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Project Name: Norris Lake Serenity, LLC (Tennessee Vues at Norris Lake) Recreation Easement and Section 26a Approval
Project Number: 2024-32

FINDING OF NO SIGNIFICANT IMPACT TENNESSEE VALLEY AUTHORITY

NORRIS LAKE SERENITY, LLC (TENNESSEE VUES AT NORRIS LAKE) RECREATION EASEMENT AND SECTION 26A APPROVAL

The Tennessee Valley Authority (TVA) is evaluating a request for Section 26a approval and a 30-year easement associated with the development and operation of a commercial marina on approximately 62.67 acres on Norris Reservoir in Claiborne County, Tennessee. The proposed facilities would be constructed and operated by Norris Lake Serenity, LLC. The 62.67-acre Project Area consists of approximately 12.89 acres of private land within the TVA flowage easement, 42.9 acres of inundated TVA property, and 6.88 acres of private land where proposed activities are considered connected actions under the National Environmental Policy Act (NEPA). The 30-year easement would cover 42.9 acres of inundated TVA property in TVA Tract Nos. NR-106 and NR-102, all below the 1,020-foot contour elevation (normal summer pool). The Section 26a approval would apply to the 55.79 acres of flowage easement and inundated TVA property.

The Proposed Action is consistent with TVA's Shoreline Management Policy and its Norris Reservoir Land Management Plan, which categorized the Project Area shoreline as Zone 1: Non-TVA Shoreland, subject to the Section 26a permitting process.

The proposed action is the subject of an environmental assessment (EA) prepared by TVA, which is incorporated herein by reference.

Alternatives

In the EA, TVA evaluated two alternatives for the Proposed Action: Alternative A – The No Action Alternative, and Alternative B – The Proposed Action Alternative.

Under Alternative A - the No Action Alternative, TVA would not grant Section 26a approval for shoreline construction activities or grant an easement to operate the proposed marina. If the No Action Alternative were selected and the development of the marina and associated facilities did not occur, no environmental consequences would be anticipated, as conditions on the Project Area would remain essentially unchanged from current conditions for the foreseeable future. This alternative provides a benchmark for comparing the environmental impacts of the implementation of the Proposed Action Alternative.

Under Alternative B - the Proposed Action Alternative, TVA would grant Section 26a approval for shoreline construction activities and would grant a 30-year easement for operation of the proposed commercial marina. Construction of the marina would occur

in three phases and include docks, a floating marina store, utility infrastructure, fueling docks and infrastructure, a concrete boat ramp, land-based porticos, parking, a restaurant, shoreline stabilization, a wavebreak, and a total of 1,216 boat slips. The preferred alternative is the Proposed Action Alternative. The Proposed Action Alternative meets the needs of the Applicant and supports TVA's mission of providing recreational opportunities in the Tennessee Valley region.

Impacts Assessment

TVA has determined that there would be no significant effects from the creation of solid or hazardous waste, or from the handling or disposal of hazardous materials, with the adherence to all applicable local, state, and federal regulations and with the implementation of a Spill, Prevention, Control, and Countermeasure (SPCC) plan. Implementing the Proposed Action would result in potential minor adverse impacts to land use and prime farmland, geology and groundwater, air quality, vegetation, wetlands, surface water, and floodplains. Implementing the Proposed Action could result in minor adverse impacts to the human environment, including noise and vibration, visual resources, socioeconomics, public health and safety, utilities and service systems, natural and managed areas, parks and recreation, and transportation. There would also be minor to moderate short and long-term beneficial impacts to the local economy, and moderate beneficial impacts to parks and recreation in the long-term.

A stream and wetland delineation was conducted in May 2025, which identified one wetland (W001; 0.02 acres), one intermittent stream (S001; 77.36 feet in length), and one wet weather conveyance (E001; 130.02 feet in length). The intermittent stream is presumed to be jurisdictional, which would require permits and mitigation. Hydrological determinations were conducted by a Tennessee Qualified Hydrologic Professional to determine its jurisdictional status. Linear watercourses were classified as stream or WWC/ephemeral streams. Due to the location and nature of the proposed work, stream S001 is not expected to be directly impacted. The Proposed Action Alternative would result in draining or filling of wetland W001. This wetland is hydrologically isolated and therefore non-jurisdictional at the federal level based on current guidance provided by the US Army Corps of Engineers (USACE). At the state level, no notice, approval, or mitigation is required for the alteration of a low-quality wetland less than 1 acre in size (such as W001), provided that the alteration is done in accordance with the following conditions:

- (A) The activity must not result in the discharge of toxic pollutants;
- (B) Sediment must be prevented from entering a stream or other surface waters; and
- (C) Appropriate steps must be taken to ensure that petroleum products or other chemical pollutants are prevented from entering waters of the state. In the event of a spill, measures must be taken immediately to prevent pollution of waters of the state, including groundwater (T.C.A., Title 69, Chapter 3, Part 1).

