



Rural Development

06/26/2025

Rural Utilities Service

1400 Independence  
Ave SW, Room 5145  
Stop 1548  
Washington, DC  
20250

Voice 202.690.2670  
Fax 202.690.0649

**Response to Comments: Notice of Intent for the Adoption of “Hydropower License, Sweetheart Lake Hydroelectric Project-FERC Project No. 13563-003 Alaska”**

Overview: On April 28, 2025 Rural Development (RD) announced the intent to adopt the Final Environmental Impact Statement (FEIS) of Hydropower License, Sweetheart Lake Hydroelectric Project-FERC Project No. 13563-003 Alaska in the Federal Register (Docket No. RUS-24-AGENCY-0036). This included a 30-day comment period to ensure the public had the opportunity to address associated issues or concerns that RD may need to consider before adopting this action. Overall, three separate commentors submitted letters that covered 21 separate points. Most of these comments were outside the scope of the decision of whether RD provides funding or not for this action by adopting the FEIS. The following were the commenting points and questions with responses by RD. No change in the Record of Decision was needed with the scope of the project due to comments. **All comments and supporting evidence were copied verbatim from the commentors.**

**Comment 1:**

This application to destroy this natural area should be denied. this is about moneymad people, destruction of nature and all wildlife. its formanmade profiteering and should not destroy alaska land. we need to protect this area of alaska instead of turning it into newark nj, as horrible as that area is.

Supporting Evidence:  
None

Comment Response:  
Not a substantive comment.

**Comment 2:**

Comment: Given the original FEIS dates to 2016, RD should supplement the record by analyzing new climate and ecological data (2016–2025) on cumulative impacts to Tongass National Forest, aquatic ecosystems, and indigenous communities.

Supporting Evidence: CEQ guidance and NEPA case law increasingly emphasize the need for up-to-date, project-specific climate analysis. (U.S. CEQ, 2023).

Comment Response:

The decision being made is whether RD will fund the project or not, the project details were analyzed in the original FERC EIS. RD is in compliance with Executive Orders 14148 (Initial Recissions of Harmful Executive Acts and Orders), and 14154 (Unleashing American Energy) in regard to requirements to analyze climate change or cumulative impacts in NEPA documents.

**Comment 3:**

RD should demonstrate robust, ongoing government-to-government consultation with Alaska Native Tribes and communities, including documentation of Free, Prior, and Informed Consent (FPIC) regarding project impacts and benefits.

Supporting Evidence: The Biden Administration's 2022 Indigenous consultation memorandum sets higher standards than pre-2016 EIS practice. (White House, 2022, <https://www.whitehouse.gov/briefing-room/presidential-actions/2022/11/30/memorandum-on-uniform-standards-for-tribal-consultation/>)

**Comment Response:**

RD consulted under Section 106 of the National Historic Preservation Act. Initiation letters were sent on Oct. 2, 2024. No response was received from any consulting party as of January 6, 2025. A conclusion of "No Adverse effect in accordance with 36 CFR § 800.5(b)" was signed on January 6, 2025.

**Comment 4:**

Does the project's fish exclusion structure and smolt transport facility meet the most current NOAA and USFWS best practices for habitat connectivity and local subsistence protections, especially for Alaska Native communities who rely on these fisheries?

Supporting Evidence: Updated NOAA fish passage standards postdate the FEIS and reflect evolving understanding of salmonid needs. (NOAA, 2021, <https://www.fisheries.noaa.gov/topic/fish-passage>)

**Comment Response:**

RD re-initiated consultation for listed Species under Section 7 of the Endangered Species Act, Essential Fish Habitat under the Magnuson-Stevens Act, and the Marine Mammal Protection Act with NOAA and USFWS, and all previous analysis were still valid. There were no new listed species within the project area since the original informal consultation was completed. RD requested updated concurrence with NOAA on listed species and concurrence of "Not Likely to Adversely Affect" was received by NOAA on June 26, 2024. There was a No Effect determination for USFWS listed species under Section 7 of the Endangered Species Act and no consultation was required.

