

A. INTRODUCTION

Unicom, Inc. (Unicom) plans to submit a financing request to the U.S. Department of Agriculture, Rural Utilities Service (RUS) to construct the proposed AU Aleutian (Project) in Alaska. RUS is considering this financing request. Prior to taking a federal action (i.e., providing financial assistance), RUS is required to complete an environmental impact analysis in accordance with the National Environmental Policy Act of 1969 (NEPA) (U.S.C. 4231 et seq.), the Council on Environmental Quality's (CEQ) regulations for implementing NEPA (40 CFR Parts 1500-1508), and RD's NEPA implementing regulations, Environmental Policies and Procedures (7 CFR Part 1970).

After completing an independent analysis of an environmental report prepared by Unicom and its consultant, 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 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. Unicom published a newspaper notice, announcing the availability of the EA for public review, inaccordance with 7 CFR § 1970.102.

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 overall purpose of the Project is to deliver fast, reliable broadband service to six rural Alaska Native Aleut villages for the first time to support economic development and social services.

There is no terrestrial broadband service connection to Alaska's communities across the Aleutian Islands today; all existing communications rely on satellite service. The proposed project's six isolated Aleutian Islands communities are neither connected by road nor an intertied electrical grid. Unalaska, the proposed southwest termination point, is the largest of these communities and is located 800 miles from the nearest urban center (i.e., Anchorage).

Unalaska is home to approximately 4,700 year-round residents, with a seasonal influx of another 4,000 people who support the fishing industry in the largest fishing port in the United States by volume. Unalaska's fishing industry anchors local economies throughout the Aleutian Chain, including supporting several large fish processing plants, generating \$279 million in revenues annually. Unalaska is positioning itself as a gateway to the Arctic Ocean as its strategic location as a port will continue to increase as sea ice continues to recede.

Although Unalaska has a robust business community and significant population, its extreme remoteness, lack of existing infrastructure, harsh weather, and other factors have prevented a sustainable business case for broadband infrastructure investment. The lack of broadband access limits economic development and efficiency of services delivered by health care providers, schools, and tribal entities.

RUS has reviewed the purpose and need for the Project and determined that the proposal will meet the present and future needs of Unicom.

C. <u>ALTERNATIVES EVALUATED</u>

1. No Action

Under the No Action Alternative, RUS would not provide financial assistance to Unicom, and/or the proposed Project would not be constructed. This alternative would not assist Unicom in providing a terrestrial-based fiber optic connection to the project's six Aleutian communities.

2. Action Alternative (Preferred Alternative)

Under the Action Alternative, RUS would consider financing the proposed Project, and Unicom would construct AU Aleutian. The proposed project would install an approximately 793-mile-long submarine fiber optic cable connecting Larsen Bay, Chignik Bay, Sand Point, King Cove, Akutan, and Unalaska to an existing company-owned middle-mile fiber network. From Kodiak, the fiber optic cable would be laid down the Shelikof Strait and then parallel the Alaska Peninsula to the southwest until it reaches Unalaska. The cable would branch off to transmission regeneration sites located at Larsen Bay, Chignik Bay, Sand Point, and King Cove, with an additional branch (without signal regeneration) to Akutan. Services to end users are to be provided in these five communities and Unalaska.

Basic Project activities include the following:

- Buried broadband fiber cable (terrestrial)
 - Construction by trenching would total approximately 50 miles; trenches would be no deeper than 3 feet in depth and 3 feet wide and be generally constructed within existing road rights-of-way (ROW) and within existing disturbance when feasible
- Buried broadband fiber cable (marine)
 - Construction by trenching would total approximately 620 miles; trenches would be no deeper than 5 feet and 1 foot wide
 - Installation by laying cable on seabed would total approximately 173 miles; no burial would occur
- Installation of vaults
 - Construction of new vaults would total 268 placed at a depth no greater than 5 feet
- Prefabricated communications shelter on small gravel pads
 - Placement of six prefabricated shelters (approximately 25 feet long, 15 feet wide, and 10 feet high) would be housed on 625-square-foot gravel pads

The project would occur in primarily remote communities and villages on private or municipal lands, and crosses federal waters, state-owned tidelands, and wetlands.

Table 1 summarizes project elements by community.

