FINDING OF NO SIGNIFICANT IMPACT

Boone – Williamstown 69 kV Transmission Line Rebuild Project Boone, Gallatin, and Grant Counties, Kentucky

RURAL UTILITIES SERVICE U.S. Department of Agriculture

Prepared by: Engineering and Environmental Staff Rural Utilities Service

East Kentucky Power Cooperative

February 2022

A. INTRODUCTION

East Kentucky Power Cooperative (EKPC) has submitted a financing request to the U.S. Department of Agriculture (USDA) Rural Utilities Service (RUS) to rebuild, operate, and maintain the Boone – Williamstown 69 kilovolt (kV) Transmission Line Project. The existing electric transmission line section that will be rebuilt is approximately 28.4 miles in length and located within an existing 100-foot-wide right-of-way (ROW) easement on private properties in portions of Boone, Gallatin, and Grant Counties, Kentucky.

RUS may consider approving this financing request. Prior to taking a federal action (e.g., providing financial assistance), RUS is required to complete an environmental effects analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (U.S. Code 4321 et seq.), the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 Code of Federal Regulations Parts 1500-1508), and RUS's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970). RUS is required to prepare an Environmental Assessment (EA) for the proposed project to fulfill its NEPA responsibilities.

After completing an independent analysis of an environmental report prepared by EKPC, RUS concurred with its scope and content. In accordance with 7 CFR § 1970.102, RUS adopted the report and issued it as the agency's EA for the proposed project. RUS finds that the EA is consistent with federal regulations and meets the standards for an adequate EA. EKPC published newspaper notices in three weekly periodicals, announcing the availability of the EA for public review, in accordance with 7 CFR §1970.102(6)(ii). 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

EKPC is proposing the Boone – Williamstown Transmission Line Rebuild Project to improve system reliability by improving the physical condition of the existing transmission line, including the conductors, static wires, poles, and/or structures, while also ensuring the facility is brought up to date and is compliant with the current federal National Electric Safety Code. A complete

rebuild of the line section using steel pole structures was determined to be the most cost-effective long-term solution. Rebuilding this line section with larger conductors will not only improve the physical condition of the line, it would also provide increased conductor thermal rating, increased voltage support for normal and contingency conditions, address reliability concerns, and reduce conductor losses. These additional benefits would ultimately result in future cost savings for EKPC's Owner-Members.

The Boone – Williamstown transmission line section is approximately 28.4 miles in length and generally oriented north to south between the Boone 69 kV substation and Munk Junction, and west to east between Munk Junction and the Williamstown 69 kV substation. The Boone substation is located at the southeastern corner of the junction of Longbranch Road and Camp Ernst Road, approximately 3.5 miles south of Burlington in Boone County. Munk Junction is located on the west side of Kentucky Highway (KY) 36, approximately 0.1 mile southeast of Smokey Road in Grant County. The Williamstown substation is located on the south side of Barnes Road, 0.25 mile west of Interstate 75, approximately 1.75 miles west of Williamstown in Grant County.

The proposed project will occur within the existing 100-foot-wide ROW easement, which encompasses approximately 344.2 acres. The transmission line crosses private land, and no State/Federal lands are present in the ROW. The proposed project will consist of removing the existing transmission line and associated wood pole structures and constructing the new line in its place. The new line will be constructed using stronger steel-pole structures, which are approximately 12 feet higher than existing poles. This construction method will require significantly fewer structures than currently present. The existing transmission line is currently comprised of 263 wood-pole structures that have an approximate above ground height of 60 feet and a typical span length of 575 feet. Based on the engineering design, the existing structures will be replaced with 212 steel-pole structures with an approximate above ground height of 72 feet and a typical span length of 715 feet, resulting in 51 fewer structures.

As a result of there being an existing transmission line facility and associated maintenance access points, EKPC anticipates using existing roads and the ROW easement to access the existing and new structure locations without having to create new roads. However, some of the existing

access points may require improvements to allow for larger construction vehicles to reach the ROW. Within the existing ROW, the vegetation is maintained by EKPC, agricultural, and residential property owners as a low growing herbaceous plant community. No tree clearing is anticipated within the ROW; however, EKPC utilized LIDAR data to identify hazard trees located along the edges of the existing ROW that could pose a potential threat to the future operation of the transmission line that would be removed during the project.

C. PURPOSE/NEED

1. Agency Purpose and Need

RUS is authorized to make loans and loan guarantees to finance the construction of electric distribution, transmission, and generation facilities, including system improvements and replacements required to furnish and improve electric service to rural areas, as well as demand side management, energy conservation programs, and on-grid and off-grid renewable energy systems. The Rural Electrification Act of 1936, as amended (7 USC §901 et seq.), generally authorizes the Secretary of Agriculture to make rural electrification and telecommunication loans, including specifying eligible borrowers, references, purposes, terms and conditions, and security requirements.

