

**FINDING OF NO SIGNIFICANT IMPACT FOR THE ENVIRONMENTAL
ASSESSMENT FOR THE FIVEMILE CREEK HYDROELECTRIC PROJECT,
CHITINA, ALASKA (DOE/EA-2278)**

U.S. Department of Energy (DOE)

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: The U.S. Department of Energy (DOE) is relying upon the *Environmental Assessment for the Fivemile Creek Hydroelectric Project, Chitina, Alaska* (DOE/EA-2278) [referred to as the EA and is incorporated by reference into this Finding of No Significant Impact (FONSI)], prepared by the Denali Commission (DC), which analyzed the potential impacts of the Proposed Action. DOE's Proposed Action is to authorize the expenditure of federal funds by Chitina Electric Inc (CEI) to construct and operate a hydroelectric facility to support the village of Chitina, Alaska (AK).

The CEI Fivemile Hydroelectric Project was selected for a DOE financial assistance award under the Office of Indian Energy Policy and Programs funding opportunities, DE-FOA-0003045. The State of Alaska, through the Alaska Energy Authority, DC, and DOE are proposing to provide funds to design, permit, and construct the Project. The Project and awards would assist with constructing and operating hydroelectric power in the remote tribal community of Chitina, which currently is relying on diesel for 100 percent of their electrical production. The EA was prepared pursuant to National Environmental Policy Act (NEPA) and covers the activities planned for the village of Chitina, AK. DOE has determined that the EA prepared for DC satisfies DOE's NEPA responsibilities for the proposal.

The EA evaluated two alternatives to address CEI's request for financial assistance: a No Action Alternative and the Proposed. The Proposed Action is the Preferred Alternative; it would meet the purpose and need for the Proposed Action and would also be protective of human health and the environment.

DOE has determined that the project as described under the Proposed Action alternative is substantially the same as that analyzed by the EA. DOE has further determined the project described under the Proposed Action would have no significant impact on the human or natural environment, and is substantially the same as that analyzed by DC. Therefore, DOE is selecting the Proposed Action and issuing this FONSI.

PURPOSE AND NEED: DOE's purpose for the DOE agency action is to comply with the DOE's statutory mandates in the Indian Tribal Energy Development and Self Determination Act of 2005¹ to provide Federal financial assistance to Tribes and Alaska Native Villages to increase access to affordable, reliable energy by advancing energy projects on Tribal lands.

¹ Energy Policy Act of 2005 (EPA 2005), Title V, § 502, codified at 42 U.S.C. § 7144e and 25 U.S.C. § 3501, et. seq.).

The need for the DOE action is to respond to Chitina Electric Inc's (CEI) request for financial assistance to complete construction and operation activities for the proposed hydroelectric project.

PROPOSED ACTION: The Proposed Action involves providing federal funds in support of construction and operation of a small-scale hydroelectric project on Fivemile Creek to supply energy to the community of Chitina, Alaska (the Proposed Project). The Proposed Action (project) would include construction, operation, and maintenance of a gravel access route; two temporary construction staging areas; diversion structure; penstock; powerhouse; and short overhead power line. Once constructed, the local utility, CEI, would own and operate the project.

ALTERNATIVES EVALUATED: DOE evaluated two alternatives as presented in the EA. Under the No-Action Alternative, DOE would not authorize the expenditure of federal funds by CEI in support of the Proposed Project. For purposes of analysis, DOE assumed the Proposed Project would not proceed if DOE does not authorize the expenditure of federal funds. The No Action Alternative was evaluated to provide a baseline for comparison with the Proposed Action Alternative, which is the Preferred Alternative. The Proposed Action (the Preferred Alternative) consists of authorizing the expenditure of federal funding by CEI to support the hydroelectric project for the village of Chitina.

No alternatives were considered but eliminated for further analysis, see Section 4.2 of the EA.

ENVIRONMENTAL CONSEQUENCES: The affected environment for the following resources at the project site were evaluated for potential impacts from the No Action Alternative and the Proposed Action (the Preferred Alternative):

- Land Ownership
- Cultural Resources
- Hydrology and Water Quality
- Wetlands and Other Waters of the U.S.
- Fish
- Essential Fish Habitat
- Wildlife
- Threatened and Endangered Species

Under the No-Action Alternative, the hydroelectric facility would not be constructed, and all resources areas would remain unchanged when compared to existing conditions.

The Proposed Action (the Preferred Alternative) would have short and long-term, negligible to moderate impacts to resources from construction and operation activities (Table 1).

Table 1. Summary of Impacts

Resource Area	Level of Expected Impact
Land Ownership	Negligible, Short-term and Long-term impacts
Cultural Resources	Negligible, Long-term impacts

Resource Area	Level of Expected Impact
Hydrology and Water Quality	Minor to Moderate, Short-term and Long-term impacts
Wetlands and Other Waters of the U.S.	Negligible to Minor, Short-term and Long-term impacts
Fish	Minor to Moderate, Short-term and Long-term impacts
Essential Fish Habitat	Negligible, Short-term and Long-term impacts
Wildlife	Negligible, Short-term and Long-term impacts
Threatened and Endangered Species	Negligible, Short-term and Long-term impacts

Applicant committed measures are listed in Section 5.2.3 of the EA and include items to avoid and minimize potential impacts from the Proposed Project.

CONSULTATIONS: DOE is relying upon DC’s consultations.

- In March 2022, AEA in conjunction with DC submitted a permit application to the Alaska Department of Fish and Game seeking authorization to construct and operate the project. ADF&G issued a fish habitat permit FH22-III-0118 for the project on June 1, 2022.
- DC made a determination of *no effect* for threatened and endangered species under Section 7 of the Endangered Species Act.
- On April 4, 2025, AEA received concurrence from Alaska State Historic Preservation Office (AK SHPO) with a *no adverse effect on historic properties* finding for the Proposed Action following a 30-day review period under Section 106 of the National Historic Preservation Act (NHPA).

CERTIFICATIONS: DOE has confirmed that the EA satisfies DOE’s NEPA responsibilities for the proposal.

PUBLIC AVAILABILITY AND CONTACT INFORMATION: The FONSI and EA are available at the following website: <https://www.energy.gov/nepa/doe-environmental-assessments>

For more information about this FONSI or EA:
Department of Energy
Golden Field Office
GONEPA@ee.doe.gov

Additionally, DOE notes that DC published the EA on October 4, 2025 and made it available for public comment for 15 calendar days. No comments were received.

DETERMINATION: Based on the information and analysis in the EA, DOE has determined that the Proposed Action would not constitute a major Federal action significantly affecting the quality of human health or the environment in accordance with NEPA, 42 U.S.C. §§ 4321 et seq and any relevant implementing regulations. Therefore, the preparation of an Environmental Impact Statement is not required.

DOE selects the Proposed Action from the *Environmental Assessment for the Fivemile Creek Hydroelectric Project, Chitina, Alaska* (DOE/EA-2278) and is issuing this FONSI.

Signature:

DAVID
CONRAD

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Date: 2026.01.09
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David Conrad

Deputy Director (Acting Director)

Office of Indian Energy

U.S. Department of Energy