Community	Number of Vaults	Fiber placed between MLW and BMH (linear feet)	Fiber placed between BMH and Existing Facilities (linear feet)	Fiber placed between Existing Facilities and End Users (linear feet)
Mill Bay (Kodiak)	0	202.4	0	0
Larsen Bay	12	404.8	731.1	8,994.2
Chignik Bay	18	721.6	1,624.2	16,521.5
Sand Point	24	214.6	2,950.6	31,476.0
King Cove	20	68.8	1,919.4	19,549.0
Akutan	10	49.2	334.2	4,560.5
Unalaska	184	50.0	5,314.0	152,881.9
Total	268	1,711.4	12,873.5	233,983.1

Table 1: Project Elements by Community

Note: BMH (beach manhole); MLW (mean low water).

3. Alternatives Eliminated from Further Consideration

In addition to the No Action Alternative and Action Alternative, Unicom considered other technology and siting alternatives, which are documented in the Alternatives section of the EA.

D. SUMMARY OF ENVIRONMENTAL EFFECTS

The analyses in the EA documented that the proposed Project would have no adverse effects to wetlands, threatened or endangered species, critical habitat, essential fish habitat, or historic and cultural properties. A summary of anticipated impacts on the human environment is provided below, including any mitigation measures deemed necessary to avoid or minimize impacts. Unicom is responsible for implementing these measures.

Wetlands and Waters of the U.S. (WOUS)

United States Fish and Wildlife Service (USFWS) National Wetlands Inventory data is not available within the project area. Without field verification, wetlands are assumed to be present in all undisturbed, vegetated areas above mean high water (MHW). There is no indication that vegetation in the project footprint is unique or uncommon in the region. DOWL used existing drone imagery, published tidal elevations, and other information to determine the HTL and MHW for each site. Tidelands extend from low tide to MHW, and navigable waters include territorial seas.

Complete avoidance of impacts to wetlands and WOUS is not feasible; however, impacts have been minimized by siting project features in developed/disturbed areas to the greatest extent possible. Any trenching work conducted in vegetated areas would be assumed to result in temporary impacts to jurisdictional resources and all fill (e.g., beach manholes, shelter pads, vaults) would result in permanent impacts to jurisdictional resources.

The estimated area of temporary impacts to wetlands and WOUS is approximately 6.65 acres. Permanent impacts from the construction of project facilities would impact approximately 4,275 square feet (0.10 acre). Temporary impacts from trenching between

facilities and end users would be permitted along with the permanent impacts under a single U.S. Army Corps of Engineers Nation Wide Permit 57, with one permit for each affected community.

Essential Fish Habitat

Essential Fish Habitat (EFH) is present throughout the project area. An EFH Assessment identified approximately 37 species of fish with designated EFH within 1 mile of the proposed cable route. The project may temporarily adversely affect EFH during construction due to temporary habitat alteration in the trench path; temporary localized turbidity increase in the trench path; and short-term entrainment or mortality of individuals in the trench path. Although EFH in the project area would be adversely affected, the project would not impact EFH to the point of causing major adverse impacts to fish populations. Individuals of a variety of species are expected to move successfully into similar habitats, since the impacted habitats are not unique or rare. All effects would be temporary and conservation measures would be used to avoid and minimize impacts to the extent possible. The EFH Assessment was submitted to the National Marine Fisheries Service (NMFS) for review and NMFS concurred on May 12, 2021 with a finding that the project may adversely affect EFH.

Threatened and Endangered Species

Ten threatened and endangered (T&E) species that occur within the project area. The project consulted with the NMFS and U.S. Fish and Wildlife Service (USFWS) for marine portions of the project area for species under their respective jurisdictions. The terrestrial project areas are adjacent to, but do not include marine foraging habitat for Steller's eider and short-tailed albatross. There is no designated critical habitat for either bird in the project area, and the presence of either bird in the project area would be incidental to flyover.

Section 7 consultation under the Endangered Species Act (ESA) was completed with USFWS and NMFS. Biological Assessments were prepared, and consultation resulted in a formal determination that the project may affect, but would not likely adversely affect or jeopardize the continued existence of any species listed under the ESA or result in the destruction or adverse modification of its critical habitat.

Critical Habitat

Additional consultation was conducted for the Mexico and Western North Pacific humpback whales distinct population segments critical habitat, which was designated on April 20, 2021. USFWS concurred on April 2, 2021 that terrestrial project elements would not likely adversely affect listed species. NMFS concurred on June 11, 2021 that marine project elements would not likely adversely affect critical habitat.

