 100-foot-long, 4 to 8 foot diversion/cut off weir to be constructed on the East Fork of Mountain Creek with an integrated 3-foot-high spillway; (2) a new 10,150-foot-long buried penstock that would transfer water from the Mountain Creek basin to the proposed project powerhouse in the Lagoon Creek basin; (3) a flow control mechanism to be installed between the diversion and powerhouse to control the volume of flow diverted at the intake; (4) a 30-foot by 35-foot by 16-foot-high powerhouse containing one 262-kW Pelton turbine; (5) a water bypass system in the powerhouse to route flows to the tailrace during turbine maintenance to limit rapid changes in flow that could harm fish and aquatic invertebrates downstream of the project; (6) a 2,300-foot-long tailrace to convey water from the powerhouse to a nearby Swimming Pond; and (7) a 1,100-foot-long enhanced riverbed channel ("constructed channel") that would convey water from the Swimming Pond to the natural channel of the Lagoon Creek Tributary.

The project would also involve constructing and maintaining: (1) an approximately 2.2-mile-long by 10-foot-wide project access trail between the intake and powerhouse; (2) an approximately 5,720-foot-long by 24-foot-wide access road extending from the powerhouse to an existing road; (3) a 1.2-mile-long, 12.47-kilovolt overhead transmission line from the powerhouse to the existing power distribution system in the City of Old Harbor; and (4) appurtenant facilities. Construction would occur from April 2026 to April 2030.

Once construction is complete, the ROW permit will be decreased to allow for occupancy of 3.99 miles and 0.99 acres of Service-owned surface acres and 5.48 miles and 6.59 acres of Service-owned subsurface acres. Operation would be year-round for the duration of the ROW authorization.

The proposed action would occur within the Seward Meridian in Township 34 South, Range 25 West in Sections 7, 17, 18, and 20; and in Township 34 South Range 26 West Section 12.

Revised CCP Amendment

Authorization of this action would require an amendment to the Refuge CCP reclassifying the lands encompassed in the ROW from minimal management to intensive management to accommodate the project. Other activities otherwise allowed in intensive management would not be allowed within these areas.

Other Alternatives Considered and Analyzed: Alternate B - No Action Alternative

Under Alternative B the ROW would not be authorized, and the hydroelectric project would not be constructed and there would be no changes to the current refuge conditions.

This alternative was not selected, because the No Action alternative would not meet the applicant's stated purpose and need. Without issuance of this permit the applicant would not be able to carry out the proposed action and subsequently the associated design for the proposed hydroelectric facility would not be able to commence.

Summary of Effects of the Selected Action

An EA was prepared in compliance with the National Environmental Policy Act (NEPA) to provide decision-making framework that 1) explored a reasonable range of alternatives to meet project objectives, 2) evaluated potential issues and impacts to the refuge, resources and values, and 3) identified mitigation measures to lessen the degree or extent of these impacts. The EA evaluated the effects associated with alternatives as outlined above. The EA and all other compliance documentation are incorporated as part of this finding.

All effects of the proposed project have been found to be local in nature. The following summarizes the anticipated effects in brief. More detailed discussions may be found in the EA.

Geology and Soils

Ground disturbing activities during construction are expected to increase the risk for erosion of soils resulting in sedimentation in surrounding waterbodies. Excavation for the intake, penstock, powerhouse, and access roads will disturb both upland and wetland soils, increasing the risk of erosion and sedimentation into adjacent waterbodies. Steep slopes and high precipitation exacerbate these risks. To mitigate these effects the proposed use includes implementation of erosion and sediment control measures, including a stormwater pollution prevention plan and turbidity monitoring during construction. These measures are designed to minimize sediment transport into nearby water bodies, particularly Lagoon Creek Tributary, which could otherwise impact aquatic habitats.

Once stabilized and revegetated, the soils will have a considerably lower risk for erosion similar to pre-construction conditions. Details of the affected environment and effects to these resources are covered in section 3.3.1 of the EA.

