

FINDING OF NO SIGNIFICANT IMPACT

**Northern Line-Berners Bay Submarine Cable Project
Juneau, Alaska**

**Rural Utilities Service
U.S. Department of Agriculture**

Juneau Hydropower, Inc.

**Prepared by:
Environmental and Historic Preservation Division Staff
Rural Utilities Service**

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A. INTRODUCTION

Juneau Hydropower, Inc. (JHI), plans to submit a financing request to the U.S. Department of Agriculture (USDA), Rural Utilities Service (RUS) to construct the Northern Transmission Line-Berners Bay Submarine Cable Project. RUS is considering this financing request. Prior to taking a federal action (i.e., providing financial assistance), RUS is required to complete an environmental analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. §§ 4321–4347) and USDA’s NEPA implementing regulation interim final rule (7 CFR Part 1b). After completing an independent analysis of an environmental report prepared by Juneau Hydropower, Inc. and its consultant, RUS concurred with its scope and content. In accordance with 7 CFR § 1b.5, RUS will rely on the report and issue it as the Agency’s Environmental Assessment (EA) for the proposed Project. RUS finds that the EA is consistent with federal regulations and meets the standards for an adequate assessment. The EA complies with the page limit and deadline required by NEPA. In addition, RUS considers the proposed Project an undertaking subject to review under Section 106 of the National Historic Preservation Act (NHPA), 16 USC 470(f), and its implementing regulation, “Protection of Historic Properties” (36 CFR Part 800).

B. PROJECT DESCRIPTION AND PURPOSE/NEED

The Applicant is pursuing funds through the Agency’s Electric Infrastructure Loan and Loan Guarantee Program to construct a The proposed Project involves constructing and operating the Northern Transmission Line, a 69-kV overhead transmission line with Fiber Optic Cable (FOC) that extends from the Lena Substation to include a 10MW/20MWh Battery Energy Storage System (BESS) north along the Veterans Memorial Highway, through Point Bridget State Park [24 miles], and a 69 kV Submarine Composite Power and Fiber Optic Cable (SCPFOC) and north eastward across Berners Bay to the Slate Creek Cove [40,471 ft.] Dock area and then a terrestrial overhead transmission line on the Jualin Road corridor to the Coeur Alaska Kensington Mine [37,750 ft.]. The Project also includes a 25-kV submarine Submarine Composite Power and Fiber Optic Cable [8,653 ft.].

C. ALTERNATIVES EVALUATED

1. No Action

Under the “No Action” alternative, funding would not be obtained, and work would not be completed to develop and construct the Project. The overall objective of the Project is to provide energy to the currently diesel generated run Kensington Mine and surrounding areas. This No Action Alternative would maintain the status quo of high-cost diesel power, limited

communications capacity, and foregone opportunities for economic development, housing, public safety, and environmental protection in northern Juneau and the northern Lynn Canal region.

2. Action Alternative (Preferred Alternative)

Under the proposed action, RUS would approve the Juneau Hydropower, Inc. project request, and the applicant would construct the Northern Transmission Line-Berners Bay Submarine Cable Project.

Key components of the proposed Project include:

- New 69 kV Transmission Line (Terrestrial and Submarine) – Approximately 39 miles of new 69 kV transmission line.

- Berners Bay Submarine Composite Power and Fiber Optic Cable (SCPFOC) – A submarine crossing of Berners Bay utilizing a SCPFOC with landing sites located on State of Alaska tidelands.

- Jualin Road Right-of-Way (ROW) Corridor – Utilization of the existing 42-foot-wide Jualin Road ROW for approximately 6 miles of overland transmission corridor.

- Substation Facilities – Construction of new substation facilities at the Kensington Mine and upgrades at the Lena Point Substation.

- Fiber Optic Communications Backbone – Ancillary fiber-optic installation co-located with the transmission.