Historic and cultural properties

The area of potential effects (APE) for terrestrial operations would be approximately 30 feet on either side of all ground-disturbing work. The APE for marine activities would be 150 feet on either side of the cable laying route. The Alaska Heritage Resource Survey (AHRS) database was reviewed for previously recorded terrestrial sites in the APE; a total of 79 AHRS sites were identified that intersect or are located within the APE. Of these 79 sites: 7 sites were determined to be eligible for the National Register of Historic Places (NRHP); 1 is a National Historic Landmark; 3 are contributing properties to the National Historic Landmark; 2 have been determined not eligible for listing in the NRHP, and the remaining 66 have not been evaluated for NRHP eligibility.

A review of the AHRS database for the marine APE indicated the project would pass through 1 AHRS site. However, there are no known or identified submerged components associated with this property. Additionally, a review of the National Oceanic and Atmospheric Administration's Wrecks and Obstructions database was conducted, and it did not identify any documented features intersecting the marine APE.

A Programmatic Agreement (PA)was developed between RUS and the Alaska State Historic Preservation Office (SHPO) to allow for a phased process to identify, evaluate, assess, and avoid, minimize, and/or mitigate project effects on historic properties. The PA contains the following key agreements which must be completed by Unicom:

- A subsea sonar survey of the marine APE was completed in June 2021. Following the survey, the data will be reviewed by a marine archaeologist to identify potential anthropogenic or cultural remains within the marine APE. This review will include interpretation of remote-sensing geophysical and geotechnical data acquired in support of the project, as well as historic and archival database inventory records. The review will be submitted to RUS along with any recommended alignment changes based on the archaeological review. RUS and SHPO must approve the report prior to Unicom commencing installation of the project in the marine APE.
- For the terrestrial APE, the base requirement of the PA is for the applicant to
 provide an archaeological monitor in all areas of ground disturbing activity in all
 communities for the project. However, if Unicom elects, the PA allows for
 Unicom to conduct cultural resource surveys within the communities to further
 refine the known locations and/or distribution of cultural resources within the
 communities. In these cases, Unicom must submit a proposed plan and
 research design to RUS and SHPO for approval prior to conducting fieldwork,
 and a report describing the results and recommendations for monitoring
 revisions based on the fieldwork to RUS and SHPO. RUS and SHPO must
 approve the report prior to Unicom commencing any modified construction in
 any community.

The PA was approved and signed by RUS, SHPO, the US Army Corps of Engineers, the Aleutiq Museum, and Oonalashka Corporation on July 13, 2021.

E. PUBLIC AND AGENCY INVOLVEMENT

A local newspaper advertisement and legal notice, announcing the availability of the EA and participation under Section 106 of the National Historic Preservation Act, was/were published on

- July 31 through August 2, 2021 in Anchorage Daily News (Alaska)
- August 2 through August 4, 2021, in Kodiak Daily Mirror
- August 2, 2021, on KSDP and KUCB radio

A copy of the EA was available for public review at

- Unalaska Public Library (64 Eleanor Street, Unalaska, AK 99685)
- Aleutians East Borough Anchorage Office (3380 C Street #205, Anchorage AK 99503)
- Anchorage (UAA Consortium Library, 3211 Providence Drive, Anchorage, AK 99508)

The 14-day comment period ended on August 14, 2021. RUS received no comments.

F. FINDING OF NO SIGNIFICANT IMPACT

Based on its EA, RUS has concluded that the proposed Project would have no significant effects to wetlands, threatened or endangered species, critical habitat, essential fish habitat, or historic and cultural properties. The proposed Project would not disproportionately affect minority or low-income populations.

In accordance with the National Environmental Policy Act, as amended (42 U.S.C. 4321 et seq.), the Council on Environmental Quality Regulations (40 CFR 1500–1508), and RD's Environmental Policies and Procedures (7 CFR Part 1970), 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 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 contingentupon, compliance with all relevant federal and state environmental laws and regulations. Because the 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 and its notices concludes RUS' 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 and publication of notices 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' 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.

H. APPROVAL

This Finding of No Significant Impact is effective upon signature.

Dated:

Laurel Leverrier Assistant Administrator Rural Utilities Service Telecommunications Program

Contact Person

For additional information on this FONSI and EA, please contact Mr. Peter Steinour, Environmental Protection Specialist at USDA, Rural Utilities Service, Engineering and Environmental Staff, 1400 Independence Avenue, SW, Washington DC 20250, e-mail: peter.steinour@usda.gov.