

**FINDING OF NO SIGNIFICANT IMPACT**  
**TENNESSEE VALLEY AUTHORITY**  
ECONOMIC DEVELOPMENT GRANT PROPOSAL FOR  
TELLICO WEST SITE  
Monroe County, Tennessee (Vonore)

An integral part of Tennessee Valley Authority's (TVA's) mission is to promote economic development in the TVA service area. TVA provides financial assistance to help bring to market new/improved sites and facilities in the TVA service area and position communities to compete successfully for new jobs and capital investment. TVA proposes to provide an economic development grant through InvestPrep funds to the Tellico Reservoir Development Agency (TRDA) to assist with the development of the Tellico West Site (Proposed Action or Project). The area of TVA's Proposed Project (herein referred to as the Project Area) comprises approximately 142.6 acres within the Tellico West Site and is located between State Road (SR) 72, Excellence Way, and Deer Crossing in Vonore, Monroe County, Tennessee (TN). TVA funds would be used to assist with tree clearing and construction of a gravel access road. There would be minor impacts as a result of the Proposed Action.

The proposal is the subject of an Environmental Assessment (EA) prepared by TVA, which is incorporated herein by reference. In the EA, TVA evaluated potential impacts of the Proposed Action (i.e., the Action Alternative) as well as the alternative of not implementing the action (i.e., the No Action Alternative). Under the No Action Alternative, TVA would not provide InvestPrep funds to the TRDA. TVA would not be furthering its mission of promoting economic development by assisting the local community to compete successfully for new jobs and capital investment through the Proposed Action. The TRDA may seek alternate funding to combine with their existing funds to develop the site. Success in obtaining alternate funding would result in similar impacts and benefits as the Action Alternative. If the TRDA were not able to secure the funding for the Proposed Action, the land use at the site would likely remain unchanged, no environmental impacts would occur, and the economic benefits associated with the Action Alternative would not be realized. Under the Action Alternative, TVA would provide InvestPrep funds to the TRDA to assist with the clearing of approximately 54.9 acres of trees and the construction and grading of an approximately 1,100-foot gravel access road within the Project Area

The TRDA, or its contractors, are expected to implement appropriate measures, such as best management practices (BMPs), to minimize or reduce negative potential environmental impacts of the Action Alternative to insignificant levels. These practices include, but are not limited to, installation of sediment and erosion controls (silt fences, sediment traps, etc.); management of fugitive dust; and a restriction allowing work during daytime work hours only. They are also expected to obtain all required permits and follow all permit conditions.

TVA's preferred alternative is the Action Alternative. This alternative would meet the purpose of the Project and would further promote TVA's mission to promote economic development in the TVA service area.

The potential impacts of the Action Alternative are described in detail in the EA. Implementation of the Action Alternative would have no impacts on floodplains, land use, prime farmland, solid

and hazardous wastes, aquatic ecology, cultural resources, recreation, and environmental justice communities. Minor adverse impacts related to soils, groundwater, surface water, botany, wetlands, terrestrial wildlife, managed and natural areas, air quality, visual quality, and noise would occur due to the tree clearing and construction and grading of the access road while negligible impacts to socioeconomics and transportation are expected.

Implementation of the Action Alternative would result in minor ground disturbance at shallow depths. Ground disturbances are not anticipated to be at depths that would intersect public groundwater supplies or result in significant impacts to groundwater resources.

The Action Alternative has the potential to temporarily affect surface water via stormwater runoff. The implementation of BMPs during construction will minimize any impacts during clearing and grading activities.

An environmental survey of the Project Area was conducted in December 2022. A single, depression, Palustrine Forested (PFO) wetland was identified within the Proposed Project Area. Under the Action Alternative, the 0.03-acre wetland would be impacted within the Project Area due to the proposed ground disturbance. Wetland impacts will be permitted in accordance with regulatory requirements, including provision of compensatory mitigation per the terms and conditions of the issued permit. Additionally, fifteen wet weather conveyances are located within the Project Area. Alterations to WWCs are permitted in accordance with Tennessee State Code Section 69-3-108(q) without notice or application to the State.

Minor, temporary impacts to Tellico Dam Reservation, a TVA asset located 0.2 mile east of the Project Area are possible during the construction phase of the Proposed Project. Although the Project Area is located within the Tellico Lake Wildlife Management Area, which is managed by the Tennessee Wildlife Resources Agency (TWRA), the area is also part of the Tellico West Industrial Park and therefore no impacts would be expected. The use of BMPs and coordination with the TWRA prior to construction will minimize any impacts to managed and natural areas in the vicinity of the Project Area.

