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**FINDING OF NO SIGNIFICANT IMPACT**  
**TENNESSEE VALLEY AUTHORITY**  
VALLEY INVESTMENT INITIATIVE – PROGRAM EXPANSION AND MODIFICATION  
TENNESSEE VALLEY AUTHORITY SERVICE AREA

Tennessee Valley Authority (TVA) is proposing to expand and modify its Valley Investment Initiative for Existing and Expanding Customers (VIIE) Program beyond current customers and to terminate the Enhanced Growth Credit (EGC) Program. Established in 2008, VIIE is an economic development tool that aims to increase the number and quality of jobs in the Valley while promoting energy efficiency to slow load growth. The expanded Valley Investment Initiative (VII) Program would eliminate the distinction between new and existing customers, creating a unified VII offered to two general types of customers, those with meaningful baseline data and those without such data. The EGC Program, begun in 1994, provided incentives to qualifying businesses that brought new load to the Valley. By expanding and modifying VIIE and eliminating EGC, TVA will be better able to target its economic incentives and to recruit new customers that benefit the Valley economy and the TVA power system.

TVA completed an environmental assessment (EA) and a finding of no significant impact (FONSI) for the VIIE in October 2008. The impacts of the currently proposed action are addressed in a supplemental EA, which is incorporated by reference. The VIIE EA assessed a No Action and an Action Alternative. In the supplement, the Action Alternative is expanded to include customers without meaningful baseline data and to end the EGC Program. The No Action Alternative would be to continue the VIIE and EGC programs.

The VIIE EA determined that potential program impacts, both beneficial and adverse, on socioeconomic resources and air quality would be small. In the supplement, TVA has determined that impacts to air quality from the proposed action would not be materially different from those described in the VIIE. However, the termination of the EGC Program would have a small positive effect on air quality. The proposed expansion and modification of the VII Program is expected to result in only a small to very small, but positive, impact to the regional economy due to the limited program size—less than 1 percent of the regional workforce and about 1.4 percent of TVA's power load.

**Mitigation**

TVA has not identified the need for mitigation measures to reduce potential impacts.

**Conclusion and Findings**

Based on the findings listed above and the analyses in the supplemental EA, we conclude that the proposed action of expanding and modifying the VII Program and terminating the EGC Program would not be major federal actions significantly affecting the environment. Accordingly, an environmental impact statement is not required.

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