2. Applicant Purpose and Need

EKPC of Winchester, Kentucky, is a non-profit electric generation and transmission cooperative that provides electric power to 16 Owner-Member Electric Distribution Cooperatives. The distribution cooperatives serve approximately 530,000 homes, farms, and commercial and industrial customers in 87 Kentucky counties located across the central and eastern portions of the Commonwealth. The Boone - Williamstown 69 kV transmission line section is roughly 28.4 miles in length, and was one of EKPCs first transmission lines, constructed circa 1957-1958. The outage probability of this line section is expected to be considerably higher than for other lines on the EKPC system. Due to reliability concerns associated with the deteriorating physical condition of the existing facility, EKPC has identified the need to rebuild this line section as the most cost-effective long-term solution.

D. ALTERNATIVES EVALUATED

1. No Action Alternative

The No Action Alternative would result in RUS not providing financing assistance for the proposed project. Consequently, EKPC would not rebuild the Boone – Williamstown transmission line, and the small size and overall poor physical condition of the existing conductor and wood-pole structures would continue to produce maintenance and reliability issues, low voltages, and ultimately result in EKPC's inability to meet future load growth. EKPC would also be unable to meet its obligation to its members to furnish adequate and reliable power to meet their present and future needs.

2. Proposed Project Alternative - Rebuild, Operate, and Maintain Transmission Line The Proposed Action Alternative would result in RUS providing financial assistance to EKPC for construction of the Boone – Williamstown transmission line rebuild project as described above in Section B – Project Description.

3. Alternatives Eliminated from Further Consideration

Because the proposed project would be located completely within the existing 100-foot-wide ROW easement, any alternatives to the current route could potentially affect a larger area, cost more to construct, affect more property owners, and have greater environmental impacts.

Therefore, the proposed route was the only alternative considered in detail for the Boone – Williamstown transmission line rebuild project.

E. SUMMARY OF ENVIRONMENTAL EFFECTS

Cultural Resources and Historic Properties. EKPC and their consultant, Cultural Resource Analysts, Inc. (CRA), initiated consultation with the Kentucky State Historic Preservation Office (SHPO) on October 19, 2020, and following a change in scope to include a complete rebuild of the transmission line, consulted with SHPO again on May 26, 2020. On behalf of RUS, EKPC sent a notification on October 30, 2020, to initiate Section 106 review with federally recognized Tribes regarding historic properties that may be affected by the proposed project. Through emails dated October 7, 2021, EKPC sent a project update to the federally recognized tribes regarding the change in scope. No further project coordination was requested by any of the Tribes.

EKPC submitted CRA's archaeological and cultural resources surveys to SHPO during the development of the proposed project. After its review of the initial survey reports, SHPO issued a letter dated April 12, 2021, in which it agreed with RUS's recommendation that the proposed project would result in no adverse effect to historic properties. After the proposed project's scope was revised, EKPC submitted addendums to the archaeological and cultural resource surveys to SHPO. The SHPO notified EKPC on October 4, 2021, that it did not agree with some of the eligibility recommendations for resources that were identified in the addendum surveys. However, the SHPO ultimately did concur with RUS's official recommendation of no adverse effect to archaeological and cultural historic properties for the proposed project.

Threatened and Endangered Species. The effects of the proposed action to endangered or threatened species and their habitat were analyzed in a biological assessment, the results of which are summarized in the EA. To assess the potential effects, EKPC utilized USFWS's Information for Planning and Conservation system and their bat habitat mapping database. The biological assessment identified the potential presence of 14 federally listed species (3 bats, 11 clams), and following field investigations, EKPC submitted the results of the habitat assessment to the U.S. Fish and Wildlife Service (USFWS) Kentucky Field Office (KFO) in a letter dated March 3, 2021. EKPC proposed an effects determination of "Not Likely to Adversely Affect" for the gray bat and 11 listed mussel species.

Due to the removal of suitable Indiana bat summer habitat along the edges of the ROW, EKPC proposed mitigation for adverse effects to the species by contributing to the Imperiled Bat Conservation Fund (IBCF), using the process detailed in the USFWS KFO's 2016 Revised Conservation Strategy for Forest-Dwelling Bats. Based on the anticipated removal of up to 44.76 acres of suitable habitat during the unoccupied period (October 15 to March 31), EKPC contributed to the IBCF, receipt of which was confirmed via an email dated March 29, 2021 from the Kentucky Natural Lands Trust. As a result of the IBCF contribution, adverse effects to the Indiana bat from removal of suitable roost trees have been mitigated through implementation of the USFWS process.

