

**FINDING OF NO SIGNIFICANT IMPACT
SECTION 26A AND LAND USE APPROVAL FOR NUCOR
STEEL DECATUR, LLC PORT FACILITY EXPANSION
AT TENNESSEE RIVER MILE 297.5, LEFT BANK, WHEELER RESERVOIR,
MORGAN COUNTY, ALABAMA**

Nucor Steel Decatur, LLC proposes to expand its existing port facility along the Finley Island back channel adjacent to the Mallard-Fox Creek Industrial Park. Nucor has requested TVA approval of the facility expansion under Section 26a of the TVA Act and that TVA grant it the rights to use 12.4 acres of submerged TVA-owned land for the facility expansion. The port expansion would allow Nucor to expand its business by delivering an increased volume of raw materials by barge.

The proposed port facility expansion also requires approval by the U.S. Army Corps of Engineers (Corps) under Section 10 of the Rivers and Harbor Act and under Section 404 of the Clean Water Act. TVA has cooperated with the Corps in the preparation of an environmental assessment (EA) of the proposed facility expansion. TVA is adopting this EA and it is incorporated by reference.

The EA evaluates three alternatives: 1) No Action, under which the permit requests and approvals would be denied; 2) Applicant's Proposed Action; and 3) Applicant's Proposed Action with Special Conditions. The applicant's proposed action consists of dredging and disposing of about 121,000 cubic yards of fill, installing a total of six mooring cells in two areas to allow the fleeting of 71 additional barges, extending the length of the existing dock from 350 to 890 feet, and constructing a new scrap barge unloading dock. The Corps proposes to approve Alternative 3.

The Nucor plant is in an existing industrial park which was the subject of an Environmental Impact Statement prepared by TVA in 1979. The existing Nucor plant and port facility were originally built by Tricor Steel Company, LLC, and were the subject of an EA prepared by TVA in 1995.

The subject EA concludes that impacts to air quality, water quality, aquatic life, wildlife, vegetation, recreation, aesthetics, land-based transportation, and navigation would be minor and insignificant. No endangered or threatened species would be affected and the U.S. Fish and Wildlife Service concurred with this determination on June 20, 2006. An existing wetland would be impacted by the disposal of dredge spoil. The disposal of spoil in this area was previously approved by TVA in 1997 and compensatory mitigation for this wetland impact has been completed. Overall wetland impacts would therefore be insignificant. The proposal would result in a small loss of flood storage capacity and the city of Decatur has determined that it meets local floodplain regulations. TVA has also determined that it meets its Flood Control Storage Loss Guideline. No cultural resources eligible for or listed on the National Register of Historic Places would be affected and the Alabama Historical Commission concurred with this determination on September 1, 2006.

The port facility expansion was the subject of Joint Public Notice 06-54 issued by TVA and the Corps on May 26, 2006. In response to the comments received on this notice, Nucor modified its proposal and submitted a revised permit application. None of the

commentors on the public notice responded to a request to comment on the revised permit application.

Mitigation

As part of its standard conditions for Section 26a approval, TVA would require use of Best Management Practices and other general and standard conditions. Nucor would also be required to implement the Corps special permit conditions listed in the EA and the conditions listed in the Alabama Department of Environmental Management conditional water quality certification. TVA has not identified the need for any additional non-routine conditions or mitigation measures.

Conclusion and Findings

Based on the EA, we conclude that the Section 26a and land use approvals for the Nucor's port facilities would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required. This Finding of No Significant Impact is contingent upon adherence to the permit conditions in the attached December 5, 2006 EA.

Charles P. Nicholson for

December 14, 2006

Jon M. Loney
Senior Manager, NEPA Policy
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Date