**Comment 5:**

RD should require that any project financing ensures affordable and equitable access to energy for low-income and tribal residents, with rate protections and reinvestment in community programs.

Supporting Evidence: Rural clean energy projects funded with federal loans have increased social equity when affordability requirements are built in. (Leung, E., 2020, "The Case for Rural Energy Equity," Energy Policy, <https://doi.org/10.1016/j.enpol.2020.111840>)

**Comment Response:**

RD will require financing meets current regulations under the Code of Federal Regulations.

**Comment 6:**

Have any new species listings or critical habitat designations under the Endangered Species Act occurred since the 2016 consultation that would require a supplemental review?

Supporting Evidence: Several Alaska species have had status reviews or new listings since 2016. (USFWS ESA Species List, <https://ecos.fws.gov/ecp/report/species-listings-by-year-totals>)

Comment Response:

RD re-initiated informal consultation for Threatened and Endangered Species, Essential Fish Habitat, and the Marine Mammal Protection Act. Previous analysis was still valid. There were no new listed species within the project area since the original informal consultation was completed. Concurrence was received by NOAA on June 26, 2024. There was a No Effect determination for USFWS listed species under Section 7 of the Endangered Species Act and no consultation was required.

**Comment 7:**

RD should require clear lifecycle carbon accounting for the dam, associated transmission, and land use change, ensuring the project provides a net climate benefit versus existing energy sources.

Supporting Evidence: Recent hydropower analyses highlight the importance of full lifecycle GHG analysis to avoid overestimating climate benefits. (Deemer, B.R. et al., 2016, “Greenhouse Gas Emissions from Reservoir Water Surfaces: A New Global Synthesis,” BioScience, <https://doi.org/10.1093/biosci/biw117> )

Comment Response:

RD is in compliance with Executive Orders 14148 (Initial Recissions of Harmful Executive Acts and Orders), and 14154 (Unleashing American Energy) in regard to climate actions.

**Comment 8:**

Funding should require prevailing wage, local hire, and diversity targets in project labor agreements to maximize community and worker benefits.

Supporting Evidence: DOE-funded infrastructure projects show improved outcomes and economic mobility when such standards are applied. (DOE, 2023, <https://www.energy.gov/articles/biden-harris-administration-announces-steps-promote-high-road-labor-standards-clean-energy>)

Comment Response:

The decision being made is whether RD will fund the project or not, the project construction was analyzed in the original FERC EIS. RUS is complying with current laws, regulations, and executive orders.

**Comment 9:**

What long-term monitoring and adaptive management will be required to ensure that the hydropower project's environmental impacts (e.g., water quality, fish health, wetland integrity) are promptly identified and addressed?

Supporting Evidence: Adaptive monitoring is now standard in large-scale hydro projects to safeguard ecosystem health. (World Bank, 2021, <https://openknowledge.worldbank.org/handle/10986/35523>)

**Comment Response:**

The decision being made is whether RUS will fund the project or not, the project construction was analyzed in the original FERC EIS. The project will meet all requirements outlined in the FERC License and the Special Use Permit issued by the Tongass National Forest Service. These can be found at: <https://www.fs.usda.gov/r10/tongass/projects/archive/51898>

**Comment 10:**

The final action should guarantee meaningful public access and protect traditional, recreational, and subsistence land uses on and around project sites, in line with Forest Service multiple-use policy and Alaska community needs.

Supporting Evidence: Public access and multi-use protections are central to sustainable hydroelectric development. (USFS, 2019, "Multiple-Use Sustained-Yield Act," <https://www.fs.usda.gov/about-agency/organization/mission>)

**Comment Response:**

The Tongass National Forest Service was a cooperator on the FERC EIS and also issued a record of decision for a special use permit and analyzed the project to USFS standards. These documents can be found at: <https://www.fs.usda.gov/r10/tongass/projects/archive/51898>

**Comment 11:**

Has RD completed a thorough Environmental Justice analysis to ensure that project risks and benefits are distributed fairly, particularly for historically marginalized rural and tribal populations?