The proposed project is located within known northern long-eared bat (NLEB) summer habitat; therefore, EKPC submitted an effects determination for the proposed action using the NLEB key

within the IPaC database on February 24, 2021. The IPaC results showed that the proposed action is consistent with activities analyzed in the USFWS's January 5, 2016 Programmatic Biological Opinion (PBO) for this species, which addresses activities excepted from "take" prohibitions. The proposed action has the potential to affect the NLEB; however, any take that may occur as a result of the action is not prohibited under the ESA Section 4(d) rule adopted for this species.

After reviewing the information provided by EKPC in a March 3, 2021 letter, the USFWS concurred with EKPC's findings and effects determinations in a letter dated March 19, 2021. As a result, the proposed action is not likely to adversely affect/jeopardize the evaluated species. In view of these findings, EKPC, on behalf of RUS, has fulfilled the requirements of Section 7 of the Endangered Species Act for this project.

Adverse effects to federally protected bird species are not anticipated due to use of design guidelines for the proposed transmission line listed in the Avian Power Line Interaction Committee's Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006. EKPC has also committed to limit tree clearing to between October 15 and March 31 as part of the Indiana bat mitigation, which will also act as a conservation measure to minimize impacts to bird nests with eggs or non-volant juveniles. Additionally, based on information provided in the IPaC Report, there are no known eagle occurrences within the vicinity of the proposal, and no eagles or eagle nests were observed during field investigations.

<u>Floodplains</u>. None of the new steel-pole structures will be installed within designated floodplains, and two existing structures will be removed from the floodplains of Mud Lick Creek and Williams Branch. The Floodplain Development General Permit covers activities that have minimal potential to affect floodplains, including development and placement of utility poles, thus, the proposed project shall have automatic coverage under the Floodplain Development General Permit.

<u>Wetlands</u>. Several wetland areas were identified during field surveys of the project footprint; however, due to avoidance and minimization measures that will be implemented during construction, no loss of wetlands are anticipated as a result of the project. Based upon the

information gathered, the proposed project will have no significant impacts to wetlands or streams.

F. PUBLIC AND AGENCY INVOLVEMENT

Local newspaper notices, announcing the availability of the EA and participation under Section 106 of the NHPA were published in The Gallatin County News on January 19, 2022, and January 20, 2022; The Boone County Recorder on January 20, 2022, and January 27, 2022, and The Grant County News, on January 20, 2022, and January 27, 2022. A hard copy of the EA was available at the Grant County Library at 201 Barnes Road, Williamstown, KY 41097 and on the RUS project website at: https://www.rd.usda.gov/resources/environmentalstudies/assessments

The 14-day public review period began on January 19, 2022, and concluded on February 4, 2022. The RUS website included project information in an easily accessible format (e.g., Section 508compliant portable document format file [PDF]. RUS received no comments from the public.

G. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed project would have no significant adverse effects to water quality, wetlands, the 100-year floodplain, land use, aesthetics, transportation, or human health and safety. RUS has concluded that the proposed project would have no adverse effects on historic properties listed or eligible for listing on the National Register of Historic Places and no adverse effects to federally listed threatened and endangered species, candidate species, or federally designated critical habitat. The proposed project would not disproportionately affect minority or low-income populations.

In accordance with the NEPA, as amended (42 U.S. Code 4321 et seq.), the CEQ regulations (40 CFR 1500-1508), and RUS's Environmental Policies and Procedures (7 CFR Part 1970), RUS has determined that the environmental effects of the proposed project have been adequately addressed and that no significant impacts to the quality of the human environment would 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's action will not result in

significant impacts to the quality of the human environment, an Environmental Impact Statement will not be prepared for the proposed project.

H. RUS 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 and its notices concludes RUS's environmental review process in accordance with NEPA and RUS's Environmental Policies and Procedures (7 CFR Part 1970). The ultimate decision as to loan approval depends upon conclusion of this environmental review process in addition to financial and engineering reviews. Issuance of the FONSI and publication of notices will allow for these reviews to proceed. The decision to provide financial assistance is also subject to the availability of loan funds for the designated purpose in RUS's budget. There are no provisions to appeal this decision (i.e., issuance of a FONSI). Legal challenges to the FONSI may be filed in federal district court under the Administrative Procedures Act.

I. APPROVAL

Dated:

This Finding of No Significant Impact is effective on signature.

CHRISTOPHER A. McLEAN		

Assistant Administrator Electric Programs Rural Utilities Service

Contact Person

For additional information on this FONSI and EA, please contact Ms. Suzanne Kopich, Environmental Protection Specialist, Water and Environmental Programs, USDA Rural Utilities Service, at 202-961-8514; or e-mail: suzanne.kopich@usda.gov