Aquatic Resources

Construction activities will temporarily affect water quality in East Fork of Mountain Creek, Swimming Pond, and Lagoon Creek Tributary. Excavation and in-stream work, such as the installation of the diversion weir and tailrace, would increase turbidity and sedimentation, potentially affecting aquatic organisms and negatively impacting essential fish habitat. The use of best management practices, including timing restrictions to avoid fish spawning periods, would reduce the risk of these impacts. Additionally, the construction of a new channel to convey water from Swimming Pond to Lagoon Creek Tributary will involve in-channel work that could disturb existing aquatic habitats. However, this work is scheduled to occur during periods deemed protective of coho salmon by the Alaska Department of Fish and Game (ADFG).

These construction-related effects are expected to return to pre-construction conditions after the project has been completed. Details of the affected environment and effects to these resources are covered in section 3.3.2 of the EA.

Terrestrial Resources

Vegetation clearing for the penstock, access roads, and powerhouse would result in the disturbance of approximately 54.51 acres of habitat, including 3.63 acres of wetlands and 50.88 acres of uplands, see table 3-5 in section 3.3.3.2 of the EA for a detailed breakdown of impacts to vegetation type. This effect on vegetation would reduce the available habitat for wildlife and increase the risk of invasive species establishment. Revegetation of disturbed areas would be done using native seed mixes and implementing an invasive species management plan. Construction activities may also disturb nesting birds, to mitigate this impact vegetation clearing would not be done between May 1 and August 1 and will maintain buffers around known eagle nests. Helicopter use during construction may disturb wildlife including mountain goats. To

mitigate these effects all flights will maintain a 1,500-foot buffer from observed goats. Details of the affected environment and effects to these resources are covered in section 3.3.3 of the EA.

Threatened and Endangered Species

Although the project area is not known to be regularly used by federally listed species, such as the Steller's eider or northern sea otter, construction-related sedimentation and potential fuel spills could affect nearshore marine habitats. However, the project is located inland, and the implementation of spill prevention and erosion control plans is expected to minimize the risk of contaminants reaching marine environments. Therefore, short-term impacts to listed species and their critical habitats are expected to be negligible. Details of the affected environment and effects to these resources are covered in section 3.3.4 of the EA.

Recreation and Land Use

Construction of the powerhouse access road and intake trail will temporarily affect public access and recreational use within the Refuge. These new access routes could increase and concentrate human presence, potentially leading to unauthorized vehicle use. To address this issue gates and signage would be installed to restrict motorized access and inform the public about Refuge regulations. Details of the affected environment and effects to this resource are covered in section 3.3.5 of the EA.

Cultural Resources

No known historic properties are located within the project's area of potential effects (APE). However, construction activities could uncover previously unidentified cultural resources. The applicant has committed to halting work and consulting with the Alaska State Historic Preservation Officer (SHPO), the Service, and the Village of Old Harbor if such resources are discovered. Details of the affected environment and effects to this resource are covered in section 3.3.6 of the EA.

Subsistence Resources

Improved access resulting from the construction of the powerhouse road and intake trail may enhance opportunities for subsistence activities by local residents. However, increased access could also lead to overuse or conflicts with Refuge management goals. The applicant will coordinate with the Service to monitor and manage access to ensure compatibility with subsistence use and Refuge purposes. Details of the affected environment and effects to these resources are covered in section 3.3.8 of the EA and in the Alaska National Interest Lands Conservation Act (ANILCA) Section 810 analysis.

Measures and Associated Monitoring and Enforcement Plans

To protect fish, wildlife, habitat, and subsistence and public uses, multiple monitoring and protection plans are required for this project. These are listed in FERC license 2016-04-29-3057 and are incorporated herein by reference. Other conditions for this project are included in Appendix C of the EA and are incorporated herein by reference. In addition, there are multiple national requirements for all ROW permits given for use of Refuge System lands. These stipulations are listed in 43 CFR 36.9(b) and 50 CFR 29.20(c) and (d) and are incorporated herein by reference.

