

**FINDING OF NO SIGNIFICANT IMPACT**  
**TENNESSEE VALLEY AUTHORITY**  
PROPOSED WATER-ACCESS RIGHTS EXCHANGE AND WATER USE FACILITIES FOR  
THE COVE AT BLACKBERRY RIDGE  
WATTS BAR RESERVOIR  
RHEA AND ROANE COUNTIES, TENNESSEE

TVA received a request from a private developer, The Cove at Blackberry Ridge, LLC, to grant an easement for shoreline access and issue a Section 26a permit for construction of community water-use facilities at the Cove at Blackberry Ridge (CBR) on Watts Bar Reservoir. The 145 feet of shoreline fronting CBR does not currently have water access rights; the easement would provide access rights to this stretch of the shoreline for a community boat dock and launching ramp. Consistent with TVA's "maintain and gain" policy for the shoreline of the Tennessee River and its tributaries, the applicant is proposing, through deed modification, to extinguish 150 feet of water access rights on another section of the Watts Bar Reservoir that is currently under the applicant's ownership. To provide additional public benefits, the applicant will grant TVA \$15,000 for shoreline stabilization work on Wading Bird Island. Thus, TVA's proposed action involves the grant of a recreation easement for shoreline access to Area A and the issuance of a Section 26a permit to construct a community boat dock and launching ramp in this easement area.

The proposal would also require approval by the U.S. Army Corps of Engineers (USACE) under Section 10 of the River and Harbors Act and Section 404 of the Clean Water Act for the shoreline stabilization areas, the boat-launching ramp, and community facilities.

TVA has reviewed the proposed action in an environmental assessment (EA) in accordance with its procedures in implementing the National Environmental Policy Act (NEPA). This EA is incorporated by reference.

TVA considered two alternatives: the No Action Alternative, which would be TVA's denial of the applicant's requests for the exchange of water-access rights and approval of the proposed water use facilities, and the Action Alternative, which would be TVA's approval of the applicant's request. Under the Action Alternative, the applicant would relinquish 150 feet of water-access rights along shoreline in Rhea County in exchange for opening 145 feet of water-access rights along the shoreline of Watts Bar Reservoir in Roane County and for the construction of a 10-slip (accommodating 20 boats) community facility and boat-launching ramp on Lot 124 of the Cove at Blackberry Ridge Subdivision. A 50-foot-wide conservation buffer zone would be established though a deed restriction fronting the shoreline to be relinquished. As part of this alternative, in order to provide additional public benefit, the applicant would partner with TVA to stabilize up to 200 feet of critically eroding shoreline on Wading Bird Island or a similar location on Watts Bar Reservoir.

Based on of the nature of the proposal, TVA has determined there would be no waste stream generation or alteration involving air, hazardous materials, solid wastes, or special material. Likewise, TVA has determined there would be no impacts to groundwater or significant

managed areas, wildlife habitat, floodplains, noise, aesthetics, and environmental justice. With adherence to TVA's General and Standard Conditions, potential effects to water quality and aquatic life would be insignificant. Potential effects to the recreational experience or safety of boaters would be negligible. The proposed action would not affect any state-listed or federally listed species or their habitats. Due to the very small area affected by the proposed boat dock facility and ramp and due to the amount of unencumbered shoreline remaining on the adjacent properties, approval of this proposal has a minimum impact on the wildlife and other environmental considerations. TVA has determined that cumulative impacts of this action would be insignificant. No impacts other than improving protection of resources on the TVA land along the shoreline to be relinquished are anticipated.

Regarding cultural resources, TVA determined the area of potential effects (APE) would be the TVA land and shoreline on which water-access rights would be granted (including the location of the launching ramp and community dock), the shoreline on which water-access rights would be relinquished, and the shoreline fronting Wading Bird Island. No historic properties were found during surveys of these areas. The Tennessee State Historic Preservation Officer (SHPO) requested that TVA consider the entire back-lying subdivision as the APE for purposes of cultural resources. TVA reevaluated its earlier delineation of the APE, finding that development of the back-lying subdivision is not within TVA's control, and that the development could proceed without TVA approval or involvement. Accordingly, TVA determined the APE it delineated for this project was correct and sent a letter to the SHPO on October 29, 2007, indicating this determination. The SHPO disagreed, terminating consultation regarding the project, and requesting TVA begin consultation with the Advisory Council on Historic Preservation (ACHP).

TVA, per 36 CFR Part 800, began consultation with ACHP in an attempt to resolve the dispute and to fulfill its responsibilities for the project under Section 106 of the National Historic Preservation Act. ACHP requested additional information, which TVA sent on March 3, 2008. The ACHP, in a letter dated April 10, 2008, indicated it would not challenge TVA's delineation of the APE for this project and suggested TVA consult further with the SHPO, if possible.

On April 18, 2008, TVA wrote the SHPO explaining that TVA had fulfilled its obligation under Section 106. That letter reminded the SHPO that the original September 21, 2007, correspondence for this project included a survey report for the APE. In that report, no historic properties were identified. This is the same report submitted to the SHPO by USACE for the same area requiring a USACE permit. The SHPO agreed with the USACE's finding of no historic properties affected. The APE for the USACE's undertaking is identical to the APE for TVA's undertaking. Accordingly, based on the information collected so far and the fact that no cultural resources were found within the identified APE, TVA's Section 106 responsibilities regarding this proposed action have been fulfilled.

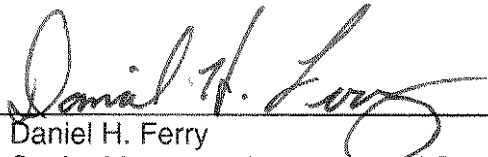
### **Mitigation and Special Permit Conditions**

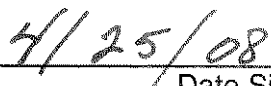
TVA would require adherence to standard and general permit conditions and the use of construction-related best management practices. The following special permit condition would be established in TVA's approval under Section 26a of the TVA Act in order to reduce the potential for adverse environmental effects:

- The lots served by the community docks would not be eligible for individual water use facilities or private docks.

**Conclusion and Findings**

TVA has reviewed the impacts from its proposed action involving approval of water-access rights exchange, water use facilities, launching ramp, and shoreline stabilization and has determined that its action would not be a major federal action significantly affecting the environment. Accordingly, preparation of an environmental impact statement is not required. The state of Tennessee, Division of Water Pollution Control, has determined that the proposed shoreline stabilization areas and the boat-launching ramp qualify for the Aquatic Resources Alteration Permit general permit conditions. This finding of no significant impact is contingent upon adherence to the special permit condition described above.

  
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and Programs  
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Date Signed