Supporting Evidence: Federal policy now requires explicit EJ consideration in all major infrastructure approvals. (EPA EJScreen, 2024, <https://www.epa.gov/ejscreen>)

**Comment Response:**

RD is in compliance with current Executive Orders 14148 (Initial Recissions of Harmful Executive Acts and Orders), and 14154 (Unleashing American Energy) in regard to Environmental Justice.

**Comment 12:**

The rule should require that broadband funding prioritizes projects benefiting rural communities with the lowest existing connectivity, highest poverty rates, Indigenous populations, and persistent racial or ethnic digital divides, and mandate reporting on equity impacts of awarded projects.

Supporting Evidence: Studies consistently show that rural communities of color and tribal lands are least likely to have reliable broadband access. Targeted interventions are most effective in closing these gaps.

Comment Response:

This project is an electric generation project and is not a broadband project.

**Comment 13:**

Project selection criteria should incentivize or require affordable pricing tiers and robust digital literacy programs as grant or loan conditions, ensuring that newly built infrastructure actually results in meaningful access for low-income residents.

Supporting Evidence: Broadband adoption rates remain low where cost or digital skills are barriers, even after infrastructure is deployed.

Comment Response:

This project is an electric generation project and is not a broadband project.

**Comment 14:**

All funded projects should integrate climate-resilient construction standards (e.g., undergrounding, redundancy, solar backup), minimize ecological disruption, and undergo robust environmental review with public input, especially in frontline or environmental justice communities.

Supporting Evidence: The National Academies emphasize resilience in rural telecom infrastructure as key to disaster preparedness and equitable recovery.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 15:**

The rule should require contractors to meet fair labor standards, pay prevailing wages, ensure safe worksites, and, where feasible, employ local and union labor, with annual public reporting of workforce demographics and employment outcomes.

Supporting Evidence: Davis-Bacon and Project Labor Agreements have been shown to improve project outcomes and local economic development.

Comment Response:

This comment is outside the scope of the proposed action of whether or not RD adopts the FERC FEIS.

**Comment 16:**

Program eligibility and scoring should remain technology neutral but require all networks to support open access provisions and net neutrality, avoiding digital redlining or monopolistic practices in rural markets.

Supporting Evidence: Open access models have increased competition, reduced prices, and expanded rural broadband in global best-practice case studies.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 17:**

Application scoring, awards, and subsequent project milestones should be fully transparent and accessible online, with opportunities for community feedback, whistleblower protections, and periodic audits to prevent fraud or waste.

Supporting Evidence: Transparency in infrastructure spending reduces corruption and improves program efficiency.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 18:**

Funded providers should be required to guarantee minimum service levels (speed, reliability, latency), no surprise fees, strong consumer complaint mechanisms, and multilingual support for rural and migrant populations.

Supporting Evidence: State-level broadband programs have shown service quality guarantees are necessary for sustained rural adoption.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 19:**

Require grantees and loan recipients to provide detailed, up-to-date, and publicly accessible maps of actual (not just advertised) broadband coverage, verified by third-party or crowd-sourced audits, to support transparency and future planning.

Supporting Evidence: GAO reports show that federal broadband mapping is often overstated without independent data validation.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 20:**

Project eligibility should reward effective partnerships with local governments, cooperatives, tribal entities, and non-profits to maximize community ownership, leverage local knowledge, and avoid duplication with other federal/state programs.

Supporting Evidence: Public-private and public-public partnerships have delivered superior rural outcomes in multiple U.S. states.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.

**Comment 21:**

The rule should include requirements for periodic program evaluation, stakeholder engagement, and adaptive management to update rules and funding priorities as technology, community needs, and market conditions evolve.

Supporting Evidence: Continuous improvement approaches are widely recognized as best practice in large infrastructure programs.

Comment Response:

This project is an electric generation project and is not a telecom infrastructure broadband project.