Documentation of Significance

The proposed action will not have a significant impact on refuge resources and uses for several of the reasons above and those enumerated below. Significance is determined by examining the context of the action and the intensity of the effect. Based on the analysis in the EA, which is summarized in these sections, the Service has determined that the preferred alternative can be implemented without significant adverse effects.

1. The actions will not have a significant adverse effect on public health and safety.
2. The project will not have significant adverse effects on any unique characteristics of the geographic area such as historic or cultural resources, tribal sacred sites, wild and scenic rivers, or ecologically critical areas.
3. The project will not violate relevant federal, state, tribal, or local laws or other requirements and is not inconsistent with federal, state, tribal, or local policies designed for the protection of the environment.
4. The effects on the quality of the human environment are not likely to be highly controversial.
5. The actions do not involve highly uncertain effects on the human environment.
6. The actions will not establish a precedent for future actions with significant effects and does not represent a decision in principle about a future consideration.
7. There will be no cumulative significant impacts on the environment. Cumulative impacts have been analyzed with consideration of other similar activities on adjacent lands, in past action, and in foreseeable future actions.
8. The actions will neither significantly affect any site listed in, or eligible for listing in, the National Register of Historic Places, nor cause loss or destruction of significant scientific, cultural, or historic resources.
9. The action will not impact any threatened or endangered species, or Federally designated critical habitat.
10. The action area is not within or near a designated wilderness area and as such will have

no positive or negative impacts on wilderness.

11. There is no scientific controversy over the impacts of this action and the impacts of the proposed action are relatively certain.
12. The project will have no significant adverse effects on the rights of Tribal nations that have been reserved through treaties, statutes, or Executive Orders.
13. The proposal is not expected to have any substantial short- or long-term adverse effects on wetlands and floodplains, pursuant to Executive Orders 11990 and 11988.

Public Involvement, State Coordination and Tribal Consultation

The proposal has been thoroughly coordinated with all interested and affected parties. During the EA process, the following state and federal parties were contacted:

State of Alaska: Alaska Department of Fish and Game, State Historic Preservation Officer

Federal Agencies: Federal Energy Regulatory Commission, National Oceanic and Atmospheric Administration – Fisheries, U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service – Anchorage Fish and Wildlife Field Office

On May 7, 2015, the Service published the draft EA for a 30-day public review and comment. The Service received public comments on the number of allowed hydroelectric turbines, the cost burden of recommended measures, revegetation and invasive species control and management, transmission line design to protect birds, and cultural resources protection. All public comments were considered, and responses were given in Appendix B of the final EA.

A supplemental EA to evaluate project related geotechnical surveys was published on September 26, 2024, for a 15-day public review and comment. A compatibility determination for the ROW proposal was published for a 14-day public review on December 3, 2025. The State of Alaska responded with a letter of support for the project and an acknowledgement of adequate evaluation of compatibility and the effects to subsistence.

Tribal Consultation

During the EA process, government to government consultation was extended to the Native Village of Afognak, Native Village of Akhiok, Kaguyak Village, Native Village of Karluk, Sun'aq Tribe of Kodiak, Native Village of Larsen Bay, Alutiiq Tribe of Old Harbor, Native Village of Ouzinkie, Native Village of Port Lions, and Tanqirnaq Native Village. None of the Tribes elected to participate as cooperating agencies nor requested government-to-government consultation. On August 12, 2024, the Tribes were again invited to consult with the Service to evaluate project related geotechnical survey work. The Refuge received letters of support from multiple Tribes and corporations within the Kodiak archipelago.

On November 24, 2025, the Service emailed notices regarding the finalization of this EA effort to all of the Tribes listed above. These Tribes and the Old Harbor Native Corporation were contacted again on December 3, 2025, when the draft compatibility determination was released for comment. Again, the Refuge received letters of support for the project from Tribes within the Kodiak archipelago.

