

REEVALUATION OF FINDING OF NO SIGNIFICANT IMPACT TENNESSEE VALLEY AUTHORITY

PROPOSED PERMANENT EASEMENT FOR RAIL SERVICE TO CHICAGO BRIDGE AND IRON AT MILE 423.8, LEFT BANK, TENNESSEE RIVER, GUNTERSVILLE RESERVOIR

In July 2009, the Tennessee Valley Authority (TVA) issued a final environmental assessment (FEA) and finding of no significant impact (FONSI) relating to a request by Chicago Bridge and Iron (CBI) at the subject location. The proposal by CBI included disposal of a 1.1-acre portion of TVA property for industrial purposes, approval under Section 26a of the *TVA Act* for associated waterfront facilities, and enrollment in the Enhanced Growth Credit Program. The Valley Advantage Program would also be made available to CBI. In addition, TVA considered requests to relocate a portion of the Nickajack-Jasper 161-kilovolt Transmission Line Tap to Kimball Tap to Tennol that crosses the CBI property and to abandon this portion of the transmission line right-of-way. TVA also evaluated the potential impacts associated with an anticipated request from the City of New Hope, Tennessee, for dedication of a portion of Port Road for public use.

In anticipation of a land use request from Marion County, Tennessee, TVA also assessed the direct and indirect impacts associated with a proposed rail line route to serve CBI. However, TVA committed to review the direct and indirect impacts associated with any deviations from the proposed rail line route once a land use request had been received. In the FEA, TVA noted that consultation with the Tennessee State Historic Preservation Officer (SHPO) pursuant to Section 106 of the *National Historic Preservation Act* (NHPA) would occur once the request had been made.

Between June 2009 and January 2010, Marion County submitted information to TVA concerning the anticipated land use request. In January 2010, TVA received a complete land use application package from Marion County for a permanent easement across a 0.8-acre portion of TVA property for a new rail line to service CBI. The proposed permanent easement is similar to the anticipated rail line route described in the FEA. However, a small portion of the proposed permanent easement area, approximately 65 feet wide and 120 feet long, was not included within the scope of the FEA. This FONSI evaluates the direct and indirect impacts associated with the small deviation in the rail line and documents TVA's consultation with the Tennessee SHPO pursuant to Section 106 of the NHPA. The July 2009 FEA and FONSI are incorporated by reference.

The potential effects of the proposed land use action are unchanged and are consistent with those described in the FEA.

The area of potential effect (APE) for historic properties associated with the Marion County proposal includes the new rail line and an associated construction buffer zone measuring approximately 100 feet wide and 2,200 feet long. A Phase I archaeological survey was conducted within the APE, and no archaeological or architectural resources were found. TVA determined that the proposed action would not affect historic properties listed in or eligible for listing in the National Register of Historic Places, and the Tennessee SHPO concurred with this determination on January 4, 2010. TVA consulted with the appropriate recognized Native American tribes, and none objected to the proposed undertaking.

The Phase I archaeological survey report contained a photograph of a watercourse located within the APE. To confirm the location and evaluate the potential impacts to the watercourse, TVA conducted site visits on March 15, 2010, and April 20, 2010. TVA determined that the watercourse included approximately 285 feet of wet-weather conveyance, which obtained inflows from a culvert on the existing rail line and transitioned to an intermittent stream. To construct the rail line, Marion County proposes to install a culvert in the intermittent stream and fill the wet-weather conveyance.

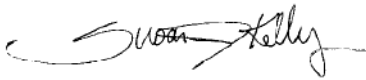
The proposed action would have insignificant direct, indirect, and cumulative impacts to surface water and aquatic ecology. Several federally and state-listed endangered and threatened species are known from Marion County, but no listed species or their suitable habitats occur in the APE. Therefore, there would be no effect to federally and state-listed endangered or threatened species. Marion County would be required to obtain a water quality certification from the Tennessee Department of Environment and Conservation in the form of a general Aquatic Resources Alteration Permit.

Mitigation and Special Permit Conditions

The mitigation measures and special permit conditions listed in the July 2009 FEA and FONSI remain in effect, and TVA has not identified the need for any additional measures associated with the proposed rail line easement.

Conclusion and Findings

TVA has assessed the potential impacts associated with the Marion County proposal. TVA concludes that, with implementation of the mitigation measures and permit conditions described in the July 2009 FEA and FONSI, the proposed land action would not be a major federal action significantly affecting the environment. Accordingly, preparation of an environmental impact statement is not required.



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Date Signed