D. SUMMARY OF ENVIRONMENTAL EFFECTS

The analysis in the EA documented that the proposed Project will have no adverse effects to land use, farmland, floodplains, wetlands, water resources, coastal resources, biological resources, cultural resources and historic properties, aesthetics, air quality, socioeconomics, noise, transportation, human health and safety, and corridors. In accordance with the requirements of 7 CFR 1b.5, a summary of anticipated impacts on the human environment is provided below, including any mitigation measures deemed necessary to avoid, minimize, or mitigate impacts. Juneau Hydropower, Inc. is responsible for implementing these measures.

There are no federal lands or other formally classified lands within the Project. The Project site contained no important farmland. There will be no impact on floodplains. Applicant holds current USACE Section 404 Authorization for wetlands. The Project area could cause temporary impacts to coastal resources. The Project will have no significant impact to

sole source aquifers, formally classified lands, important farmland, floodplains, wetlands, coastal resources, or water resources.

The Project area was analyzed for federally listed, proposed, or candidate species. The Biological Assessment submitted to USFWS and NMFS, concluded that the Project may affect, but is not likely to adversely affect Steller sea lions, humpback whales, or bald eagles. For all other listed species, the Project is expected to have no effect. The project analyzed Essential Fish Habitat and found the potential to affect fish and aquatic resources through localized and temporary disturbance of freshwater and marine habitats. The Project will have no significant impact to biological resources.

Letters were sent to the State Historic Preservation Officer, and 3 Indian Tribes. The Project will use an inadvertent discovery provision during construction. Based on the information available, including the magnitude and nature of the undertaking and the avoidance measures included, this Project has a finding of No Historic Properties Affected and will not impact historic properties.

The Project area is in non-attainment for criteria air pollutants and in compliance with all federal clean air standards. Therefore, the Project will not have a significant effect on air quality.

E. PUBLIC AND AGENCY INVOLVEMENT

The agencies contacted were the, US Fish and Wildlife Service, National Marine Fisheries Service, US Forest Service, AK State Historic Preservation Office, and three Indian Tribes. A copy of the EA is available for public review at the agency website:

<https://www.rd.usda.gov/resources/environmental-studies/assessment/northern-transmission-line-berners-bay-submarine-cable-project-ak>

F. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed Project will have no significant effects to land use and important farmland, floodplains, wetlands, water resources, coastal resources, biological resources, cultural resources and historic properties, aesthetics, air quality, socioeconomics, noise, transportation, human health and safety, and corridors. The proposed Project will not likely affect historic properties listed or eligible for listing on the National Register of Historic Places and no effects to federally listed species or designated critical habitat.

In accordance with the National Environmental Policy Act, as amended, and USDA's National Environmental Policy Act interim final rule, RUS has determined that the environmental impacts of the proposed Project have been adequately addressed and that no significant impacts to the quality of the human environment will result from construction and operation of the proposed Project. Any final action by RUS related to the proposed Project will be subject to, and contingent upon, compliance with all relevant federal and state environmental laws and regulations. Because RUS action will not result in significant impacts to the quality of the human environment, RUS will not prepare an Environmental Impact Statement for its potential federal action associated with the proposed Project.

G. LOAN REVIEW AND RIGHT OF ADMINISTRATIVE REVIEW

This FONSI is not a decision on a loan application and therefore not an approval of the expenditure of federal funds. Issuance of the FONSI concludes RUS's environmental review process. The ultimate decision on loan approval depends upon conclusion of this environmental review process in addition to financial and engineering reviews. Issuance of the FONSI will allow for these reviews to proceed. The decision to provide financial assistance also is subject to the availability of loan funds for the designated purpose in RUS's budget. There are no provisions to appeal this FONSI or the agency's other environmental determinations. Legal challenges to the FONSI may be filed in Federal District Court under the Administrative Procedures Act.

H. APPROVAL

This Finding of No Significant Impact is effective upon signature.

Dated:

CHRISTOPHER A. MCLEAN
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Rural Utilities Service

Contact Person

For additional information on this FONSI and EA, please contact Russell Japuntich, Environmental Protection Specialist, at russell.japuntich@usda.gov.