NEPA Adequacy

Through a review of the project record, the Service has determined that the 2015 EA with the additional evaluation in the 2024 supplemental EA adequately evaluated the proposed action and constitutes the Service's compliance with the requirements of NEPA.

Finding of No Significant Impact

Based upon its NEPA review, the Service has determined that the proposal to permit a ROW to Alutiiq Tribe of Old Harbor and amend the Kodiak Comprehensive Conservation Plan will not significantly impact the quality of the human environment. No environmental effects meet the definition of significance and therefore, an environmental impact statement (EIS) is not required.

Decision Record

Authority

The Service's authority to accept, evaluate, and issue a decision to authorize a ROW with specific terms and conditions or to deny a ROW in response to an application for a Transportation and Utility System on the National Wildlife Refuge System is the Alaska National Interest Lands Conservation Act of 1980, Title XI (Pub. L. 96-487; 94 Stat. 2371; 16 U.S.C. §§ 3161-3173) per 43 C.F.R. 36, and the National Wildlife Refuge System Administration Act of 1966, as amended by the National Wildlife Refuge System Improvement Act of 1997 (Pub. L. 105-57; 111 Stat. 1252; 16 U.S.C. §§ 664, 668dd, 668ee, and 1301, and 43 U.S.C. 666). The authority to amend the Kodiak Comprehensive Conservation Plan is the Alaska National Interest Lands Conservation Act (16 U.S.C. §§3161-3173), Section 304(g)(1).

Decision to be Made

The Service will decide whether to provide a ROW permit with stipulations to the Alutiiq Tribe of Old Harbor. Authorization of this action would require an amendment to the Refuge CCP reclassifying the lands encompassed in the ROW from minimal management to intensive management during the term of the permit. Other activities otherwise allowed in intensive management areas would not be allowed within this ROW.

The following is a summary of the determinations and findings being used in the decision process.

National Historic Preservation Act Section 106 Finding

As detailed in the 2015 EA, the Alutiiq Museum and Archaeological Repository conducted a reconnaissance level investigation in 1997 along the project boundary. In 2009, NLUR conducted another cultural resources survey of the proposed improvements to the water treatment plant and water storage tank. In 2010, NLUR conducted another systematic pedestrian survey within the project area. No cultural resources were located during any of the surveys. AVEC consulted with SHPO on September 14, 2011, with a proposed finding of no historic properties affected and on September 21, 2011, the SHPO concurred with the finding. This project was brought to the attention of the previous Service Regional Historic Preservation Officer (RHPO) in 2015, and he concurred with the finding. In June 2024, the project was reviewed once more by the RHPO. Because there was no change in the project footprint or the type of terrain where the project would occur, the previous consultation was considered sufficient.

Endangered Species Act, Section 7 Finding

By letter dated January 20, 2012 (filed November 1, 2013), the Service concurred with AVEC's determination that the proposed project would not be likely to adversely ESA-listed species and

critical habitat. Our recommended measures to protect these species are consistent with AVEC's proposal that was reviewed by the Service. Therefore, we agree with the Service that requirements of section 7 of the ESA have been satisfied

ANILCA Section 810: Subsistence Evaluation and Finding

Based on the analysis provided in the EA and an expanded in the ANILCA 810 analysis, incorporated herein by reference, none of the alternatives considered would significantly reduce subsistence uses. Direct effects on wildlife or habitat would not significantly increase competition for resources or alter their distribution or location. Similarly, the ROW would not significantly reduce subsistence uses because of limitations on access by physical or legal barriers, to harvestable resources.