If required, the Applicant would obtain all necessary Section 404/401 CWA permits and required compensatory mitigation prior to construction.

Following the 2024 Range-Wide Indiana Bat Survey Guidelines, TVA surveyed approximately 20.01 acres of forested habitat within the Project Area for the presence of potentially suitable habitat for federally listed bats on April 8, 2025. Approximately 2.43 acres were determined to be suitable for use by summer roosting Indiana bats and northern long-eared bats (NLEBs), based on the presence of trees with exfoliating bark, hollows, and/or cracks and crevices. All 20.01 acres of forested habitat are suitable for use by tricolored bats, as all forested habitat in the Project Area is either of hardwood or mixed hardwood-evergreen composition. Suitable roosting habitat consisted of 11 shagbark hickory and 14 snag trees. Suitable foraging habitat was also identified within the Project Area for gray bat and tricolored bat, in and around forests, forested edges, and over Norris Reservoir. Norris Reservoir also provides a source of drinking water for all four bat species. The Proposed Action is not anticipated to significantly affect gray bat and may also be beneficial to tricolored bat by adhering to the conservation measures identified in the TVA Bat Strategy Project Review Form developed from TVA's programmatic consultation with the U.S. Fish and Wildlife Service on routine actions and federally listed bats, last updated in 2024.

An archaeological survey of the shoreline was conducted by TVA in 2009, and another Phase I archaeological survey was conducted adjacent to the shoreline within TVA's flowage easement jurisdiction in 2024. Additional archaeological surveys of the areas above TVA's flowage easement jurisdiction were conducted in May 2025. No new archaeological sites were discovered within the area of potential effect (APE, defined as the Project Area plus a half-mile radius) during any of these surveys. A historic architecture survey identified a single resource, the Middlesboro Branch of the Southern Railroad, within the APE. It was determined that this resource is not eligible for listing in the National Register of Historic Places. No further cultural resource surveys are recommended for the Project Area. Therefore, the Proposed Action would have no effect on cultural or historic resources.

Public and Intergovernmental Review

TVA completed a 30-day public comment period as part of the Commercial Recreation Easement process. The notice was posted in the *Claiborne Progress* on May 21, 2025, and requested public comments regarding potential impacts on environmental or historic resources and to identify any other issues associated with the proposed Project. Three comments were received. Substantive topics raised by commenters were addressed in the EA.

The draft EA was made available for a 30-day public review period beginning November 20, 2025. The availability of the draft EA was announced in a media release posted on TVA's website. TVA received responses via United States mail, e-mail, and TVA's website. By the end of the public comment period, TVA received a total of 267 individual submittals, including 266 from private individuals and one from the Tennessee Department of Environment and Conservation (TDEC). Identical comments were

treated as a single comment. TVA reviewed all comments received on the draft EA and addressed them, as appropriate, in the final EA.

Pursuant to Section 106 of the National Historic Preservation Act, TVA consulted with the Tennessee Historical Commission in a letter dated November 4, 2025, requesting concurrence that the Proposed Action would have no effect on cultural resources. The Historical Commission concurred with this determination in a letter dated November 7, 2025.

Mitigation and Special Permit Conditions

TVA will implement, or require adherence to, the routine environmental protection measures listed in the EA. These include, but are not limited to, the standard conditions for granting Section 26a approval and other necessary permits, which include mitigation measures, BMPs, and other requirements.

Norris Lake Serenity, LLC, or its contractors, are expected to implement the following nonroutine mitigation measures to avoid, minimize, or resolve adverse impacts on the environment:

- In accordance with the SPCC plan, the Storm Water Pollution Prevention Plan (SWPPP), Construction General Permit (CGP), and Clean Water Act (CWA) permits, Project activities would be conducted in a manner to ensure that waste materials are contained, and the introduction of pollution materials to receiving waters would be minimized.
- The Applicant and its contractors would adhere to OSHA and TOSHA requirements to minimize safety risks.
- Structures would conform to applicable building code and floodplain development requirements.
- The following Conservation Measures identified in the TVA Bat Strategy Project Review Form (Appendix B in the Final EA) would be implemented:
 - Noise would be short-term, transient, and not significantly different from the urban interface or natural events (i.e., thunderstorms) that bats are frequently exposed to when present on the landscape.
 - Operations involving chemical/fuel storage or resupply and vehicle servicing would be handled outside of riparian zones (streamside management zones) in a manner to prevent these items from reaching a watercourse. Earthen berms or other effective means would be installed to protect the stream channel from direct surface runoff. Servicing would be done with care to avoid leakage, spillage, and subsequent stream, wetland, or groundwater contamination. Oil waste, filters, and other litter would be collected and disposed of properly. Equipment servicing and chemical/fuel storage would be limited to locations greater than 300 feet

from sinkholes, fissures, or areas draining into known sinkholes, fissures, or other karst features.

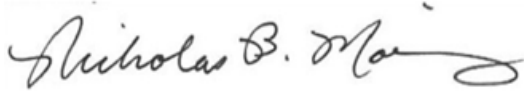
- Standard BMPs for sediment and contaminants, as well as measures to avoid or minimize impacts to sensitive species or other resources, would be implemented consistent with applicable laws and Executive Orders (EOs).
- Temporary lighting would be directed away from suitable habitat during the active season.
- The use of outdoor lighting would be evaluated during the active season and light pollution would be minimized when installing new or replacing existing permanent lights by angling lights downward or via other light minimization measures (e.g., dimming, directed lighting, motion-sensitive lighting).
- To minimize the potential for sediment introduction into jurisdictional aquatic resources and reduce impacts from stormwater runoff, sedimentation, and erosion, the Project would comply with the TDEC General NPDES Permit for Discharge of Stormwater Associated with Construction (CGP) by developing and implementing a SWPPP and installing erosion prevention and sediment control measures in upland areas.
- The Applicant and its contractors would adhere to requirements in the Tennessee Air Pollution Control Regulations 1200-03-08 to minimize fugitive dust.
- An SPCC plan (certified by a Professional Engineer) would be required due to the capacity (20,000 gallons) of the gasoline above-ground storage tanks (ASTs). The purpose of this plan would be to defend against petroleum pollution. It would apply to all locations in the marina where fuel or oil is stored or transferred, and it would clearly explain spill emergency procedures, including health and safety, notification and spill containment and control measures.
- All solid waste generated during construction (i.e., organic material, building material, excess debris associated with clearing, excavation, and grading) and operation would be managed and disposed of in accordance with applicable local, state, and federal regulations, and disposed of at an off-site landfill.
- Organic material would not be burned on site.
- Permanent restroom facilities would be properly sized, permitted, and installed per state and local requirements.

- To ensure that the Proposed Action Alternative would be consistent with the requirements of EO 11988 for floodplain management, the following conditions would be included in the final TVA Section 26a approval:
 - The porticos would remain open to the elements and never be enclosed.
 - No items or equipment subject to flood damage would be stored under the porticos.
 - Dumpsters located below an elevation of 1,035 feet would be securely anchored to prevent them from floating free during a major flood.
 - The fuel storage tank would be designed to meet State or Local requirements for above ground storage tanks, as appropriate.
 - Floating facilities (boat slips, marina store, fuel dispensers located on the dock, access walkways, courtesy dock, and wave break) would be securely anchored to prevent them from floating free during major floods.
 - For all electrical utilities permitted, a cutoff would be located at or above the 500-year flood elevation (1,035 feet) and would be accessible during flooding.
 - The Applicant would evaluate future development connecting to utilities to ensure they would not support unwise development in the 100-year floodplain.
 - Bank stabilization would be placed, on average, no more than two feet from the existing shoreline at the June 1 flood guide elevation (summer pool) of 1,020 feet.
 - The concrete boat launch ramp, parking areas, and landscaping would be constructed to withstand flooding with minimal damage.

- The recreation easement would contain the following flood risk conditions or covenants, as appropriate:
 - Any future facilities or equipment subject to flood damage would be located above or floodproofed to at least the 500-year flood elevation plus two vertical feet, which would be an elevation of 1,037 feet.
 - Any future development proposed within the limits of the 100-year floodplain (elevation 1,032 feet) would be consistent with the requirements of EO 11988.
 - All future development would be consistent with the requirements of the TVA Flood Storage Loss Guidelines.
 - TVA retains the right to flood the area and would not be liable for damages resulting from flooding.

Conclusion and Findings

Based on the findings listed above and the analyses in the EA, we conclude that the Proposed Action would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required.



on behalf of

Dawn Booker, Senior Manager
NEPA Compliance
Tennessee Valley Authority

February 10, 2026

Date Signed