An environmental survey of the Project Area was conducted in November 2022. The environmental survey identified approximately 16.8 acres of summer roosting habitat (trees) for Indiana bat (*Myotis sodalis*), northern long-eared bat (*Myotis septentrionalis*), and tricolored bat (*Perimyotis subflavus*). No winter bat habitat was observed within the Project Area. As part of the actions under the Action Alternative, the 16.8 acres of suitable summer roosting habitat is proposed for removal. A number of activities associated with the Action Alternative, including tree removal and burning, were addressed in TVA's programmatic consultation with the United States Fish and Wildlife Service (USFWS) on routine actions and federally listed bats in accordance with Endangered Species Act (ESA) Section 7(a)(2) and originally completed in April 2018, and updated in May 2023. For those activities with potential to affect bats, TVA committed to implementing specific conservation measures. These activities and associated conservation measures are identified on page 5 of the TVA Bat Strategy Project Screening Form (Attachment 2 of EA) and must be reviewed/implemented as part of the Action Alternative. With implementation of these conservation measures, no significant impacts are expected to the Indiana or northern long-eared bats. In addition, the Action Alternative would not jeopardize the continued existence of tricolored bat.

A Phase I cultural resources survey, which consisted of an archaeological survey and a historic architectural study, was conducted in January 2023 that covered the Project Area and

surroundings. No archaeological resources were identified, and no further archaeological work was recommended in the Project Area. The historic architectural survey identified six properties that are 50-years or older within the Area of Potential Effect for the Project, which included the immediate 142.6-acre Project Area and an unobstructed 0.5-mile viewshed. None of the properties were considered eligible for listing in the NRHP. During the field survey, five additional historic architectural resources were identified within the APE, none of which were deemed eligible for listing in the NRHP. TVA consulted with the Tennessee State Historic Preservation Office (SHPO) in letters dated March 29 and April 18, 2023 regarding TVA's findings and recommendations. In a letter dated April 18, 2023 the Tennessee SHPO concurred with TVA's findings of no effect. Pursuant to 36 Code of Federal Regulations 800.3(f)(2), TVA also consulted with federally recognized Indian tribes regarding properties that may have religious and cultural significance to their tribe and be eligible for the NRHP and no responses were received.

Construction-related activities would result in minor and short-term impacts to air quality and climate change. With the use of BMPs, impacts would be minimal, temporary, and localized; and would not be anticipated to result in any violation of applicable ambient air quality standards or impact regional air quality.

Implementation of the Action Alternative would result in changes to the landscape with the removal of 54.9 acres of trees. These impacts are expected to be minor given the degree of topographic change from the Project Area to surrounding areas and the existing dense vegetation that screens views of the Project Area.

Noise would be localized and temporary, and no receptor would be exposed to significant noise levels for an extended period. Further, construction activities would be expected to be conducted during daylight hours only, when ambient noise levels are often higher, and most individuals are less sensitive to noise. Thus, noise-related impacts resulting from implementation of the Action Alternative are anticipated to be temporary and minor.

Due to the small size of the workforce and the short duration of construction activities, the Project is characterized as having a negligible effect on economy, employment, and income.

No disproportionate impacts to low-income or minority communities in the area are anticipated as a result of the Action Alternative.

Additional traffic would be generated during construction activities. However, the amount of additional traffic generated would be minor and have a negligible impact on overall traffic volumes.

### **Mitigation**

To minimize or reduce the environmental effects of site activities associated with the Action Alternative, the TRDA, or its contractors, are expected to ensure all clearing and grading activities conducted are in compliance with stormwater permitting requirements and utilize applicable BMPs to minimize and control erosion and fugitive dust during these actions. These actions include, but are not limited to, installation of sediment and erosion controls (silt fences, sediment traps, etc.); management of fugitive dust; and a restriction allowing work during daytime work hours only.

Onsite burning activities would be conducted in compliance with local burn permits, the requirements in Tennessee APC Rule Chapter 1200-03-09, and conservation measures identified on page 5 of the TVA Bat Strategy Project Screening Form (see Attachment 2 of EA).

Operations involving chemical or fuel storage or resupply and vehicle servicing are expected to be handled outside of riparian areas and in such a manner as to prevent these items from reaching a watercourse. Earthen berms or other effective means are expected to be installed to protect nearby surface waters from direct surface runoff. Servicing of equipment and vehicles is expected to be done with care to avoid leakage, spillage, and subsequent surface or ground water contamination. Oil waste, filters, and other litter are expected to be collected and disposed of properly.

Due to the size of the delineated wetland (0.03 acre), mitigation will not be required and impacts will be permitted in accordance with regulatory requirements.

Specific avoidance and conservation measures would be implemented as a part of the Action Alternative to reduce effects to the Indiana bat, northern long-eared bat, and tricolored bat. These measures are identified in the TVA Bat Strategy Project Screening Form (see Attachment 2 of EA).

**Conclusion and Findings**

Based on the findings listed above and the analyses in the EA, we conclude that the Proposed Action of TVA funding the improvement of the Project Area within the Tellico West Site would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required.



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NEPA Compliance

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05/11/2023  
Date Signed