ANILCA Title XI for Transportation and Utility System Findings

After completion of an environmental analysis required by the National Environmental Policy Act, but prior to making a final decision, ANILCA Section 1104(g)(2) requires the land manager to make the following findings:

(i) The need for and economic feasibility of the transportation and utility system;

This ROW permit allows for the construction and operation of a hydroelectric facility on the Kodiak Refuge. The primary intent of the proposed project is to provide a long-term reliable energy source for the community of Old Harbor, Alaska. Old Harbor residents currently pay over twice the national average for electricity. Additionally, diesel fuel is currently barged into Old Harbor, then transported in barrels from the barge to the power plant creating a constant risk of fuel spilling into the local marine waters and onto community lands. This project would buffer the community from fuel price increase, stabilize the cost of energy, and reduce the potential of diesel fuel spills.

(ii) Alternative routes and modes of access including a determination with respect to whether there is an economically feasible and prudent alternative to routing the system through or within an area;

The site of the hydroelectric project and the requested ROW was determined by the hydrology of the area and proximity to the community of Old Harbor. No other location was feasible for the project.

(iii) The feasibility and impacts of including different Transportation and Utility Systems in the same area;

No other transportation and utility systems exist beyond those currently within the community of Old Harbor or are planned in this area.

(iv) Short and long term social, economic and environmental impacts of national, State or local significance;

Short- and long-term social, economic and environmental impacts of national, State, or local significance were analyzed as part of the EA. No significant impacts were identified.

(v) The impacts, if any, on the national security interests of the United States;

The EA identified no national security concerns as secondary effects of this project.

(vi) Any impacts that would affect the purposes for which the Federal unit or area concerned was established;

The Refuge Manager has made a compatibility determination and has found the granting of the ROW would not materially interfere with or detract from the purposes of the Refuge or from the National Wildlife Refuge System mission.

(vii) Measures which should be instituted to avoid or minimize negative impacts;

Conservation measures are described in the EA and compatibility determination and will be included as stipulations in the ROW permit.

(viii) The short and long term public values which may be adversely affected by approval of the TUS versus the short and long term public benefits which may accrue from such approval;

The EA evaluated the short- and long-term impacts to the public, both adverse and beneficial. No significant adverse impacts were identified.

(ix) Impacts, if any, on subsistence uses.

The EA, the ANILCA Section 810 determination included in the EA, and the compatibility determination describe potential impacts to subsistence resources and users. There were no significant effects identified.

Inter-governmental Review of Federal Programs

Inter-governmental review of this project was accomplished through publication of the draft EA for the Old Harbor Hydroelectric Project, FERC # 13272-004.

Rationale

The rationale to issue this decision is based on the analysis conducted in the EA and its associated FONSI, ANILCA Section 810 analysis, the compatibility determination, and in conformance with the above stated authorities and with the CCP as amended by this decision. As described above, the project would not result in significant impacts to the human environment or the refuge's ability to meet its legal purposes. The length of the ROW permit is based on the FERC license which is required for the construction and operation of the hydroelectric project.

This decision is supported with analysis and documentation compliant with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq).

Decision

After considering all relevant information raised in the NEPA process and additional findings, it is my decision to issue a ROW permit for a term of up to 40 years or the termination of the FERC license #13272-004-AK whichever comes first with the above standard and project specific ROW terms and conditions to the Alutiiq Tribe of Old Harbor to construct and operate the Old Harbor Hydroelectric project. This decision also authorizes an amendment to the Refuge CCP reclassifying the lands encompassed in the ROW from minimal management to intensive management to accommodate the project. Other activities otherwise allowed in intensive management would not be allowed within these areas.

This decision concludes the NEPA process on the project as described above in the Finding of No Significant Impact and in reference to the accompanying Environmental Assessment and Supplemental Environmental Assessment (2024-0134438-NEPA-001).

Appeal

The applicant can appeal a denial per Section 1106(a) of ANILCA (16 U.S.C § 3166 and 43 C.F.R. 36.8).

Approval

Recommendation by

Danielle Fujii-Doe
Acting Refuge Manager, Kodiak National Wildlife Refuge
U.S. Fish and Wildlife Service

Responsible Official

Karlin Itchoak
Assistant Regional Director, National Wildlife Refuge System – Alaska Region
U.S. Fish and Wildlife Service