Record of Decision
Department of Agriculture, Rural Development
for the *Relying* on the Analysis from the Final Environmental Impact Statement for Hydropower License Sweetheart Lake Hydroelectric Project-FERC Project No. 13563-003 Alaska

Summary
In compliance with the National Environmental Policy Act (NEPA, 42 U.S.C. § 4321-4347) and § 1b.8 Records of decision (USDA-2025-0008), this Record of Decision (ROD) documents the Rural Development (RD), Rural Utilities Service (RUS) is *Relying* on the previous decision by the Federal Energy Regulatory Commission (FERC) Final Environmental Impact Statement (FEIS) for Sweetheart Lake Hydroelectric Project-FERC Project No. 13563-003 Alaska. FERC finalized the FEIS in May 2016 and issued Juneau Hydropower, Inc. an Order Issuing Original License on September 8, 2016. The FERC developed the FEIS in 2016 to evaluate a proposed 19.8-megawatt (MW) Sweetheart Lake Hydroelectric Project.

The project would be located on Lower Sweetheart Lake and Sweetheart Creek, within the City and Borough of Juneau, AK. The project would occupy 2,058.24 acres of federal lands within Tongass National Forest, administered by the U.S. Department of Agriculture (USDA), Forest Service (USFS). The project would also occupy 131.18 acres of tideland and submerged lands of the State of Alaska. The proposed project would generate an average of about 116,000 megawatt-hours of energy annually.

The USFS, Tongass National Forest issued the Sweetheart Lake Hydroelectric Project Special Use Authorization under a Record of Decision on October 18th, 2017.

U.S. Army Corps of Engineers was a cooperating agency on the FEIS.

The FERC FEIS analyzed multiple alternatives for the development and use of the hydroelectric facility along with proposed environmental measures and project design features.

In April 2025, the Environmental Protection Agency (EPA) published a notice in the Federal Register announcing RD's planned *relying* on the analysis from the FERC FEIS. The FERC FEIS complies with all Council on Environmental Quality (CEQ), USDA, and RD requirements for *relying* on the analysis of an Environmental Impact Statement (EIS).

Hydroelectric facility and infrastructure activities analyzed and covered by FERC FEIS

The Sweetheart Lake Hydroelectric Project will occupy federal lands and non-federal lands. Project features include:

(a) A 280-foot-long, 111-foot-high concrete dam at the existing natural outlet of Lower Sweetheart Lake, with a 125-foot-long ungated overflow spillway
(b) A 525-foot-long, 10-foot-high, 10-foot-wide arched reservoir outlet tunnel

(c) A 45-foot-long, 25-foot-wide, 16-foot-high rectangular intake structure, with six 7-foot-diameter, 10-foot-high cylindrical fish screens adjacent to the right dam abutment
(d) A 9,612-foot-long, 15-foot-wide, 15-foot-high underground power tunnel
(e) An 896-foot-long, 9-foot diameter steel penstock installed within the lower portion of the power tunnel
(f) Three 160-foot-long, 7- to 9-foot-diameter buried steel penstocks connecting the lower portion of the power tunnel to the powerhouse
(g) A 160-foot-long, 60-foot-wide, 30-foot-high concrete and steel powerhouse
(h) Three 7.1-megawatt (MW) turbines and three 6.6-MW generators
(i) A 541-foot-long, 30- to 90-foot-wide rock tailrace with a fish exclusion structure
(j) A 4,400-foot-long coastal road from the powerhouse to a dock/landing site for vehicle access, located on the east shore of Gilbert Bay
(k) An 8.69-mile-long, 138-kilovolt (kV) transmission line traversing Gilbert Bay, the Snettisham Peninsula, and Port Snettisham, consisting of: (1) two buried segments, totaling 4,800 feet in length
(2) two submarine segments, totaling 25,700 feet in length; and (3) one 15,400-foot-long overhead segment
(l) A 22,000-square-foot fenced switchyard adjacent to the powerhouse
(m) A 60-foot by 60-foot switchyard at the end of the transmission line on the north shore of Port Snettisham
(n) A 25-foot-long, 5-foot-wide, 4-foot-deep salmon smolt re-entry pool adjacent to the powerhouse and tailrace
(o) A 4,225-square-foot caretaker's facility near the dock
(p) A 4,400-foot-long, 12.47-kV service buried transmission line and communication cable from the powerhouse to the dock and caretaker's facility
(q) A 10,000-foot-long, 12.47-kV service transmission line and communication cable extending from the powerhouse to the dam site, in conduit inside the power tunnel
(r) A 400-square-foot shelter at the dam site for employee use during smolt transport facility operations
(s) Appurtenant facilities.

Decision Options Considered

1) PREFERRED ALTERNATIVE, RD *relies* on the analysis from the FERC FEIS and meets federal requirements for funding.
   After detailed study of the FERC FEIS, RD recognizes the effort put in by many state and federal agencies in order to fully analyze and finalize the FERC FEIS. In order for RD to issue funding to the applicant, RD must *rely* on the analysis from the FERC FEIS to ensure all federal laws and regulations are followed before the applicant is able to move forward using federal issued money.
2) NO-ACTION ALTERNATIVE, RD does not *rely* on the analysis from the FERC FEIS. Under this alternative, RUS funding could not be used for the project.

Public Comment

During the draft EIS public comment period, FERC received comments from the USFS, EPA, Department of Interior, National Marine Fisheries Service, Alaska Department of Fish and Game, Alaska Department of Natural Resources, State Representative Cathy Muñoz, Alaska

Power, International Union of Operating Engineers, Cole Bookless, Scott Sprickler, and Juno Hydro, Inc. The interventions, comments, and recommendations were fully considered in determining whether, and under what conditions, to issue the final license. On May 31, 2016, FERC noticed the availability of the Final EIS for the project. On September 8, 2016, FERC issued Juneau Hydropower, Inc. an Order Issuing Original License for the project.

RD published its Notice of Intent to Adopt the FERC FEIS on April 28, 2025, and invited agency and public comment for this adoption action (Docket No. RUS–24–AGENCY–0036). The 30-day comment period for this action ended May 28, 2025; RD received 3 comment letters covering 21 points on the proposed adoption. The response to these comments can be found at: https://www.rd.usda.gov/resources/environmental-studies/impact-statement/sweetheart-lake-hydropower

National Environmental Policy Act Compliance
RD used the NEPA process to guide the decision to *rely* on the FERC FEIS for the Sweetheart Lake Hydroelectric Project. Per USDA guidelines, RD reviewed the impacts of *relying* on the analysis of the FERC FEIS before making this decision. RD has *relied* on the analysis of the FERC FEIS and informed the public of the proposed action, alternatives to that action, the environmental impacts of the alternatives, and measures to minimize adverse environmental effects.

Authorities
This ROD was developed in accordance with NEPA (42 U.S.C. §4321-4347), and the USDA NEPA regulations (7 CFR, Part 650).

Approval
In consideration of the information above, I approve this ROD with which RD formally *relies* on the analysis of the 2016 FERC FEIS, entitled Final Environmental Impact Statement for the Sweetheart Lake Hydroelectric Project (P-13563-003) issued May 31, 2016. I concur with the selection of the Preferred Alternative in the FEIS, as documented by the FERC FEIS license issuance.

This ROD is hereby approved effective as of the date of this signature.

KARL ELMSHAEUSER
Digitally signed by KARL ELMSHAEUSER
Date: 2025.07.11 10:14:16 -04'00'

Karl Elmshaeuser
Administrator
Rural Utilities Service